

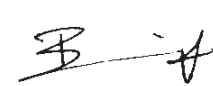
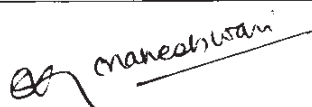


Form A

(Pursuant to SEBI Circular No. CIR/CFD/DIL/7/2012 dt. August 13, 2012)

1.	Name of the Company	Texmo Pipes and Products Limited
2.	Annual financial statement for the year ended	31 st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by:	
	• Mr. Sanjay Agrawal, (Managing Director)	
	• Mr. Satyendra Rathi, (Chief Financial Officer)	
	• Mr. Pankaj Somaiya, Partner- Pankaj Somaiya & Associates LLP (Statutory Auditors)	
	• Mr. Sunil Kumar Maheshwari (Chairman of Audit Committee)	



6th Annual Report 2013-2014



CORPORATE INFORMATION

Board of Directors 1. Smt. Rashmi Devi Agrawal - Chairperson and Non Executive Director 2. Mr. Sanjay Agrawal – Managing Director 3. Mr. Vijay Prasad Pappu – Whole Time Director 4. Mr. Shanti Lal Badera – Non Executive Independent Director 5. Mr. Sunil Kumar Maheshwari – Non Executive Independent Director 6. Mr. Chakradhar Bharat Chhaya– Non Executive Independent Director	Committees of Directors Audit Committee 1. Mr. Sunil Kumar Maheshwari – Chairman 2. Mr. Shanti Lal Badera – Member 3. Mr. Chakradhar Bharat Chhaya – Member 4. Mr. Vijay Prasad Pappu - Member Nomination & Remuneration Committee 1. Mr. Chakradhar Bharat Chhaya – Chairman 2. Mr. Shanti Lal Badera – Member 3. Mr. Sunil Kumar Maheshwari – Member Stakeholder’s Relationship Committee 1. Mr. Chakradhar Bharat Chhaya – Chairman 2. Mr. Shanti Lal Badera – Member 3. Mr. Sanjay Agrawal – Member Treasury Committee 1. Mr. Sanjay Agrawal – Chairman 2. Mr. Vijay Prasad Pappu – Member 3. Mr. Sunil Kumar Maheshwari – Member
Chief Financial Officer Mr. Satyendra Rathi	
Company Secretary & Compliance Officer Mr. Shyam Sunder Agrawal	
Registered Office 98, Bahadarpur Road, Burhanpur (M.P.) - 450331	Corporate Identification Number : L25200MP2008PLC020852
Bankers State Bank of India Bank of Baroda HDFC Bank Bank of India	Corporate Office 98, Bahadarpur Road, Burhanpur (M.P.) - 450331
Registrar & Share Transfer Agent Karvy Computershare Private Limited Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad-500031	Auditors Pankaj Somaiya & Associates LLP Chartered Accountants

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CHAIRPERSON'S MESSAGE

Dear Shareholders,

I have great pleasure in welcoming you all to the Sixth Annual General Meeting of your Company and presenting the Annual Report for the year ended 31st March 2014. At the outset, I would like to submit that in view of the general economic slowdown and passive investment activity in the country, the year 2013-14 was very challenging for the entire corporate sector in terms of maintaining business growth and profitability.

Despite to the adverse economic scenario, I am happy to inform that the Company recorded a growth of 15.78% in its turnover during the year which is ₹. 178.54 Crores as compared to ₹. 154.59 Crore in the previous year. In terms of Net Profit it registered a remarkable rise. Despite challenges our Company performed satisfactory. We are confident that that we have the caliber and potential to touch the new heights of success.

Company is continuously introducing new products to increase its product portfolio to gain competitive edge. In the series of our commercial production, one of our prestigious, glorious and most awaited project- CPVC Pipes and Fittings has been commenced. In India out of many, very few are the manufacturers of CPVC Pipes and Fittings and our Company is one of the prestigious manufacturers amongst them. In the near future, the Company is hopeful to acquire good market share and will achieve better sale turnover.

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

I would like to take this opportunity to appreciate all my Board members, Suppliers, Customers, Bankers, various Governments - semi government organisations, for their co-operation and having faith and trust in the Company.

I assure you that the company will witness a tremendous growth with a positive financial impact in near future. Finally, as always, my thanks to our employees, Shareholders, dealers, vendors and customers who make us what we are today.

With Best Wishes
Rashmi Devi Agrawal
(Chairperson)

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the members of the Company will be held on Saturday 27th September, 2014 at the registered office of the Company at 98, Bahadarpur Road, Burhanpur (M.P.) at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements for the year ended as at March 31, 2014, and the Reports of the Directors and the Auditors thereon for the said period..
2. To appoint a Director in place of Mrs. Rashmi Devi Agrawal (DIN: 00316248) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Pankaj Somaiya & Associates LLP, Chartered Accountants, Burhanpur (M.P.) (Firm Registration Number 010081C), the retiring Auditors pursuant to provisions of Section 139 of the Companies Act, 2013 be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors".

SPECIAL BUSINESS:

4. To appoint Mr. Chakradhar Bharat Chhaya (DIN:00968966) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. Chakradhar Bharat Chhaya (DIN:00968966) who was appointed as Director w.e.f. August 14, 2008 and is continuing as Independent Director and who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, and in respect of whom Company has received a notice in writing under section 160 of Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby formally appointed as Independent Director on the Board not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term up to conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019."

5. To appoint Mr. Shanti Lal Badera (DIN: 02295033) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. Shantilal Badera (DIN:02295033) who was appointed as Director w.e.f. August 14, 2008 and is continuing as Independent Director and who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and in respect of whom Company has received a notice in writing under section 160 of Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby formally appointed as Independent Director on the Board not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term up to conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019."

6. To appoint Mr. Sunil Kumar Maheshwari (DIN:03304103) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. Sunil Kumar Maheshwari (DIN:03304103) who was appointed as Director w.e.f. November 22, 2010 and is continuing as Independent Director and who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and in respect of whom Company has received a notice in writing under section 160 of Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby formally appointed as Independent Director on the Board not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term up to conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019."

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

“RESOLVED THAT in supersession of the resolution passed under section 293(1)(a) of the Companies Act, 1956 at the Annual General Meeting of the Company held on 28th September, 2011 and pursuant to section 180(1)(a) and other applicable provisions of the Companies Act, 2013 as amended from time to time the consent of the Company be and is hereby accorded to creation by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding ` . 250 crore together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.”

“RESOLVED FURTHER that the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

8. 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 provisions of Section 180(1) (c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications, amendments or re-enactments thereto for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include a Committee of the Board) for borrowing any sum or sums of monies from time to time for the purpose of the Company's business on such terms and conditions and with or without security from any bank, financial institution or any other lending institutions, firms, bodies corporate or persons, both in the national and international markets, as may be considered suitable by the Board, notwithstanding that the sum or sums of monies to be so borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of ` 250.00 Crores (Rupees Two Hundred Fifty Crores only) over and above the paid up capital of the Company and its free reserves;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may consider necessary desirable, expedient, usual or proper to give full effect to this resolution."

9. 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 provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

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."

10. 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 provisions of Section 188 and other applicable provisions of the Companies Act, 2013, if any and Companies (Meetings of the Board and its Powers) Rules, 2014 consent of the Company be and is hereby accorded for entering into related party transactions by the Company in 2014-15 up to the maximum per annum amounts as appended below:

Amount in Crore.

Name of Related Party	Transactions defined u/s 188 (1) of Companies Act, 2013				
	Sale, purchase or supply of any goods, materials	Selling or otherwise disposing of or buying property of any kind	Leasing of property of any kind	Availing or rendering of any services; Appointment of any agent for purchase or sale of goods, materials, services or property	Appointment to any office or place of profit
Shree vasudeo Industries	100	2	0.2	-	-
Shree Padmavati Irrigation Private Limited	5	2	-	-	-
Tapti Pipes & Products Limited FZE	20	-	-	-	-
Texmo Petrochemicals Private Limited	5	-	-	-	-
Mr. Sanjay Agrawal	-	-	0.25	1	-
Mrs. Rashmi Devi Agrawal	-	-	0.25	-	-
Mr. Vijay Prasad pappu	-	-	-	0.15	-
Mr. Satyendra Rathi	-	-	-	0.15	-

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof or any person authorized by the Board, be and are hereby authorized to execute the documents, deeds or writings required to be executed in relation to the transfer and vesting of the Business Undertakings and other incidental documents, make applications to regulatory and governmental authorities for the purposes of obtaining all approvals, consents, permissions and sanctions required by the Company and to do all acts and deeds to give effect to this resolution.”

BY ORDER OF THE BOARD OF DIRECTORS

Place: Burhanpur
Date: 14th August, 2014

Shyam Sunder Agrawal
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY STAMPED AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR THE HOLDING THE MEETING.
2. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking re-appointment/appointment as Directors under Item No. 2 of the Notice, are annexed hereto.
4. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the business under Item nos. 4 to 10 is annexed hereto.
5. Members/ Proxies are requested to bring along with them Annual Reports being sent to them and should bring the attendance slip sent herewith, duly filled, in order to attend the meeting.
6. The Share Transfer Book and Register of Members of the Company will remain closed from 22nd September 2014 to 27th September, 2014 (both days inclusive) for the purpose of Annual General Meeting of the Company.
7. Members are requested to send their queries, if any, at least seven days in advance of the meeting.
8. The Register of Director's Shareholding maintained under section 170 of the Companies Act, 2013, will be available for inspection at the venue to the Annual General Meeting of the company during the Annual General Meeting. The Register of Director's Share Holding is also available for inspection of the members at the registered office of the company, fourteen days before and three days after, the date of the Annual General Meeting of the Company.
9. The Company has connectivity from the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/ investors having their depository account. The ISIN No. For the Equity Shares of the Company is INE141K01013. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agents Karvy Computershare Private Limited, Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad –500 034
10. To promote green initiative as per circular issued by Ministry of Corporate Affairs in 2011, Members are requested to register their e-mail addresses through their Depository Participant where they are holding their Demat Accounts for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.

Voting through electronic means

11. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the listing agreement, the Company is pleased to provide members facility to exercise their right to vote at the 6th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by Karvy Computershare Private Limited.
12. The process and instructions for e-Voting are as under:
 - (i) In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (ii) To use the following URL for e-voting: <https://evoting.karvy.com>
 - (iii) Enter the login credentials i.e., user id and password mentioned below this communication. Your Folio No/DP ID Client ID will be your user ID.

- (iv) After entering the details appropriately, click on LOGIN.
- (v) You will reach the 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. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) You need to login again with the new credentials.
- (vii) On successful login, the system will prompt you to select the EVENT i.e. Texmo pipes and product Ltd.
- (viii) On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click “FOR” / “AGAINST” as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.
- (ix) Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- (x) Cast your vote by selecting an appropriate option and click on SUBMIT. 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, shareholders can login any number of times till they have voted on the resolution.
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail scrutinizer.ishwar@rediffmail.com
- (xii) Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.
- (xiii) The Portal will remain open for voting from: 10.00 a.m. on 19th September, 2014 to 6.00 p.m. on 20th September, 2014 (both days inclusive).
- (xiv) 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 <https://evoting.karvy.com> or contact Mr. Varghese P A of Karvy Computershare Pvt Ltd at 040 44655000 or at 1800 345 4001 (toll free).
- (xv) It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- (xvi) The results of e-voting will be announced by the Company in its website and also informed to the stock exchanges.

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

Item No. 2 - Brief profile of director, who retires by rotation and offers herself for re-appointment.

Mrs. Rashmi Devi Agrawal, aged about 45 years is the Chairperson of the Company. She is one of the Promoters of the company. She is an Arts graduate from Nagpur University, and having more than 14 years of rich experience in the field of forming the policies relating to Marketing and Human Resource Development.

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

As Special Business

Item No. 4 –

Mr. Chakradhar Chhaya (DIN: 00968966) was appointed as Director w.e.f. August 14, 2008 and is continuing as Independent Director. In order to comply with the provisions of Section 149(4), (10) & (11) and 152(6)(e) of the

Companies Act, 2013 and Clause 49 of the Listing Agreement, It is proposed to formally appoint Mr. Chakradhar Chhaya to hold office for 5 (five) consecutive years for a term up to conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019.

It may be noted that Mr. Chakradhar Chhaya has given a declaration under Section 149(7) of the Companies Act, 2013 that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013. Further, in the opinion of the Board also, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

It may also be mentioned that none of the other Directors (other than Mr. Chakradhar Chhaya) /Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board Recommends the Special Resolutions set out at Item No. 4 of the Notice for approval by the shareholders

Item No. 5 –

Mr. Shanti Lal Badera (DIN: 02295033) was appointed as Director w.e.f. August 14, 2008 and is continuing as Independent Director. In order to comply with the provisions of Section 149(4) ,(10) & (11) and 152(6)(e) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, It is proposed to formally appoint Mr. Shantilal Badera to hold office for 5 (five) consecutive years for a term up to conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019.

It may be noted that Mr. Shanti Lal Badera has given a declaration under Section 149(7) of the Companies Act, 2013 that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013. Further, in the opinion of the Board also, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

It may also be mentioned that none of the other Directors (other than Mr. Shanti Lal Badera) /Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board Recommends the Special Resolutions set out at Item No. 5 of the Notice for approval by the shareholders.

Item No. 6 –

Mr. Sunil Kumar Maheshwari (DIN: 03304103) was appointed as Director w.e.f. November 22.2010 and is continuing as Independent Director. In order to comply with the provisions of Section 149(4) ,(10) & (11) and 152(6)(e) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, It is proposed to formally appoint Mr. Sunil Kumar Maheshwari to hold office for 5 (five) consecutive years for a term up to conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019.

It may be noted that Mr. Sunil Kumar Maheshwari has given a declaration under Section 149(7) of the Companies Act, 2013 that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Further, in the opinion of the Board also, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

It may also be mentioned that none of the other Directors (other than Mr. Sunil Kumar Maheshwari) /Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolutions set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7 –

At the Annual General Meeting of the Company held on September 28, 2011, the Members had, by way of Ordinary Resolutions and in pursuance of the provisions of Section 293(1)(a) of the Companies Act, 1956, approved the creation of a mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts borrowed i.e. upto Rs. 250 crore, including interest, charges, etc. payable thereon, as the documents for the said purpose could contain the power to take over the management of the Company, in certain events.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Sections 293(1)(a) and 293(1)(d) of the Companies Act, 1956 would be

sufficient compliance of Section 180 of the Act until September 11, 2014. The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(a) of the Act respectively.

The Directors recommend the Resolutions at Item No. 7 of the accompanying Notice for the approval of the Members of the Company as special resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No. 7 of the notice

Item No. 8 –

Section 180(1) (c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money, where the money to be borrowed, together with the money already borrowed by the Company not exceed aggregate of its paid-up share capital and free reserves, apart from temporary loan obtained from the Company's bankers in the ordinary course of business, except with the consent of the company accorded by way of Special Resolution . The Board recommends the passing of Special Resolution at Item No.8 of the Notice.

None of the Directors or Key Managerial Personnel or their relatives of the Company is either directly or indirectly are interested or concerned in the proposed resolution.

Item No. 9-

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor M/s Sushil kumar Mantri & Associate, Cost Accountant to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, the audit fees will be ₹ 75,000/- (Rupees Seventy Five Thousand only).

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board Recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Shareholders.

Item No. 10-

The provisions of Section 188(1) of the Companies Act, 2013 that govern the following Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in case the paid-up share capital of a company is Rs. 10 crores or more, the prior approval of shareholders by way of a Special Resolution:

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof, of the company

Further, third proviso to section 188(1) provides that nothing shall apply to any transaction entered into by the company in its ordinary course of business other than transactions which are not on arm's length basis.

The provisions of section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

In the light of provisions of the Companies Act, 2013 the Board of Directors of your Company has approved the

proposed transactions along with annual limits that your Company may enter into with its Related Parties (as defined under the Companies Act, 2013) for the financial year 2014-15.

All prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are given in a tabular format in resolution itself for kind perusal of the members:

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the company if such member is a related party.

The Board of Directors of your Company has approved this item in the Board Meeting held on 14th August, 2014. The Board of Directors is of the opinion that the transactions are on arm's length basis and are in the ordinary course of business and recommends the resolution as set out in the accompanying Notice for the approval of members of the company as a Special Resolution.

Except Promoter, Directors and their relatives, no other Director is concerned or interested in the Resolution

BY ORDER OF THE BOARD OF DIRECTORS

Place: Burhanpur

Date: 14th August, 2014

Shyam Sunder Agrawal

Company Secretary

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

(Pursuant to Clause 49 of the Listing Agreement)

Particulars	Date of Birth	Date of Appointment	Qualifications	Expertise in specific functional areas	Chairmanships/ Directorships of other Companies (excluding foreign companies and Section 25 companies)	Chairmanships / Memberships of committees of other Public companies	Number of shares held in the Company
Smt. Rashmi Devi Agrawal	27.05.1967	13.08.2013	B.A.	Business Management	Texmo Petrochemicals Pvt. Ltd. Shree Padmavati Irrigations Pvt.Ltd.	-	3223500

DIRECTOR'S REPORT

Dear Shareholders,

Your directors are pleased to present the Sixth Annual Report and the Audited Financial Statements for the financial year ended 31st March, 2014.

Performance Highlights

The highlights of the financial results of the Company for the year ended 31st March, 2014 is summarized below

` in Lacs

Particulars	Standalone		Consolidated	
	2013-14	2012-13	2013-14	2012-13
Profit before Interest, Depreciation and Tax	1516.58	1462.00	1519.81	1465.43
Interest	716.57	727.72	716.57	727.72
Depreciation	548.90	511.72	548.90	511.72
Profit before tax	251.11	222.56	254.34	225.99
Provision for tax				
- Current tax	52.70	41.75	52.77	41.81
- Deferred tax	16.38	30.46	16.38	30.46
Profit after tax	182.03	150.35	185.20	153.72
Prior year adjustment	--	27.47	--	27.47
Profit after tax & prior year adjustments	182.03	122.88	185.20	126.25
Balance of profit brought forward from earlier years	2066.05	1943.17	2067.22	1940.96
Profit available for appropriation				
Appropriations:	2248.08	2066.05	2252.42	2067.22
Proposed dividend:				
- Equity	-----	-----	-----	-----
- Preference	-----	-----	-----	-----
Balance of profit	2248.08	2066.05	2252.42	2067.22

On a standalone basis your company recorded a turnover of ` 19,730.83 Lac for the year ended 31st March, 2014 as against ` 16,880.69 Lac in the previous year which shows an increase of 16.88%. Company had recorded a Manufacturing turnover of ` 19,361.19 Lac for the year ended 31st March, 2014 as against ` 16,615.33 Lac in the previous year which shows an increase of 16.53%.

On a standalone basis, the profit before interest, depreciation and tax for the financial year is ` 1516.58 Lac- as against ` 1462.00 Lac recorded in the previous year. The profit before tax for the financial year stood at ` 251.11 Lac compared to ` 222.56 Lac of the previous year. The profit after tax, before exceptional item for the financial year at ` 182.03 Lac compared to ` 122.88 Lac of the previous year.

On a consolidated basis, your Company has recorded Profit before tax of ` 254.34 Lac during the year and Profit after tax stood at ` 185.20 Lac.

Dividend

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

Industrial relations

The Board of Directors is happy to report that the industrial relations have been extremely cordial at all levels throughout the year.

Directors

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

Mr. Chakradhar Bharat Chhaya (DIN 00968966), Mr. Shantilal Badera (DIN 02295033) and Mr. Sunil Kumar Maheshwari (DIN 03304103) Non executive Directors of the Company are Independent Directors as per Clause 49 of the Listing Agreement with Stock Exchanges. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, the aforesaid persons are proposed to be appointed as Independent Directors for five consecutive years for a term upto March 31, 2019. Notice has been received from a member proposing the aforesaid Directors as candidates for the office of Director of the Company. In the opinion of the Board, aforesaid persons fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as an Independent Directors of the Company and are independent of the management. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of the aforesaid Directors as Independent Director. Accordingly, the Board recommends appointments of Mr. Chakradhar Bharat Chhaya (DIN 00968966), Mr. Shantilal Badera (DIN 02295033) and Mr. Sunil Kumar Maheshwari (DIN 03304103) as Independent Directors, for the approval by the shareholders of the Company.

All the appointments of the Directors of the Company are in compliance with the provisions of section 164 (2) of the Companies Act, 2013.

Deposits

During the year under review, your Company has not accepted any fixed deposits under Section 73 of the Companies Act, 2013.

Insurance

The assets of the Company are adequately insured against the loss of fire, natural calamities and such other risk considered by management of the Company.

Subsidiaries

Your Company has two wholly owned subsidiary companies viz., Tapti Pipes & Products Limited FZE, Sharjah and Texmo Petrochemicals Private Limited, Burhanpur.

Tapti Pipes & Products Limited (Overseas Subsidiary)

Tapti Pipes & Products Limited, a wholly-owned Subsidiary of the Company in FZE, Sharjah, UAE. It is engaged in the business of general trading. However during the year Company mainly traded in polymers, chemicals, metal and related products. During the year, your company invested USD nil towards share capital and total investment in said subsidiary till date amounted to USD 9620 . The said subsidiary company registered Net Profit for the year ended March 31, 2014 USD 4987.

Texmo Petrochemicals Private Limited (Indian Unlisted Subsidiary)

Texmo Petrochemicals Private Limited, a wholly-owned Subsidiary of the Company. Total investment in said subsidiary till date amounted to ` 2,00,00,000 The said subsidiary company registered Net Profit for the year ended March 31, 2014 ` 14,600/-

Management Discussion and Analysis

The Management's Discussion and Analysis of operations for the year under review, as stipulated under clause 49 of the listing agreement with the stock exchanges, is provided in annexure attached to this report.

Consolidated Financial Statements

A statement containing brief financial details of the Subsidiary Companies for the year ended 31st March, 2014 is included in the notes on the consolidated financial statement. As required under the Companies Act, 1956 and Companies Act, 2013 and Listing Agreements with the Stock Exchanges, the Company has prepared the Consolidated Financial Statements of the Company and its Subsidiaries as per Accounting Standard (AS) - 21 and form part of the Annual Report and Accounts.

In terms of General Circular No. 2/2011 dated February 08, 2011 issued by the Government of India, Ministry of Corporate Affairs granting general exemption under Section 212 of the Companies Act, 1956 and consent of the Board of Directors vide their resolution passed at the Board Meeting, the Company has not attached with its Balance Sheet as at March 31, 2014, copies of the Balance Sheet, Statement of Profit and Loss and reports of the Board of Directors and Auditors of the Company's subsidiaries and has disclosed the requisite information in the Consolidated Balance Sheet as at March 31, 2014.

Pursuant to the General Circular No: 2/2011 dated February 08, 2011 the Company hereby undertakes that:

- I. Annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the Company and subsidiary companies seeking such information at any point of time.
- II. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the registered office of the Company and of the subsidiary companies concerned.
- III. The Company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

Corporate Social Responsibility (CSR)

Corporate Social Responsibility forms an integral part of the Company's business activities. CSR activities have been formalized this year with identification of regional coordinators and finalization of CSR calendar for the year. The Company provides safe and healthy working environment to its employees.

Appointment of Cost Auditor

As per the Companies (Cost Records and Audit) Rules, 2014 the Company has appointed **M/s. Sushil Kumar Mantri & Associates**, Cost Accountants, Indore (M.P.), as the Cost Auditors for the purpose of conduct of Cost Audit of the Cost Accounting Records of the Company for the Financial Year 2014-2015.

Directors' Responsibility Statement

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956 as amended, with respect to the director's responsibility statement, it is hereby confirmed that:

- (a) in the preparation of accounts for the year ended March 31, 2014 the applicable Accounting standards had been followed along with proper explanation relating to the material departures;
- (b) the directors of the Company had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2014 and profit of the Company for the year ended March 31, 2014.
- (c) the directors of the Company had taken proper and sufficient care for the maintenance of proper accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (d) the directors of the Company had prepared the accounts of the Company for the financial year ended March 31, 2014 on a going concern basis.

Code of conduct

The Board has laid down a code of conduct for all Board members and Senior Management personnel of the Company. Board members and senior management personnel have affirmed compliance with the said code of conduct for the financial year 2013-14.

Listing

The equity shares of the Company are listed with Bombay Stock Exchange and National Stock Exchange. There are no arrears on account of payment of listing fees to the Stock Exchanges.

Auditors & Auditor's Report

The Company's Statutory Auditors, M/s Pankaj Somaiya and Associates, LLP, Burhanpur (M.P.) will retire at the ensuing Annual General Meeting of the company and being eligible offers themselves for re-appointment.

The Company has received a certificate from M/s. Pankaj Somaiya & Associates LLP to the effect that their appointment, if made, would be within the limits prescribed under Section 141 of The Companies Act, 2013. The Board of Directors recommends to the shareholders the appointment of M/s. Pankaj Somaiya & Associates LLP as Statutory Auditors of the Company.

The Auditors' Report is self explanatory and therefore, does not call for any further information or explanation under Section 217(3) of the Companies Act, 1956.

Particulars of Employees

The Company has not paid any remuneration attracting the provisions of the Companies (Particulars of Employees) Rules, 1975 read with sub-section (2A) of Section 217 of the Companies Act, 1956, hence statement containing particulars of employees falling under aforesaid is not required to be appended to this Report.

Conservation of Energy, Research and Development, Technology Absorption, Foreign exchange Earning and outgo

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earning and outgo as required by section 134 (3m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in Annexure-1 and forms part of this report.

Corporate Governance

The Company has been practicing the principles of good Corporate Governance during the year. As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the report on Management Discussion and Analysis, Corporate Governance as well as the Auditors certificate on corporate governance form part of the Annual Report. Your Company is also following the Secretarial Standard norms issued by the Institute of Company Secretaries of India (ICSI).

Acknowledgement

Your Directors place on record their sincere appreciation for significant contribution made by employees through their dedication, hard work and commitment.

Your Directors also acknowledge the support extended by the bankers, government agencies, shareholders and investors at large and look forward to receive the same support for our endeavor to grow consistently.

FOR AND ON BEHALF OF THE BOARD

Date: 14th August, 2014

Place: Burhanpur

Managing Director Whole Time Director

ANNEXURE -1

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

Information as required under section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out hereunder:

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures taken:

The following measures have been taken by the Company for conservation of energy.

1. Reducing power consumption by proper choice of capacitors from time to time depending upon the load.
2. Utilizing proper load of plant and equipments, electronic motors etc.
3. Reducing the maximum demand proper distribution of load.

(b) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, RESEARCH AND DEVELOPMENT:

- (i) Specific Areas in which R&D carried out by the Company and benefits derived as a Result thereof in several Years.

Your Company's R&D wing is dedicated to ensure production of best quality products conforming to international standards.

(ii) Future plan of Action

The Company doing its best to improve its quality and to control manufacturing cost.

(c) **Additional Investment and proposal for reduction of consumption of energy : NIL**

(d) **Impact of the above measures:** The impact of the measures taken is favourable.

(e) **Total energy consumption and energy consumption per unit of production:**

A. Power and fuel consumption		31.03.2014	31.03.2013
1. (a) Electricity			
(i) Purchase Unit		8911368	8706258
(ii) Total Amount (Rs.)		58424699	53479322
(iii) Rate/Unit (Rs.)		6.56	6.14
(b) Own Generation			
(i) Through Diesel Generator (Kwh) 160 KVA X2			
Units (Ltrs)		1153	1126
Total Amount		68205	55436
Average Rate (₹ /Ltrs)		59.14	49.23
(ii) Through Steam turbine Generator			
Unit		NIL	NIL
Unit per Ltr. Of fuel		NIL	NIL
Oil /Gas cost per unit		NIL	NIL
2. Coal and Lignite			
(i) Quantity (tons)		NIL	NIL
(ii) Total Cost (Rs.)		NIL	NIL
(iii) Average Rate (Rs./Tons)		NIL	NIL
3. Furnished Oil			
(i) Quantity (Ltrs.)		NIL	NIL
(ii) Total Cost (Rs.)		NIL	NIL
(iii) Average Rate (Rs./Ltr.)		NIL	NIL
4. Other internal Generation		NIL	NIL
B. FOREIGN EXCHANGE EARNING AND OUTGO			
C.I.F. Value of Imports, Expenditure and Earning in Foreign Currency			
(a) C.I.F. Value of Imports			
Raw material		23,09,19,201	22,02,57,775
Stores and Spares, Accessories		36,84,582	1,33,42,535
Capital goods		—	---
Total		23,46,03,783	23,36,00,310
(b) Expenditure in Foreign Currency			
GDR Issue Expenses		---	---
Subsidiary Incorporation Expenses (Tapti Pipes & Products Limited FZE)		---	---
Total		—	—
C. Earning in Foreign Currency			
FOB value of Export		NIL	NIL
Total			

FOR AND ON BEHALF OF THE BOARD

Date: 14th August, 2014

Place: Burhanpur

Managing Director

Whole Time Director

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher efforts. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance teams, Auditors and the senior management.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. The Company is in compliances with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges with regard to Corporate Governance.

Internal Control Systems

The Company has both external and internal audit systems in place. The Board and the Management periodically review the findings and recommendations of the auditors and take necessary corrective actions whenever required. The Auditors have access to the records and information of the Company. The Board recognizes the work of the auditors as an independent check on the information with respect to the operations and performance of the Company.

The internal audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of Company's operations. The safeguarding of assets and their protection against unauthorized use are also a part of these exercises.

The Company has an Audit Committee, the details of which have been provided below in this Report. The Audit Committee reviews the reports submitted by the Internal Auditors of the Company and follows up to ensure the implementation of corrective actions. The Committee also meets the Statutory Auditors to ascertain, inter-alia, their views on the adequacy of control systems in the Company and keeps the Board of Directors informed of its major observations from time to time.

Key Board activities during the year

The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. Its main function is to ensure that long term interest of the stakeholders are being served. Voluntary Corporate Governance Guidelines of the Ministry of Corporate Affairs, Government of India broadly outline a framework for corporate sector on important parameters like appointment of directors, guiding principles to remunerate directors; responsibilities of the Board, risk management, the enhanced role of Audit Committee are receiving attention of the Board of Directors of your Company.

Role of the Company Secretary in overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents and information as mentioned in Annexure-IA to Clause 49 of the Listing Agreement has been placed before the Board for its consideration and made available to the Directors and Senior Management for effective decision making at the meetings. All the Directors of the Company have access to the advice and services of the Company Secretary.

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.

2. BOARD OF DIRECTORS

The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews related party transactions, possible risks and risk mitigation measures. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

Composition of Board

At TPPL, it is our belief that an enlightened Board deliberately creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. At present the Board consists of 2 Executive Directors 1 Non-Executive Director and 3 Non-Executive Independent Directors. The Company has an Non-Executive Chairperson. The Company is having 3 Independent Directors which as per Clause 49 I A of the Listing Agreement is 50% of the total strength of Board of Directors of the Company, which meets the requirement relating to the composition of the Board.

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

All Directors are individuals of integrity and courage, with relevant skills and experience to bring judgement on the business of the Company.

Board Meetings held during the year

During the year 2013-14, Five Meetings of the Board of Directors were held on 28th May, 2013, 13th August, 2013, 30th October, 2013, 12th November, 2013 and 14th February, 2014. The maximum time gap between any two consecutive meetings did not exceed four months.

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, 2014 have been made by the Directors.

The previous Annual General Meeting of the Company held on **27th September, 2013** was attended by all the members of the Board of Directors except by Mr. C.B. Chhaya.

The details of attendance of Directors for the year 2013-14 at the Board Meetings and at the last Annual General Meeting are given below:

Name of Director	Category	Attendance at	
		Board Meeting	Last AGM
Mrs. Rashmi Agrawal	Non-Executive Director & Chairperson	3	YES
Mr. Sanjay Agrawal	Managing Director	5	YES
Mr. Vijay Prasad Pappu	Whole Time Director	3	YES
Mr. Shanti Lal Badera	Non-Executive & Independent Director	4	YES
Mr. Sunil Kumar Maheshwari	Non-Executive & Independent Director	4	YES
Mr. Chakradhar Bharat Chhaya	Non-Executive & Independent Director	3	NO

Remuneration to Executive Directors

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

Mr. Sanjay Agrawal is the Managing Director and Chief Executive Officer of the Company. The Salary and allowance paid to Mr. Sanjay Agrawal during the year 2013-14 were ` 12.00 Lac and Mr. Vijay Prasad Pappu is the Whole time director of the Company and the Salary and allowance paid to Mr. Vijay Prasad Pappu during the year 2013-14 were ` 12.00 Lac.

Notes:

There was no scheme of 'Employee Stock Options' during the year.

In all the cases, the service contract is for a period of five years from the date of appointment.

Performance is evaluated by the Nomination and Remuneration Committee. The recommendations of the Committee are further considered by the Board and a collective decision taken without participation of interested directors.

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 ₹ 10,000 for attending each meeting of the Board and Audit Committee and of ₹ 2,500 for attending each of the Stakeholders Relationship Committee and Nomination & Remuneration Committee Meetings was paid to the Non-Executive Directors during the year under review.

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

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

The Non-Executive Independent Directors did not have any material pecuniary relationship or transactions with the Company during the year 2013-14.

The details of Sitting Fees paid to the Non-Executive Directors during the year 2013-14.

No.	Name of Non Executive Directors	Sitting fees (₹)	Commission (₹)	Total
1.	Mr. Chakradhar Bharat Chhaya	75,000	Nil	75,000
2.	Mr. Shanti Lal Badera	1,00,000	Nil	1,00,000
3.	Mr. Sunil Kumar Maheshwari	90,000	Nil	90,000

Details of other Directorship and Committee Membership

Details with particulars of their Directorships and Chairmanship/ Membership of Board Committees in other Public Companies, in which they are Directors showing the position as on 31st March, 2014 are given below:

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

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

The Company has received Declarations of independence as prescribed in Clause 49.1.A (iii) of the Listing Agreements and section 149 of Companies Act, 2013 from Independent Directors.

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

Information placed before the Board of Directors

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

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

Board Support

The Company Secretary of the company attends all the meetings of Board and advises / assures the Board on Compliance and Governance principles.

Board Independence

Our definition of independence of Directors is derived from Clause 49 of the Listing Agreement and section 149 of Companies Act, 2013.

Director seeking Re-appointment

Particulars of the Director retiring by rotation and is eligible for re-appointment and their profile is given below **Smt.Rashmi Devi Agrawal** liable to retire by rotation and being eligible, has offered herself for re-appointment.

Mr. Chakradhar Bharat Chhaya, Mr. Shantilal Badera and Mr. Sunil Kumar Mahaeshwari will seek appointment as Independent Directors at the ensuing Annual General meeting. Their profiles are as under:

Brief Profile of directors seeking Re-appointment:

Smt.Rashmi Devi Agrawal

Smt. Rashmi Devi Agrawal, aged about 45 years is the Chairperson of the Company. She is one of the Promoters of the company. She is an Arts graduate from Nagpur University, and having more than 14 years of rich experience in the field of forming the policies relating to Marketing and Human Resource Development.

She also holds Directorship in one of our Subsidiary Company M/s Texmo Petrochemicals Private limited since 2012 and also holds Director in our promoter group company named M/s Shree Padmavati Irrigations Private Limited since 1998. She is also partner in our promoter group entities, Shree Balaji Industries and Shree Venkatesh industries.

Mr. Chakradhar Bharat Chhaya

Mr. Chakradhar Bharat Chhaya, aged about 70 years is the Independent Director of the Company and has more than 49 years of experience in the field of banking and finance. He completed his Bachelor of Commerce from University of Bombay in the year 1963. He is a Fellow member of Institute of Cost and Works Accountants of India. He is also a CAIIB (Certified Associate of Indian Institute of Bankers). He began his career in the year 1964 with Bank of Baroda. He worked at various positions before retiring as Managing Director of BOBCARDS Limited, a subsidiary of Bank of Baroda in 2003.

The various designations held by him during his career were Zonal Head and Convener of State Level Bankers Committee of Rajasthan and Nagar Rajbhasha Samiti of Jaipur (Banks), Deputy General Manager-Corporate Banking, Assistant General Manager - Central Inspection Division, Regional Manager - Jamnagar / Junagadh & Rajkot regions and Principal Officer for Sultanate of Oman Territory. At present, he is practicing as a Cost Accountant and undertakes corporate and NBFC advisory assignments.

Mr. Shantilal Badera

Mr. Shanti Lal Badera, aged about 69 years is the Independent Director of the Company and has more than 38 years of experience in the field of technical education. He completed his Bachelor of Mechanical Engineering from Indore University in the year 1968. He completed his Master of Technical Education from Barkatullah University, Bhopal in the year 1993. He began his career in the year 1972 with Government Polytechnic College, Sanawad. He also worked with Government Polytechnic College, Burhanpur as Principal. He retired from his services as Principal, Government Polytechnic College, Sanawad in March, 2007.

Mr. Sunil Kumar Maheshwari

Mr. Sunil Kumar Maheshwari, aged about 50 years is the Independent Director of the Company and has more than 26 years of experience in the field of Audit, management consultancy and Direct Taxes. He completed his Bachelor of Commerce from Doctor Harisingh Gour Vishwavidyalaya Sagar, Madhya Pradesh in the year 1984.

He is a Fellow member of Institute of Chartered Accountants of India. He began his career in the year 1988 as practicing Chartered Accountant at Burhanpur. He was associated as tax auditor and income tax consultant with M/s Shree Mohit Industries, Burhanpur (M.P.) from 1999 to 2004. He is mainly practising in Direct taxes and management consultancy. He also has specialisation in fund management and investment planning. He is also associated in professional capacity with several charitable & social organisations working in and around Burhanpur (M.P.).

Code of Conduct

The Board of Directors has laid down the Code of Conduct for all the Board Members and Senior Management of the Company. The copies of Code of Conduct/Ethics as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company - www.texmopipe.com.

The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2014. The Annual Report of the Company contains a Certificate by the Managing Director & CFO in terms of Clause 49 of the listing agreement.

Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 1992 read with Section 195 of Companies Act, 2013 and Company Code of Conduct for Prevention of Insider Trading is in place. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Designated persons (Directors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. The Compliance Officer is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "price sensitive information", pre-clearing of designated employees and their dependents trades (directly or through respective department heads as decided by the company), monitoring of trades and the implementation of the code under the overall supervision of the Board of the Company. All the Designated Employees are also required to disclose related information periodically as defined in the Code. Directors and designated employees who buy and sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares of the Company during the next six months following the prior transactions. The aforesaid Code is available at the website of the Company www.texmopipe.com.

3. TREASURY COMMITTEE

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

Composition of Treasury Committee, its Meetings and Attendance

During the year 2013-14, Three Treasury Committee Meetings were held on

The present composition of the Treasury Committee and number of meetings attended by the Members are given below:

Name of Director	Position held in Committee	No of Meetings attended
Mr. Sanjay Agrawal	Chairman	3
Mr. Vijay Prasad Pappu	Member	3
Mr. Sunil Kumar Maheshwari	Member	0

Mr. Shyam Sunder Agrawal, Company Secretary and Compliance officer act as the secretary to the Treasury Committee.

4. AUDIT COMMITTEE

The Audit Committee formed in pursuance of Clause 49 of the Listing agreement and Section 177 sub-section (2) of the Companies Act, 2013 is instrumental in overseeing the financial reporting besides reviewing the quarterly, half yearly, annual financial results of the company; it reviews company's financial and risk management policies and the internal control systems, internal audit systems, etc. through discussions with internal and external auditors and the following matters:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Appointment, removal and terms of remuneration of internal auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act 2013;
 2. Changes, if any, in accounting policies and practices and reasons for the same;
 3. Major accounting entries involving estimates based on the exercise of judgement 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.
- Monitoring the use of the proceeds of the proposed initial public offering of the Company.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing internal audit reports and adequacy of the internal control systems.
- Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism, when the same is adopted by the Company and is existing.
- Carrying out any other function as may be statutorily required to be carried out by the Audit Committee.

Composition of Audit Committee, its Meetings and Attendance

The Chairman of the Audit Committee is Mr. Sunil Kumar Maheshwari. During the year 2013-14, Four Audit Committee Meetings were held on 28th May, 2013, 13th August, 2013, 12th November, 2013 and 14th February, 2014.

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

Name of Director	Position held in Committee	No of Meetings attended
Mr. Sunil Kumar Maheshwari	Chairman	4
Mr. Shanti Lal Badera	Member	4
Mr. Chakradhar Bharat Chhaya	Member	3
Mr. Vijay Prasad Pappu	Member	2

Mr. Shyam Sunder Agrawal, Company Secretary and Compliance officer act as the secretary to the Audit Committee.

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

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

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

Composition of the Committee, its Meetings and Attendance

The Chairman of the Stakeholders Relationship Committee is Mr. Chakradhar Bharat Chhaya. During the year 2013-14, Four Meetings of the committee were held on 28th May, 2013, 13th August, 2013, 12th November, 2013 and 14th February, 2014.

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

Name of Director	Position held in Committee	No of Meetings attended
Mr. Chakradhar Bharat Chhaya	Chairman	3
Mr. Shanti Lal Badera	Member	4
Mr. Sanjay Agrawal	Member	4

Mr. Shyam Sunder Agrawal, Company Secretary and Compliance officer acts as the secretary to the committee.

Details of Shares held in Suspense Account

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

Sr.No.	Particulars	No. of shareholder	No. of shares
01	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year 01.04.2013.	2	150
02	Number of shareholders who approached the company for transfer of share from suspense account during the year.	Nil	Nil
03	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil	Nil
04	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 31.03.2014.	2	150
05	The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

Name and Designation of Compliance Officer

Mr. Shyam Sunder Agrawal
Company Secretary & Compliance Officer

Texmo Pipes and Products Limited
98, Bahadarpur Road, Burhanpur (M.P.)

Phone: - 07325-255122
Fax: - 07325-253273
Email- cs@texmopipe.com

In addition to the above e-mail 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 Committee in line with the requirement of Listing Agreement with the Stock Exchanges.

6. NOMINATION AND REMUNERATION COMMITTEE

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

Composition of the Committee, its Meetings and Attendance

The Chairman of the Nomination & Remuneration Committee is Mr. Chakradhar Bharat Chhaya. During the year 2013-14, Four Meetings of the committee were held on 28th May, 2013, 13th August, 2013, 12th November, 2013 and 14th February, 2014.

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

Name of Director	Position held in Committee	No of Meetings attended
Mr. Chakradhar Bharat Chhaya	Chairman	3
Mr. Shanti Lal Badera	Member	4
Mr. Sunil Kumar Maheshwari	Member	4

7. SUBSIDIARY COMPANIES

The Company has one non-listed Indian Subsidiary Company, namely Texmo Petrochemicals Private Limited (TPCPL). The Audit Committee review the financial statements and investments made by the unlisted subsidiary companies. The Minutes of the Board Meeting as well as statements of all significant transactions of the unlisted subsidiary companies are placed regularly before the Board of Directors for their review.

The Company also having unlisted foreign Subsidiary Company in Hamriyah Free Zone- Sharjah, U.A.E., namely Tapti Pipes & Products Limited FZE. The financial statements of the unlisted foreign Subsidiary Companies are being placed before the Board.

8. DISCLOSURES

Related Party Transaction

Details of materially significant related party transaction i.e. the transaction of the Company of material nature with its Promoters, the Directors or the Management or their relatives are presented under note no. 33 on notes forming part of the accounts. All details on the financial and commercial transaction, where Directors may have a potential interest are provided to the Board. The Interested Directors neither participate in discussion, nor vote on such matters.

Accounting Treatment in Preparation of Financial Statements

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

Risk Management

Company had established well-documented risk management framework. Under this framework, risk is identified across all business process of the Company on continuous basis. Once identified, these risks are systematically categorised as strategic risks, business risks or reporting risks.

During the year, the Board has reviewed the risk assessment and minimisation procedures adopted by the Company.

Proceeds from public issues, right issues, preferential issues etc.

The Company discloses to the Board of Directors and the Audit Committee, the uses/ application of the proceeds/ funds raised from the public issues and funds raised from Global Depository Receipts (GDRs) as part of the quarterly review of the financial results.

The Company did not have any of the right, preferential issues during the year under review.

Whistle Blower Policy

The Company is having Whistle Blower Policy and no personnel have been denied access to the Chairman of the Audit Committee.

Management Discussion and Analysis Report

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

Communications to Shareholders

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

Annual Report, Results and the Quarterly Financial Result are also available on the website of the Company <http://www.texmopipe.com> under investor's information section.

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 2014.

The aggregate Shareholding of the Promoters and Persons belonging to the Promoters Group as on 31st March 2014 comprised of 6162889 Equity Shares of Rs. 10/- each representing 25.87% of the total paid up Share Capital of the Company.

Disclosure of Non-Compliance by the Company during the last year

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

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

9. General Shareholders Information

General Body Meeting

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

Financial year	Date and time	Venue	Special Resolution passed
2011-12	26th September, 2012 at 11.30 AM	98, Bahadarpur Road, Burhanpur (M.P.)	No Special Resolution passed during the Meeting.
2012-13	27th September, 2013 at 11.30 AM	98, Bahadarpur Road, Burhanpur (M.P.)	1. Special Resolution was passed for the Re-appointment of Mr. Sanjay Agrawal, Managing Director and CEO 2. Special Resolution was passed for the Re-appointment of Mr. Vijay Prasad Pappu as Wholetime Director

Details of Special Resolution passed at Extra-ordinary General Meeting in last Two years.

During the year 2011-12 and 2012-13 no Extra-ordinary general Meeting was held.

Passing of Resolution by Postal Ballot

During the year, No resolution was passed through the Postal Ballot by the Shareholders.

Any Special resolution which is required to be conducted through postal ballot will be conducted as per prevailing law.

Annual General Meeting for the financial year 2013-14

Date	27 th September 2014
Venue	98, Bahadarpur Road, Burhanpur (M.P.) 450331
Time	11.30 A.M.
Book closure date	From 22 nd to 27 th September, 2014. (Both days inclusive)
Last date of receipt of Proxy forms	25 th September 2014. (Before 11.30 A.M. at the Registered office of the Company)

Financial Calendar

Financial Year of the Company has starting from 01st April to 31st March.

Tentative Calendar for financial year 2014-15

Quarterly Financial Results	Date of Board Meeting
1 st Quarterly results	First half of August 2014
2 nd Quarterly results	First half of November 2014
3 rd Quarterly results	First half of February 2015
4 th Quarterly results	Second half of May 2015

Listing Details

At present, the Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). GDRs issued by the Company have been listed at Luxembourg Stock Exchange w.e.f. 12th April 2011.

The Annual Listing fees for the financial year 2014-15 have been paid to the stock exchanges.

The Company has paid Annual Custodial Fees for the year 2014-15 to the National Securities Depository Limited and Central Depository Services (India) Limited on the basis of beneficial accounts maintained by them as on 31st March 2014.

Equity Shares	Global Depository Receipts (GDRs)
Bombay Stock Exchange Limited 16th Floor, P.J. Tower, Dalal Street, Mumbai 400001	Luxembourg Stock Exchange Societe de la Bourse de Luxembourg, L-2011, Luxembourg
National Stock Exchange of India Limited Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai 400051	

Stock Codes

Table 1

Name of the stock Exchange	Stock Code
Bombay Stock Exchange Limited	533164
National Stock Exchange of India Limited	TEXMOPIPES
ISIN of Equity Shares	INE141K01013
ISIN of GDRs	US8830251083
Luxembourg Stock Exchange	TEXMO-LX

Overseas Depository for GDRs

The Bank of New York Mellon
22nd Floor, 101 Barclay Street,
New York, NY 10286 USA

Domestic Custodian of GDRs

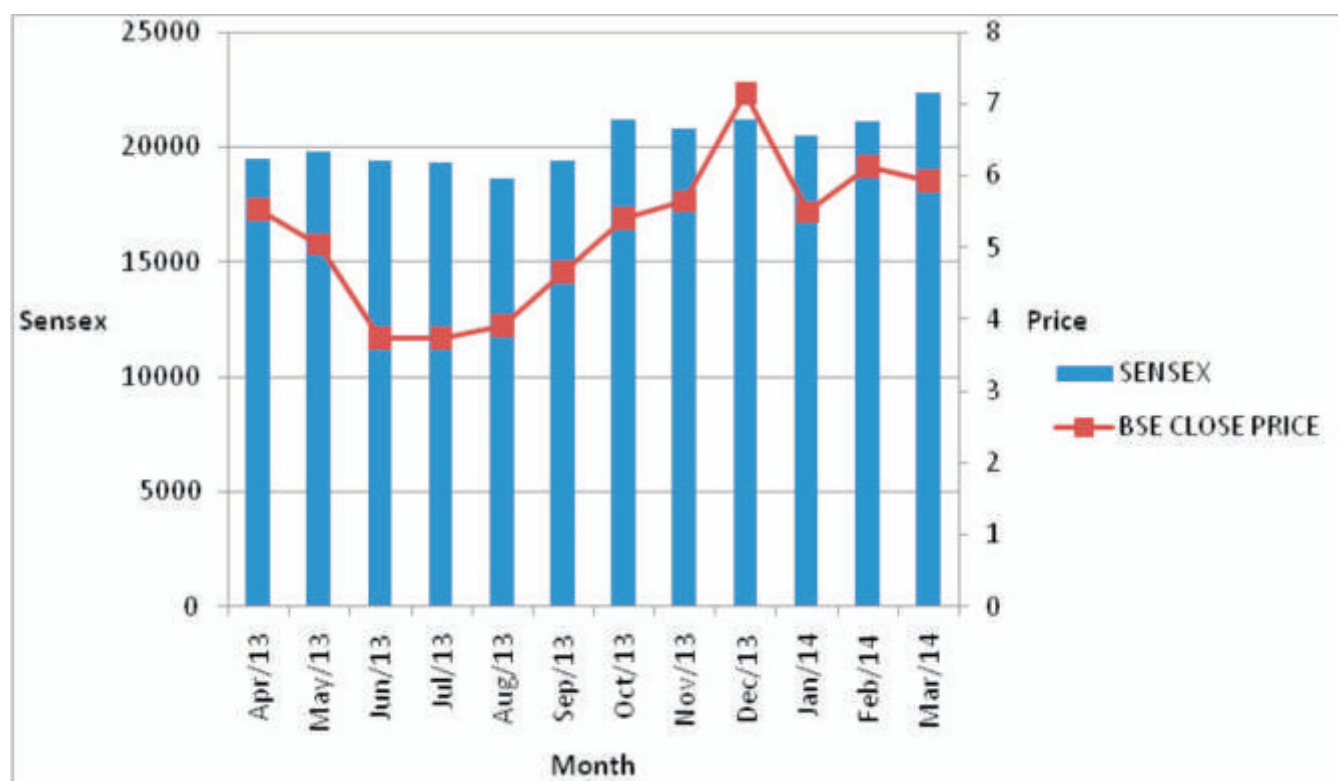
DBS Bank Limited
Securities Services, 5th Floor Front House,
221, Dr. D.N. Road,
Mumbai 400001

Share Price Data

The details of High, Low Prices of shares of the company at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2014 are as under:

Period – from 01st April, 2013 to 31st March, 2014

Months	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2013	6.44	4.80	6.45	4.80
May 2013	6.59	4.38	6.70	4.80
June 2013	5.20	2.70	5.20	2.70
July 2013	4.59	3.63	4.60	3.70
August 2013	4.11	3.51	4.10	3.55
September 2013	5.38	4.00	5.20	3.95
October 2013	5.75	4.43	5.80	3.55
November 2013	6.50	4.85	6.40	4.80
December 2013	8.14	5.65	8.30	5.60
January 2014	7.80	5.31	7.80	5.00
February 2014	7.00	4.85	6.95	5.00
March 2014	6.60	5.60	6.60	5.00


Distribution of Shareholding as on 31st March, 2014

No. of Equity Shares held	Shareholders		Equity Shares held	
	No. of shareholders	% of total	Amount	% amount
001 – 5000	9801	77.71	15065530.00	06.32
5001-10000	1257	09.97	10389030.00	04.36
10001-20000	748	05.93	11507020.00	04.83
20001-30000	241	01.91	6243360.00	02.62
30001-40000	129	01.02	4657840.00	01.96
40001-50000	110	0.87	5185590.00	02.18
50001-100000	169	01.34	12493240.00	05.24
100001 & above	157	01.24	172658390.00	72.48
Total	12612	100.00	238200000.00	100.00

Shareholding Pattern as on 31st March, 2014

Category	No. Of shareholders	No. Of share held	% of equity
Promoters holding	9	6162889	25.87
Public shareholdings			
Clearing member	40	31953	0.13
Foreign Corporate-DR	1	669000	2.81
Foreign Institutional Investor	1	811000	3.40
HUF	235	327438	1.37
Bodies Corporate	312	7195169	30.21
Non Resident Indians	90	280701	1.18
Resident Individual	11924	8341850	35.02
Total	12612	23820000	100.00

Director`s Shareholding as on 31st March, 2014

S. No.	Name of Director	No. of Share Held	% of Holding
1.	Mrs. Rashmi Devi Agrawal	3001500	12.60
2.	Mr. Sanjay Agrawal	3007500	12.63
3.	Mr. Vijay Prasad Pappu	1200	0.01
4.	Mr. Shanti Lal Badera	Nil	Nil
5.	Mr. Chakradhar Bharat Chhaya	Nil	Nil
6.	Mr. Sunil Kumar Maheshwari	Nil	Nil
	Total	6010200	25.24

Dematerialization of Shares and Liquidity

2,38,19,885 Equity Shares representing 99.99% of the total equity share capital of the company is held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2014.

The bifurcation of shares held in Physical & Demat form as on 31st March 2014, is given below.

Category	No. Of shareholders	No. Of share held	% of equity
Physical	3	115	0.00
Demat Segment	NSDL	7229	31.96
	CDSL	5380	68.03
Total	12612	23820000	100.00

Outstanding GDRs and likely impact on Equity

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 2014, 33,450 GDRs were outstanding and representing 6,69,000 underlying equity shares of the Company.

Investor Services
Web based query redressal system

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

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

Karvy Computershare Private Limited, Registrar & Transfer Agents (RTA) of the Company has confirmed that one complained received during FY 2013-14 from the shareholder which was related non receipt of annual report, same was resolved to the satisfaction of shareholders

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.

Registrar and Transfer Agents

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

Karvy Computershare Private Limited

Karvy House, 46, Avenue 4,
Street No. 1, Banjara Hills,
Hyderabad - 500 034
Tel: +91-40-2342 0815-28

Plant Locations

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

Address for Correspondence

Shareholder's correspondence: Shareholders may correspond with:

1. Registrar & Transfer Agents for all matters relating to transfer / dematerialization of shares, payment of dividend, IPO refunds / demat credits at:
Karvy Computershare Private Limited
Karvy House, 46, Avenue 4,
Street No. 1, Banjara Hills,
Hyderabad - 500 034
Tel: +91-40-2342 0815-28
Fax: +91-40-2331 1551
2. Shareholder may also contact:
Mr. Shyam Sunder Agrawal
Company Secretary & Compliance Officer
Texmo Pipes and Products Limited
98, Bahadarpur Road, Burhanpur (M.P.)
Tel. No. 07325-255122
Email id- cs@texmopipe.com

10. Compliance

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

Mandatory Requirements

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

Adoption of Non-Mandatory Requirements

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

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.

Reconciliation of Share Capital

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

Go-Green Initiative

Ministry of Corporate Affairs (MCA) has undertaken a 'Green Initiative' in the field of Corporate Governance by permitting the delivery of documents viz. notices of meetings, annual reports etc. to the Shareholders through electronic mode vide its Circular No.17/2011 dated 21 April 2011. In pursuance of same, we take immense pleasure in informing you that your company had started this from last two year onwards, initiated this Go-Green Programme by sending the soft copies of the Annual Report to the Shareholders who have already registered their E-mail Ids with the Company's 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.

Auditors Qualification on Financial Statement

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

Auditor's Certificate on Corporate Governance

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

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

11. INFORMATION PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

Loan and Advances in the nature of loan to Subsidiaries:

Amount in ` Lac		
Name the Company	Balance as at 31st March 2014	Maximum outstanding during the year
Tapti Pipes & Products Limited FZE	4972.33	4972.33

12. CEO/ CFO CERTIFICATE

As required under clause 49 V of the Listing Agreement with the Stock Exchanges, Mr. Sanjay Agrawal, Managing Director Cum Chief Executive Officer and Mr. Satyendra Rathi, Chief Financial Officer of the Company have certified to the Board regarding financial statements for the year ended 31st March, 2014.

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

13. 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 2013-14.

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

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

I confirm that the company has in respect of the financial year ended 31st March, 2014, 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, 2014 of the company.

For Texmo Pipes and Products Limited

Date: 14th August, 2014
Place: Burhanpur

Sanjay Agrawal
(Managing Director)

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

To
The Board of Directors
Texmo Pipes and Products Limited

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

- a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2014 and that to the best of our knowledge and belief, we state that:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year 2013-14, which are fraudulent, illegal or violative of the Company's code of conduct;
- c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or proposed to be taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee -
 - Significant changes, if any, in internal control over the financial reporting during the year 2013-14;
 - Significant changes if any in accounting policies made during the year 2013-14 and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over the financial reporting.

Place: Burhanpur
Date: 14 August 2014

Satyendra Rathi
Chief Financial Officer

Sanjay Agrawal
Managing Director

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of corporate governance by Texmo Pipes and Products Limited for the year ended on 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the company with the stock exchange.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by Directors and the Management we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing agreements.

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

For and on behalf of
Pankaj Somaiya & Associates LLP
Chartered Accountants
Firm Regn. No. 010081C

Place : Burhanpur
Date : 14th Aug, 2014

CA Pankaj Somaiya
Partner
Membership No. 79918

MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and Developments

The Indian plastic industry has taken great strides. The industry grew by 13 per cent annually in last five years and expect to continue double-digit growth beyond 2016-17. Indian Plastic Industry is currently growing at a Compounded Annual Growth Rate (CAGR) of about 20%. The material is gaining notable importance in different spheres of activity and the per capita consumption is increasing at a fast pace. Continuous advancements and developments in polymer technology, processing machineries, expertise, and cost effective manufacturing is fast replacing the typical materials in different segments with plastics.

On the basis of value added, share of India's plastic products industry is about 0.5% of India's GDP. The export of plastic products also yield about 1% of the country's exports. The sector has a large presence of small scale companies in the industry, which account for more than 50% turnover of the industry and provides employment to an estimate of about 0.4 million people in the country. Approximately Rs 100 billion are invested in the form of fixed assets in the plastic processing industry.

Indian plastic industry has made significant achievements in the country ever since it made a promising beginning with the start of production of polystyrene in 1957. The industry is growing at a rapid pace and the per capita consumption of plastics in the country has increased several times as compared to the earlier decade.

Opportunities and Threats

The Indian plastic industry clearly has the potential to continue its fast growth. However, over the next few years, competition in the industry is expected to increase considerably, as a result of global trends, which will become applicable to the liberalizing economy of country. To survive the competition, both polymer manufacturers and processors will need to adopt radically new methods and approaches to reduce costs, improve market and customer service and management of performance.

The per capita consumption of plastics in India is well below the world average. However it also reflects the many years of growth ahead, as the country's economy continues to grow and upgrade the usage of products. Translating the expected growth rate into incremental demand, it is obvious that the country will remain one of the largest sources of additional demand for almost all kinds of plastics. In telecom sector with the rise of 3G & 4G cable ducting laying throughout the country will give impulse in higher capacity utilization.

The Company has established a strong dealer network of about 400 dealers which is continuously increasing due to its wide popularity, continual improvement and enhancement of customer satisfaction on the quality of our products and the services. Company is continuously launching new products to increase its product portfolio to gain competitive edge. In this series commercial production of one of our most prestigious and much awaited project of CPVC Pipes and Fittings has been started. There are limited manufacturers of CPVC Pipes and Fittings in India as raw material and technology is very costly. Also there are very few suppliers of CPVC raw material in the world who provide material only after entering into agreement.

CPVC Pipes and Fittings are mainly used in bathroom and sanitary. The special characteristic it possesses is of sustaining temperature upto + and - 110 degrees. The Company is already present in the market with full range of UPVC and SWR Pipes and Fittings. Now with commencement of CPVC Pipes and Fittings, The Company will be covering full range of bathroom and sanitary. In the near future, the Company will get big market share and sale will get major boost accordingly.

Segment wise performance

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

Particulars	Amount in Lacs	
	Sale in 2013-14	Sale in 2012-13
Sales - HDPE PIPE SALES	4,675.64	4,209.91
Sales - PVC Pipe Sales	12,148.91	10,619.67
Sales - PVC Moulding Fittings	1,443.88	927.95
Trading Sale	369.64	265.36
Total	18,638.07	16,022.89
Less Excise Duty	-877.67	-683.36
Add Sell Fit Charges	10.18	7.93
Add Change in inventory	83.53	111.60
Total Sales as per audit report	17,854.11	15,459.06

Outlook

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

Risks and Concerns

Financial charges in the form of interest is a massive matter of concerns for our Company as we are paying a substantial part of our profit in the form of our financial cost. Company is utilizing numerous bank facilities and consequently our financial cost is on the higher side. Serious efforts are required to bring it down.

The prices of raw material and its volatility always have an impact. Inflation element also affects the Company in adverse manner as it is major factor responsible for hike in cost of elements of production viz power & fuel, employees etc.

Internal Control System and their adequacy

The Company has adequate internal control procedure proportionate to the nature of its business and the size of its operations for the smooth conduct of its businesses.

Internal audit is conducted at regular intervals and covers the key areas of operations. It is an independent, objective and assurance function responsible for evaluating and improving the effectiveness of risk management, control and governance processes.

An Audit Committee inter alia, monitors performance of internal audit on a periodical basis through review of the audit plans, audit findings and promptness of issue resolution through follow-ups.

Discussion on Financial Performance with respect to operational performance

Despite the tough atmosphere in economy our Company performed reasonably. The main products of the Company are PVC Pipe, HDPE Coils, DRIP Rolls, Manufacturing fittings, HDPE PLB Duct, Casing Pipe etc. Client list of the Company includes various corporate sectors, Telecommunication sectors, Agricultural sectors and Govt. organization.

The Company recorded a growth of 15.78% in its turnover which is Rs, 178.54 Crores in the Current year as compared to Rs. 154.59 Crore in the previous year. In terms of Net Profit also, the Company registered a noteworthy rise of 48%. EPS of the Company is also gone up to 0.76 whereas it was 0.52 in the previous year.

Material development in Human Resources / Industrial relations front

Your Company continuously maintaining constructive relationship with its employees with a positive environment so as to improve efficiency. The industrial relations at plants were cordial. The Company ensures that all new employees are inducted seamlessly and consistently into the organization culture irrespective of the location they join.

Cautionary Statement

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Texmo Pipes and Products Limited, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Forming an Opinion and Reporting on Financial Statements Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 27 to the financial statements regarding fire insurance claim settlement less to the extent of Rs. 769.50 Lacs for which the Company has filed lawsuit against the Insurance Company, in view of the uncertainty related to the outcome of the lawsuit filed by the Company; no adjustments have been made in this regard to the financial Statements for the year ended 31st March 2014. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

CA Pankaj Somaiya

Place : **Burhanpur (M.P.)**

Partner

Date : **29th May, 2014**

Membership No.079918

ANNEXURE TO THE AUDITORS' REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets;
- (b) As explained to us all the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification as compared with the book records.
- (c) During the year, the Company has not disposed off substantial part of fixed assets and the going concern status of the Company is not affected;
- (ii) (a) The inventory has been physically verified at reasonable intervals during the year by the Management;
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) (a) As informed to us, the company has granted unsecured loans during the year to one such firm covered in the register maintained under section 301 of the Act. The Maximum involved during the period and the balances of said loans were aggregating to ` 11.45 Lacs and ` 43.85 Lacs respectively. As informed the company has not given any loans, secured or unsecured to companies or other parties listed in the register maintained under section 301 of the Act.
- (b) As per the information & records made available, the rate of interest and other terms and condition of Loans granted by the Company are prima facie not prejudicial to the interest of the company except to the extent that there are no covenants with regards to repayment of loan or interest thereon and security.
- (c) In respect of aforesaid loans granted, whether the amount (principal and interest) has been repaid/paid regularly or not cannot be commented upon, as there is no stipulation as payment/repayment of the principal amount including interest.
- (d) As per information given to us and on the basis of records made available to us and subject to (a) & (b) above, the Company has taken reasonable steps for recovery of overdue amount.
- (e) As Informed, the Company has not taken any loans, secured and unsecured from the companies, firms or other parties covered in register maintained under section 301 of Companies Act 1956. Accordingly the provisions Stated in Paragraph 4(iii) (e) to 4(iii) (g) of the order are not applicable.
- (iv) In our opinion, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system;
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.;
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- (vi) The Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under;
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the Company in respect of products where pursuant to the rules made by Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub section (1) of section 209 of the Companies Act, 1956, and we are of opinion that prima facie the prescribed accounts & records have been made & maintained.
- (ix)
 - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, custom duty, excise duty, cess and other statutory dues to the extent applicable to it.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, wealth tax, service tax, sales tax, custom duty, excise duty and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to records of the Company, the dues outstanding of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, on account of any dispute, are as follows:

S.No.	Name of the Statute	Nature of dues	Forum where dispute pending	Period to which relates	Amount (in ` lakhs)
1.	MP VAT Act	VAT	Additional Deputy Commission of Commercial tax, Indore	2010-11	1.77
2.	MP VAT Act	VAT	Appellate Deputy Commissioner of Commercial Tax, Indore	2010-11	37.74
3.	MP VAT Act	VAT	Appellate Deputy Commissioner of Commercial Tax, Khandwa	2009-10	4.08
4.	Entry Tax Act	Entry Tax	MP Commercial Tax Appellate Tribunal, Bhopal	2008-09	12.93
5.	Central Sales Tax Act	CST	MP Commercial Tax Appellate Board	2008-09	1.42
6.	Entry Tax Act	Entry Tax	MP High Court, Jabalpur	2007-08	36.32
7.	MP VAT Act	VAT	MP High Court, Jabalpur	2007-08	113.79
8.	Central Sales Tax Act	CST	MP High Court, Jabalpur	2007-08	44.95
9.	Income Tax Act	Income Tax	Commissioner of Income Tax (Appeals) II	2011-12	42.75
10.	Income Tax Act	Income Tax	Commissioner of Income Tax (Appeals) II	2010-11	16.04

- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash loss in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank. The Company had no transactions with financial institutions and had no debentures outstanding during the year;
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;

- (xiii) The nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies;
- (xiv) The Company does not deal or trade in shares, securities, debentures and other investments;
- (xv) On the basis of the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions;
- (xvi) On the basis of the records examined by us, and relying on the information compiled by the Company for co-relating the funds raised to the end use of term loans, we have to state that, the Company has, prima-facie, applied the term loans for the purposes for which they were obtained;
- (xvii) According to information and explanations given to us and on an overall examination of the financial statements of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of usage of funds, we are of the opinion that, prima-facie, as at the close of the year, short term funds have not been utilized for long term investment;
- (xviii) The Company has not made any preferential allotment of shares to the parties covered in the register maintained under section 301 of the Act;
- (xix) During the year, the Company has not issued any debentures;
- (xx) The company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we report that we have neither come across any instances of fraud on or by the Company, noticed or reported during the year, nor we have been informed of such cases by the Management.

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

Place : Burhanpur (M.P.)
 Date : 29th May 2014

CA Pankaj Somaiya
Partner
Membership No.079918

Balance Sheet as at 31st March 2014
(Amount in ` Lacs)

Particulars	Note	As at 31 st March 2014	As at 31 st March 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	1	2,382.00	2,382.00
(b) Reserves and surplus	2	9,371.88	9,189.85
		<u>11,753.88</u>	<u>11,571.85</u>
Non-Current Liabilities			
(a) Long-term borrowings	3	695.85	159.08
(b) Deferred tax liabilities (Net)	4	250.89	234.51
(c) Other Long term liabilities	5	10.40	8.45
		<u>957.14</u>	<u>402.05</u>
Current liabilities			
(a) Short-term borrowings	6	4,958.28	4,461.11
(b) Trade payables	7	2,828.22	1,800.86
(c) Other current liabilities	8	711.49	711.52
(d) Short-term provisions	9	121.88	113.46
		<u>8,619.87</u>	<u>7,086.95</u>
TOTAL		<u>21,330.89</u>	<u>19,060.85</u>
ASSETS			
Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		4,707.08	4,831.90
(ii) Intangible assets		31.95	31.82
(iii) Capital work-in-progress		6.68	-
(b) Non-current investments	11	215.79	204.34
(c) Long-term loans and advances	12	5,674.54	5,370.23
(d) Other non-current assets	13	769.50	769.50
		<u>11,405.55</u>	<u>11,207.79</u>
Current Assets			
(a) Current investments	14	82.23	137.25
(b) Inventories	15	6,090.94	4,698.02
(c) Trade receivables	16	2,143.19	2,127.93
(d) Cash and cash equivalents	17	576.84	333.07
(e) Short-term loans and advances	18	1,032.14	556.78
		<u>9,925.34</u>	<u>7,853.06</u>
TOTAL		<u>21,330.89</u>	<u>19,060.85</u>

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918
Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Satyendra Rathi
CFO

Vijay Prasad Pappu
Whole Time Director

Akhilesh Gupta
Company Secretary

Statement of Profit and loss for the year ended 31st March 2014
(Amount in ` Lacs)

Particulars	Note	For the year ended 31 st March 2014	For the year ended 31 st March 2013
REVENUE			
Revenue from operations	19	17,854.11	15,459.06
Other income	20	140.29	108.44
Total Revenue		17,994.40	15,567.50
EXPENSES			
Cost of materials consumed	21	13,142.29	11,327.79
Purchases of Stock-in-Trade	22	342.36	415.10
Changes in inventories	23	-263.03	-377.83
Employee benefits expense	24	733.94	640.68
Other Expenses	25	2,208.61	1,949.09
Finance costs	26	1,030.23	876.06
Depreciation and amortization expense	10	548.90	511.72
Preliminary Expenses			2.31
Total expenses		17,743.30	15,344.94
Profit before tax		251.11	222.56
Tax expense:			
(1) Current tax		52.70	41.75
(2) Deferred tax		16.38	30.46
(3) Short/(Excess) Provision for		--	27.47
Tax for earlier years			
Profit for the year		182.03	122.88
Earnings per equity share:			
(1) Basic		0.76	0.52
(2) Diluted		0.76	0.52

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918
Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Vijay Prasad Pappu
Whole Time Director

Satyendra Rathi
CFO

Akhilesh Gupta
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014
(Amount in ` Lacs)

Particulars	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and exceptional items	251.11	222.56
Adjustments for:		
Depreciation and amortization expenses	548.90	511.72
Interest Expenses	716.57	727.72
Other borrowing costs	313.66	148.34
Interest Income	(108.26)	(69.33)
Provisions for Doubtful Debts and Advances	18.38	16.02
(Profit)/Loss on Sale of Asset/Investments	(15.72)	3.47
Operating Profit before working capital changes	1,724.64	1,560.50
Adjustments for:		
(Increase)/Decrease in Trade receivables	(30.41)	2,240.58
(Increase)/Decrease in Inventories	(1,392.90)	(846.10)
(Increase)/Decrease in Other current assets	-	640.86
Increase/(Decrease) in payables	1,027.36	(592.10)
Increase/(Decrease) in Short Term Provisions	(2.54)	19.49
Increase/(Decrease) in Other current liabilities	(7.18)	(357.40)
Cash generated from operations	1,318.96	2,665.83
Direct taxes (paid)/Refund received	(44.06)	(152.32)
Net Cash from operating activities before Exceptional item	1,274.90	2,513.51
Exceptional items and prior period adjustment	-	-
Net Cash from operating activities	1,274.90	2,513.51
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment towards Fixed Assets/Capital Expenditure (net)	(694.71)	(269.54)
Proceeds from Sale of Investment	55.02	1,931.82
Investment in Subsidiary	-	(195.00)
Payment towards Purchase of investments	(11.45)	-
Increase/(Decrease) in Other long term liabilities	1.95	2.91
(Increase)/Decrease in Loan to Subsidiaries	-	(1,840.94)
(Increase)/Decrease in Long Term Loans and Advances	(36.60)	346.06
(Increase)/Decrease in Short Term Loans and Advances	(473.03)	-
Profit/(Loss) on Sale of Asset/Investment	15.72	(3.47)
Misc. Expenses	-	2.31
Interest Received	108.26	69.33
Net Cash used in investing activities	(1,034.85)	43.49
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (Net)	1,033.94	-
Repayment of borrowings (Net)	-	(1,632.02)
Interest paid	(716.57)	(727.72)
Other borrowing costs	(313.66)	(148.34)
Net Cash from/(used) in financing activities	3.71	(2,508.08)
Net increase/(decrease) in cash and cash equivalent	243.77	48.91
Effect of Exchange Difference on translation of Cash & Cash Equivalents	-	-
Cash and Cash Equivalents (Opening Balance)	333.07	284.16
Cash and Cash Equivalents (Closing Balance)	576.84	333.07
Notes:		
Cash and Cash Equivalents include:		
- Balances with banks	558.56	320.54
- Cash, Cheques on hand	18.28	12.53
Total	576.84	333.07

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918

Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Satyendra Rathi
CFO

Vijay Prasad Pappu
Whole Time Director

Akhilesh Gupta
Company Secretary

Significant Accounting Policies:

BACKGROUND

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

I. Basis of Preparation of Financial Statements

- a. The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) and are in consonance with the mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India and in view of the revision to the Schedule VI as per a notification issued during the year by the Central Government, the financial statements for the financial year ended 31st March, 2014 have been prepared as per the requirements of the Revised Schedule VI to the Companies Act, 1956. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.
- b. The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except stated otherwise.

II. Revenue Recognition

- a. Sales are recognized when goods are supplied and are recorded net of sales return, rebates, trade discounts, VAT/Central Sales Tax and excise duty.
- b. Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- c. Incentives are accounted for when the entitlements can be estimated with reasonable accuracy and conditions precedents to claims are fulfilled.

III. Use of Estimates

In preparation of financial statements estimates and assumptions are required to be made which affect the reported amounts of assets/liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. The difference between estimates and actual are recognized in the period in which results are crystallized.

IV. Fixed Assets

Fixed Assets are stated at historical cost. Cost includes freight, installation cost, duties, taxes, and incidental expenses but net of Excise duty (CENVAT) and VAT (ITR).

V. Depreciation

Depreciation is charged on Straight Line Method at the rate prescribed under Schedule XIV of the Companies Act, 1956.

VI. Intangible Assets

Intangible Assets (Computer Software SAP) is stated at cost of acquisition net of recoverable taxes and is amortized over a period of 5 years commencing from the date the asset is available to the company for its use.

VII. Borrowing Cost

Borrowing Cost attributable to acquisitions and construction of qualifying assets are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use and other borrowing cost are charged in the Statement of Profit & Loss.

VIII. Inventories

- a. Raw Materials, Stores & Spares, Finished Goods are valued at cost or net realizable value whichever is lower. Reusable Waste is valued at net realizable value.
- b. Raw Material and Finished goods are valued net of excise duty. However Finished Goods at branches are valued at inclusive of excise duty and freight.
- c. Goods or materials in transit are valued at cost to date.
- d. Cost comprises cost of purchase, cost of conversion and other cost incurred in bringing the inventory to present location and condition. Cost is arrived at weighted average basis.

IX. Foreign Currency Transactions:

- a) Revenue and Expense Items denominated in Foreign currencies are translated using the exchange rates in effect on the date of transaction. Transaction gains & losses realized upon settlement of foreign currency transactions are included in determining Net Profit for the period in which the transaction is settled. Transactions remaining unsettled are translated at year end rate.
- b) Premium/discount on forward foreign exchange contracts are pro rated over the period of the contract.

X. Employee Benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit & Loss of the year in which the related service is rendered.
- b) Post Employment benefits and other long term employee benefits are recognized as an expense in the statement of profit & loss for the year in which the employee has rendered services.

XI. Taxation

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

XII. Impairment of Assets

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

XIII. Provisions, Contingent Liabilities and Commitments

Provisions involving substantial degree of estimation in measurement are recognized when there is a permanent obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

XIV. Investments

Long Term Investments are carried at 'Cost'. However, the provision for diminution in the value is made to recognize a decline other than temporary in the value of investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Notes to the financial statement for the year ended 31st March 2014
Amount in ` Lacs

1. Share Capital	As at 31st March 2014	As at 31st March 2013
Authorised		
30000000 Equity Shares of ` 10 each	3,000.00	3,000.00
Issued Subscribed & Paid up		
23820000 Equity Shares of ` 10 each (23820000 Equity Shares of ` 10 each in Previous year)	2,382.00	2,382.00
Total	2,382.00	2,382.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
As at 31st March 2014

Particulars	Number	Amount in ` Lacs
Shares outstanding at the beginning of the year	23,820,000	2,382.00
Add : Shares Issued during the year	-	-
Less : Buy back of Shares during the year	-	-
Shares outstanding at the end of the year	23,820,000	2,382.00

- b) The Company has issued only one class of shares referred to as equity shares having a par value of ` 10/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All shares rank equally with regard to the Company's residual assets.
- c) The Company has not issued any bonus shares, equity shares pursuant to contract(s) without payment being received in cash and had not bought back any equity shares during the period of 5 years immediately preceding the Balance Sheet date.

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

Particulars	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
THE BANK OF NEW YORK MELLON, DR*	669000	2.81	4627860	19.43
SANJAY KUMAR AGRAWAL	3007500	12.63	3007500	12.63
RASHMI DEVI AGRAWAL	3001500	12.60	3001500	12.60

* The equity shares are held by depository custodian against 33450 GDRs outstanding as at March 31, 2014

Amount in ` Lacs

2. Reserves & Surplus	As at 31st March 2014	As at 31st March 2013
Securities Premium Account		
Opening Balance	6,564.04	6,564.04
Additions during the year	-	-
(A)	6,564.04	6,564.04
Foreign Currency Translation Reserve		
Opening Balance	559.76	485.73
(+) Current Year Transfer	-	74.03
(B)	559.76	559.76
Surplus in statement of profit and loss account		
Opening balance	2,066.05	1,943.17
(+) Net Profit/(Net Loss) For the current year	182.03	122.88
(C)	2,248.08	2,066.05
Total	9,371.88	9,189.85

Foreign currency translation reserve balance is on account of translation of year-end balance of foreign currency monetary items by applying closing rates as per AS 11.

Notes to the financial statement for the year ended 31st March 2014

Amount in ` Lacs

3. Long Term Borrowings	As at 31st March 2014	As at 31st March 2013
Secured		
Term loans		
from banks	745.74	440.16
Less : Current Maturity of long term loan	157.17	281.08
	588.57	159.08
From Other	86.20	-
Less : Current Maturity of long term loan	4.12	-
	82.08	-
Unsecured		
Terms Loans		
From Others	33.91	-
Less : Current Maturity of long term loan	8.71	-
	25.20	-
Total	695.85	159.08

- a) Bank of India Term Loan for Indore Godown of ` 33.86 Lacs (Previous Year: ` 77.37Lacs) repayable in 57 equal monthly installments repayable by November 2015 secured by Equitable mortgage of Godown and Personal Guarantees of Directors Mr. Sanjay Kumar Agrawal, Mr. Vijay Prasad Pappu and Mrs. Rashmidevi Agrawal.
- b) HDFC Bank Term Loan of ` 113.00 Lacs (Previous Year: ` 78.37 Lacs) has been enhanced during the Year 2013-14 by ` 40.38 Lacs repayable in 120 equal monthly installments repayable by April 2024 secured by Mumbai office of the Company.
- c) Bank of Baroda Term Loan for Plant & Machinery of ` 520.70 Lacs (Previous Year: Nil), first disbursement in May 2013 of ` 568.00 lacs, repayable within 66 months including initial moratorium period of 6 months, repayable by October 2019, secured on pari pasu charge on plant & Machinery and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigation Pvt. Ltd., Shree Balaji Industries and Shree Venkatesh Industries.
- d) SBI Term Loan of has been fully repaid during the year (Previous Year Balance: ` 234.88 Lacs).
- e) Vehicle Loans are secured by way of hypothecation Respective Motor Vehicles Purchased.
 - i) Bank of India Vehicle Loan of ` 6.37 Lacs (Previous Year: ` 16.31 Lacs) repayable within 54 equal monthly installments. Repayable by September 2015
 - ii) HDFC Bank Limited Vehicle Loan of ` 8.31 Lacs (Previous Year: ` 18.32 Lacs) Repayable within 36 equal monthly installments. Repayable by January 2015; the loans are secured by way of hypothecation of respective motor vehicles purchased.
 - iii) HDFC Bank Limited Vehicle Loan of ` 2.55 Lacs (Previous Year: ` 4.49 Lacs) repayable within 36 equal monthly installments. Repayable by May 2015; the loans are secured by way of hypothecation of respective motor vehicles purchased.
 - iv) HDFC Bank Limited Vehicle Loan of ` 22.84 Lacs (Previous Year: ` 10.44 Lacs) repayable within 36 equal monthly installments. Repayable by February 2017; the loans are secured by way of hypothecation of respective motor vehicles purchased.
 - v) HDFC Bank Limited Vehicle Loan of ` 8.38 Lacs (Previous Year: Nil) repayable within 36 equal monthly installments. Repayable by November 2016; the loans are secured by way of hypothecation of respective motor vehicles purchased.
 - vi) ICICI Bank Limited Vehicle Loan of ` 29.71 Lacs (Previous Year: Nil) repayable within 59 equal monthly installments. Repayable by June 2018; the loans are secured by way of hypothecation of respective motor vehicles purchased.
- f) Secured Loan From Others include Loan from Religare Fin Vest Limited of ` 86.20 Lacs (Previous Year: NIL), disbursed in March 2014 of ` 89.00 Lacs repayable in 120 equal monthly installments, repayable by April 2024 secured by Equitable Mortgage of Indore Office.
- g) Unsecured Loan From Others include Loan from Religare Fin Vest Limited of ` 33.91 Lacs (Previous Year: NIL) disbursed in March 2014 of ` 35.00 Lacs, repayable in 36 equal monthly installments, repayable by April 2017.

Notes to the financial statement for the year ended 31st March 2014
Amount in ` Lacs

4. Deferred Tax Liability (Net)	As at 31st March 2014	As at 31st March 2013
Deferred Tax Liabilities on account of timing differences		
Depreciation and others	250.89	234.51
TOTAL DEFERRED TAX LIABILITY	250.89	234.51

Amount in ` Lacs

5. Other Long Term Liabilities	As at 31st March 2014	As at 31st March 2013
Long Term Deposits from Dealers	10.40	8.45
Total	10.40	8.45

Amount in ` Lacs

6. Short Term Borrowings	As at 31st March 2014	As at 31st March 2013
Secured		
Loans repayable on demand :		
<i>Working Capital Loans from banks :</i>		
Cash Credit from SBI	3,647.24	3,977.46
SBI-SLC	125.94	-
Cash Credit from BOB	704.98	-
<i>Working Capital Loans from others :</i>		
NSIC Assistance	480.12	480.47
Unsecured		
Term loans		
From Others	-	3.18
Total	4,958.28	4,461.11

- a) Working Capital Loans are from Consortium of Banks State Bank of India and Bank of Baroda led by State Bank of India where in,
SBI Cash Credit Loan of ` 3,647.24 Lacs (Previous Year: ` 3,977.46 Lacs) and SBI SLC of ` 125.94 Lacs and Bank Of Baroda Cash Credit Loan of ` 704.98 Lacs (Previous Year: NIL) secured by first Pari pasu charge(between consortium members) charge on whole of companies present & future stocks of Raw Material, Finished Goods, Stock in Process, Stores & Spares and other Raw Material, and the companies present and future book debts, outstanding monies, receivable, claims, bills, Contracts, engagements, securities, investments, rights and assets of the company. The working capital facilities as above are further secured by way of equitable mortgage of Immovable Properties of the company and promoters, Related Entities and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs Rashmidevi Agrawal, Shree Padmavati Irrigations Pvt. Ltd., Shree Balaji Industries and Shree Venkatesh Industries.
- b) Working Capital Loans from Others includes Raw Material NSIC assistance of ` 480.12 Lacs (Previous Year : ` 480.47 Lacs) is secured by bank guarantees.
- c) Unsecured Loan from Bajaj Finance Ltd. is fully repaid during the year (Previous Year Balance: ` 3.18 Lacs).

Amount in ` Lacs

7. Trade Payables	As at 31st March 2014	As at 31st March 2013
Micro, Small and Medium enterprises	86.02	17.32
Other payables	2,742.20	1,783.54
Total	2,828.22	1,800.86

a) Details of dues towards MSME units
Amount in ` Lacs

Particulars	As at 31st March 2014	As at 31st March 2013
Principal amount remaining unpaid and interest due thereon	94.93	21.44
Interest paid in terms of Sec 16	-	-
Interest due and payable for the period of delay in payment	8.91	4.12
Interest accrued and remaining unpaid	-	-
Interest due and payable even in the succeeding years	-	-

Notes to the financial statement for the year ended 31st March 2014

- b) The identification of suppliers as micro, small and medium enterprise defined under "The Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of information to the extent provided by the suppliers of the Company.

Amount in ` Lacs

8. Other Current Liabilities	As at 31st March 2014	As at 31st March 2013
(a) Current maturities of long-term debt	170.00	281.08
(d) Others :		
Statutory Liabilities	59.81	38.64
Advance from customers	395.54	333.61
Other Liabilities	78.84	52.69
Advance for sale of Property	7.30	5.50
Total	711.49	711.52

Amount in ` Lacs

9. Short Term Provisions	As at 31st March 2014	As at 31st March 2013
Provision for Employee Benefits	69.18	71.71
Provision for tax	52.70	41.75
Total	121.88	113.46

10. Fixed assets

Amount in ` Lacs

Assets	Gross Block				Accumulated Depreciation and Amortization				Net Block	
Particular	As at 01-04-2013	Additions During the year	Deductions During the year	As at 31-03-2014	As at 01-04-2013	for the year	Deductions During the year	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013
i) Tangible Assets										
Freehold Land	352.12	-	-	352.12	-	-	-	-	352.12	352.12
Factory Building	851.08	1.36	-	852.44	77.75	28.45	-	106.20	746.24	773.33
Office Building	289.52	-	-	289.52	14.18	4.87	-	19.06	270.46	275.34
Plant & Machinery	4387.77	359.45	(2.20)	4,745.02	1,217.79	461.95	(0.55)	1,679.19	3,065.83	3,169.98
Furniture and Fixtures	122.53	5.76	-	128.29	24.58	7.64	-	32.21	96.07	97.95
Vehicles	219.65	43.18	(14.55)	248.28	108.11	33.68	(14.04)	127.76	120.52	111.54
Office equipment	75.31	10.08	-	85.39	23.67	5.88	-	29.55	55.84	51.64
Total Tangible Assets	6,297.98	419.83	(16.75)	6,701.06	1,466.06	542.46	(14.59)	1,993.97	4,707.08	4,831.90
ii Intangible Assets										
SAP Software	⁽¹⁾ 31.82	6.56	-	38.39	⁽¹⁾ -	6.44	-	6.44	31.95	31.82
Total Intangible Assets	31.82	6.56	-	38.39	-	6.44	-	6.44	31.95	31.82
iii Capital Work In Progress	-	-	-	-	-	-	-	-	6.68	-
Previous Year	5,871.15	458.67	-	6,329.80	954.36	511.72	-	1,466.09	4,863.72	-

(1) : SAP Software was put to use on 31.03.2013, therefore there is no accumulated amortization as on 01.04.2013.

Notes to the financial statement for the year ended 31st March 2014

Amount in ` Lacs

11. Non - Current Investments	As at 31st March 2014	As at 31st March 2013
Long Term Investment - At Cost		
Investment in partnership firm		
Mangal Murti Minerals, Neapanagar (Refer Note 40)	11.45	-
Investment in unquoted Equity Shares of wholly owned Subsidiaries :		
Tapti Pipes & Products Limited FZE, UAE 1 equity share (Previous year 1) (35000 AED per share)	4.34	4.34
Texmo Petro Chemicals Pvt. Ltd. 2000000 Equity share of 10 each (Previous Year 2000000)	200.00	200.00
Total	215.79	204.34

Amount in ` Lacs

12. Long Term Loans and Advances (Unsecured, considered good unless stated otherwise)	As at 31st March 2014	As at 31st March 2013
Capital Advances (advance for capital goods)	311.10	24.82
Advance for Property Purchase	44.24	59.58
Security Deposits	87.39	70.31
Loans and Advances to related parties considered good	11.45	-
considered doubtful	32.40	32.40
Less : Provision	9.72	6.48
	34.13	25.92
<i>Loans and advances to wholly owned overseas subsidiary company</i>		
Tapti Pipes & Products Ltd FZE	4972.33	4972.33
Other Loans & Advances	180.71	70.90
Balance with Tax Authorities	44.64	146.36
Total	5,674.54	5,370.23

Amount in ` Lacs

13. Other non current assets	As at 31st March 2014	As at 31st March 2013
Insurance claim receivable	769.50	769.50
Total	769.50	769.50

Amount in ` Lacs

14. Current Investment	As at 31st March 2014	As at 31st March 2013
Investment in Property (Freehold Land)	82.23	137.25
Total	82.23	137.25

Amount in ` Lacs

15. Inventories	As at 31st March 2014	As at 31st March 2013
Raw Materials	3,287.43	2,202.14
Packing Materials	62.37	37.35
Finished goods	1,727.31	1,456.43
Stock in trade	586.26	568.01
Stores and spares	46.25	26.69
Others :		
Reusable waste	381.31	407.40
Total	6,090.94	4,698.02

Amount in ` Lacs

16. Trade Receivables	As at 31st March 2014	As at 31st March 2013
Unsecured		
<i>Debts outstanding for a period exceeding six month from due date :</i>		
Considered good	495.78	621.58
Considered doubtful	47.29	47.29
Less Provision for doubtful debts	37.97	22.83
	505.10	646.04
Others		
Unsecured, considered good	1,638.09	1481.88
Total	2,143.19	2,127.93

Notes to the financial statement for the year ended 31st March 2014
Amount in ` Lacs

17. Cash and cash equivalents	As at 31st March 2014	As at 31st March 2013
Cash in Hand	18.28	12.53
Balance with banks :		
In Current Account	45.62	9.66
Other Bank Balances*		
In deposit account	512.94	310.87
<i>(* as margin money for bank guarantee and letter of credits)</i>		
Total	576.84	333.07

Amount in ` Lacs

18. Short-term loans and advances	As at 31st March 2014	As at 31st March 2013
Unsecured, Considered good		
Security deposits	8.55	8.02
Advances Recoverable in Cash or kind or value to be received		
From employees	19.10	20.54
From others	117.75	69.02
Advance to Suppliers for Raw Material	440.36	179.86
Advance Tax & TDS	71.59	69.28
Balances with Tax Authorities	374.79	210.08
Total	1,032.14	556.78

Amount in ` Lacs

19. Revenue from Operations	For the year ended 31st March 2014	For the year ended 31st March 2013
Sale of Manufactured Goods	19,361.19	16,615.33
Less excise duty	-1,970.42	-1,541.15
Net sales of manufactured goods	17,390.77	15,074.18
Sale of Traded goods	369.64	265.36
Other operating income		
Selfit Charges	10.18	7.93
VAT/CST Subsidy for industrial promotion	83.53	111.60
Total	17,854.11	15,459.06

Amount in ` Lacs

20. Other Income	For the year ended 31st March 2014	For the year ended 31st March 2013
Interest Income	108.26	69.33
Foreign Exchange Gain	-	30.90
Profit on Sales of Property	14.20	-
Profit & Loss on Sale of Fixed Asset	1.52	-
Miscellaneous Income	16.31	8.20
Total	140.29	108.44

Amount in ` Lacs

21. Cost of material consumed	For the year ended 31st March 2014	For the year ended 31st March 2013
Raw Materials Consumed	12,752.27	11,077.14
Packing Materials Consumed	390.02	250.65
Total	13,142.29	11,327.79

Amount in ` Lacs

22. Purchase of traded goods	For the year ended 31st March 2014	For the year ended 31st March 2013
Accessories & Fittings	255.94	390.15
PVC Resin/Chemicals	86.42	24.95
Total	342.36	415.10

Amount in ` Lacs

23. Changes in Inventories	For the year ended 31st March 2014	For the year ended 31st March 2013
Inventories at the End of the Year		
Closing Stock- Traded Goods	586.26	568.01
Closing Stock- Finished Goods	2,108.61	1,863.83
	2,694.87	2,431.84
Inventories at the Beginning of the Year		
Opening Stock- Traded Goods	568.01	446.92
Opening Stock- Finished Goods	1,863.83	1,607.10
	2,431.84	2,054.02
Net (Increase)/Decrease	-263.03	-377.83

Notes to the financial statement for the year ended 31st March 2014
Amount in ` Lacs

24. Employees benefit expenses	For the year ended 31st March 2014	For the year ended 31st March 2013
Salaries, Wages, Bonus and Gratuity	656.34	563.13
Contributions to Provident and ESIC	57.29	47.95
Employees Welfare and Other Benefits	20.30	29.59
Total	733.93	640.68

Amount in ` Lacs

25. Other Expenses	For the year ended 31st March 2014	For the year ended 31st March 2013
Power & Fuel	588.58	537.01
Other Manufacturing Expenses	173.55	133.11
Stores and Spares consumed	85.67	75.13
Repairs & Maintenance -Machineries	28.28	25.25
Repairs & Maintenance - Buildings	8.13	14.80
Directors Sitting Fees	2.65	3.05
Rent, Rates & Taxes	30.11	24.64
Insurance	17.50	23.43
Communications	16.41	11.88
Travelling & Conveyance	40.99	40.92
Payment to Auditors	6.00	5.25
Advertisement, Publicity and Sales Promotion	44.96	45.36
Commission on Sales	130.58	140.23
Freight Outward & Other Selling Expenses	609.22	571.02
Turnover Discount/Sales Incentive	213.69	175.18
Cash Discount / Early Payment	78.94	-
Bad Debts Written Off	-	25.81
Provision for Doubtful Debts	15.14	12.78
Provision for Doubtful Loans	3.24	3.24
Foreign Exchange Loss	26.78	-
Legal & Professional Expenses	24.56	33.75
Loss on sale of Investment	-	3.47
Office Expenses	10.82	11.51
Printing & Stationary Expenses	10.93	10.35
Miscellaneous Expenses	41.88	21.94
Total	2,208.61	1,949.09

Amount in ` Lacs

26. Finance costs	For the year ended 31st March 2014	For the year ended 31st March 2013
Interest expense	716.57	727.72
Other borrowing costs	313.66	148.34
Total	1,030.23	876.06

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918

Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Satyendra Rath
CFO

Vijay Prasad Pappu
Whole Time Director

Akhilesh Gupta
Company Secretary

Notes to Accounts :
27. Insurance Claim Receivable

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

28. Contingent Liabilities and Commitments not provided for :

	Amount in ` Lacs	
Contingent Liabilities not provided for in respect of:	31st March 2014	31st March 2013
a. Disputed Income Tax Demands	58.80	39.28
b. Disputed VAT, CST & Entry Tax Demands	253.00	301.38
c. Guarantees given by the company's Bankers in the normal course of business	664.50	262.59
d. Letter of Credit for Purchase of goods	104.81	148.79

	Amount in ` Lacs	
Commitments	31st March 2014	31st March 2013
Capital contracts remaining to be executed	330.22	357.97

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

30. Payment to Statutory Auditions is as follows :

	Amount in ` Lacs	
	31st March 2014	31st March 2013
Audit Fees	3.00	3.00
Tax Matters	3.00	2.25
	6.00	5.25

31. Employee Benefits:

Gratuity Plan	31st March 2014	31st March 2013
Defined benefit obligation :		
Actuarial assumptions		
Rate of interest (p.a.)	8.00%	8.00%
Salary growth rate (p.a.)	7.00%	7.00%
Withdrawal rate (p.a.) [Average]	2.00%	2.00%
Mortality rate [PY (LIC (1994-96) Ultimate)]	-	-
Change in present value of the defined benefit obligation		
Opening balance	17.17	12.45
Current service cost	3.67	3.34
Interest cost	1.37	1.00
Actuarial loss/ (gain) on obligation	3.32	0.38
Benefits paid	0.00	0.00
Closing balance	25.53	17.17
Change in fair value of plan assets		
Opening fair value of plan assets	22.65	16.94
Expected return on plan assets	1.98	1.81
Actuarial gain/ (loss) on plan assets	0.00	0.00
Contributions	0.00	3.89
Benefits paid	0.00	0.00
Closing fair value of plan assets	24.63	22.65

Movement the Net Liability Recognized in Balance Sheet		
Changes In Present Value of Defined Benefit Obligation	25.53	17.17
Changes In Fair Value of Plan Assets	24.63	22.65
Closing Net Liability	0.90	-5.48
Expenses Recognized in Statement of Profit & Loss		
Current Service Cost	3.67	3.34
Interest Cost	1.37	1.00
Expected return On Plan Assets	-1.98	-1.81
Actuarial Gain/(loss)	--	--
Additional Contribution for Existing Fund	7.19	2.88
Additional Contribution for Current Service Cost	2.14	2.14
Expenses recognized in the Statement of Profit & Loss	12.39	10.17

32. The Company is engaged mainly in production of pipes and fittings as such is the only reportable segment as per Accounting Standard on Segment Reporting (AS-17) issued by the Institute of Chartered Accountants of India. The geographical segmentation is not relevant as the company mainly operates within India.

33. Related Party Transactions:

As per Accounting Standard(AS-18) on Related Party issued by ICAI, The Disclosures of Transaction with related parties are as follows:

S.No.	Party	Relationship
1	Key Management Personnel	Shri Sanjay Agrawal (Managing Director) Shri Vijay Prasad Pappu (Whole Time Director)
2	Relative of Key Management Personnel	Mrs. Rashmi Devi Agrawal
3	Subsidiary Companies	Texmo Petrochemicals Private Limited Tapti Pipes and Products Ltd FZE
4	Enterprises in which Key Managerial Personnel and Relatives of Key Managerial Personnel are able to exercise significant influence	Shree Padmavati Irrigations Private Limited Venkatesh Industries C.P. Industrial Products Private Limited Rahul Developers Private Limited Shree Vasudeo Industries
5	Associate Enterprise	Mangal Murti Minerals

Amount in ` Lacs

Sr. No.	Transaction	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Company	Enterprises in which Key Managerial Personnel and Relatives of Key Managerial Personnel are able to exercise significant	Associate Enterprise
1	Loan Taken	NIL NIL	NIL NIL	146.00 NIL	NIL NIL	NIL NIL
2	Loan Given	NIL NIL	NIL NIL	28.90 (1,872.68)	NIL NIL	11.45 NIL
3	Loan Repaid	NIL NIL	NIL NIL	146.00 NIL	NIL (36.00)	NIL NIL
4	Loan received back	NIL NIL	NIL NIL	28.90 (31.74)	NIL NIL	NIL NIL
5	Sale of Goods	NIL NIL	NIL NIL	NIL NIL	14.34 (49.50)	NIL NIL
6	Purchase of Goods	NIL NIL	NIL NIL	NIL NIL	307.53 NIL	NIL NIL
7	Rent Paid	6.92 (4.79)	5.12 (4.79)	NIL NIL	NIL NIL	NIL NIL
8	Rent Received	NIL NIL	NIL NIL	0.01 NIL	0.24 (0.24)	NIL NIL
9	Subscription to Share Capital	NIL NIL	NIL NIL	NIL (195.00)	NIL NIL	NIL NIL

10	Remuneration Paid	24.00 (24.00)	NIL NIL	NIL NIL	NIL NIL	NIL NIL
11	Sale of Fixed Asset	NIL NIL	NIL NIL	NIL NIL	1.55 NIL	NIL NIL
12	Investment towards Capital	NIL NIL	NIL NIL	NIL NIL	NIL NIL	11.45 NIL

Previous year figures are shown in brackets

34. The Company has recognized exchange differences arising on foreign currency items in line with Accounting Standard-11 Pursuant to above net exchange loss on purchase of Raw Material and Machinery Spare parts relating to the financial year 2013-14 amounting to ` 26.78 Lacs (PY` 30.90 Lacs) has been recognized as Expense.

35. Imported and Indigenous Consumption :

(Amt in ` Lacs)

S.No	Particulars	2013-14		2012-13	
(a)	Raw Materials	Amount	Percentage	Amount	Percentage
	Imported	2,662.01	20.87	2,340.67	21.13
	Indigenous	100,90.26	79.13	8,736.47	78.87
		12752.27	100.00	11,077.14	100.00

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

Amount in ` Lacs

S.No	C.I.F Value of Import :	2013-14	2012-13
(a)	Raw Materials	2309.19	2202.58
(b)	Spare Parts, Accessories, etc.	36.85	133.43
(c)	Capital Goods	--	--

37. Stock & Turnover

Amount in ` Lacs

Products	Sales Value	Closing Inventory	Opening Inventory
Manufactured Products:			
Pipes/Fitting	19,361.91 (16,615.33)	1,727.31 (1,456.43)	1,456.43 (1,249.51)
Traded Products:			
Fittings/Accessories	369.64 (265.36)	586.26 (568.01)	568.01 (446.88)

Figures in brackets refer to previous year.

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

39. The Company has established Unit no. 2 and is eligible for incentive under Madhya Pradesh Industrial Investment Promotion Assistance Scheme-2004, wherein 75% of VAT and CST paid shall be refunded till F.Y 2018-19. During the year ended 31st March 2014, incentive as mentioned are booked in Other Operating Income of `` 83.53 Lacs (P.Y` 111.60 Lacs).

40. The Total Capital of the Firm 'Mangal Murti Minerals' is ` 45.80 Lacs. There are four partners' in the firm (including the company). Each partner (including the company) has equal proportion of interest in the firm i.e 25%. Name of the Partners' (Other than the company) are Mr. Prakash Jain, Mrs. Nisha Dubey and Mrs. Seema Jain.

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

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918
Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Satyendra Rathi
CFO

Vijay Prasad Pappu
Whole Time Director

Akhilesh Gupta
Company Secretary

ANNEXURE TO THE BALANCE SHEET AS AT MARCH 31, 2014

Statement Pursuant to Section 212 of The Companies Act, 1956 relating to
Company's interest in the Subsidiary Company

S.No.	Particulars	Tapti Pipes and Products Limited FZE, Sharjah, UAE	Texmo Petrochemicals Private Limited, MP, India
1.	The Financial Year of the Subsidiary Company ended on	31st March 2014	31st March 2014
2.	Date from which it became Subsidiary	13th March 2011	11th November 2011
3.	a) No. of shares held by The Texmo Pipes and Products Ltd. (Holding Company) with it's nominees in the subsidiary at the end of the financial year of the subsidiary b) Extent of Interest of Holding Company at the end of the financial year of the subsidiary	1 no. Shares of UAE AED 35,000 each fully paid up each. 100%	2000000 Equity Shares of ` 10 each fully paid up each. 100%
4.	The net aggregate amount of the Subsidiary's profit less losses, so far as it concerns the members of the Holding Company. a) Not dealt with in Holding Company's accounts. i) For the Financial Year ended 31st March, 2014 ii) For the Previous Financial years b) Dealt with in Holding Company's accounts. i) For the Financial Year ended 31st March, 2014 ii) For the Previous Financial years	` 3.02 lacs (Profit) ` 1.04 lacs (Profit) Nil Nil	` 0.14 Lacs (Profit) ` 0.13 Lacs (Profit) Nil Nil
5.	Changes in the Holding company's interest in the subsidiary between the end of the financial year of the subsidiary and the end of the Holding company's financial year.	Not Applicable	Not Applicable
6.	Material Changes between the end of the financial year of the subsidiary and the end of the Holding company's financial year in respect of a) Fixed Assets b) Investments c) Money lent by the subsidiary d) Money borrowed by the subsidiary for any purpose other than meeting current liabilities	Not Applicable	Not Applicable

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Vijay Prasad Pappu
Whole Time Director

Place: Burhanpur (M.P.)
Date: 29th May, 2014

Satyendra Rathi
CFO

Akhilesh Gupta
Company Secretary

Statement Pursuant to Section 212(8) of The Companies Act, 1956

As per AS-21 issued by the institute of Chartered Accountants of India, the financial statements of the company reflecting the consolidation of the accounts of its subsidiary companies to the extent of equity holding of the company in these companies are included in this Annual Report.

The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated 8 February 2011 and 21 February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

(Amt in ` Lacs)

Particulars	Tapti Pipes & Products Limited FZE	Texmo Petrochemicals Private Limited
a) Capital	5.78	200.00
b) Reserves	2.89	0.28
c) Total Assets	6,037.90	200.68
d) Total Liabilities	6,029.23	0.40
e) Details of Investment (Except in Case of Investment in Subsidiaries)	570.95	25.00
f) Turnover	6,139.02	14.35
g) Profit /(Loss) before tax	3.02	0.21
h) Provision for taxation	---	0.07
i) Profit/(Loss) after taxation	3.02	0.14
j) Proposed dividend	---	---

Note: The above figures are as per audited financials.

Undertaking:-

We undertake that the annual accounts of the subsidiary companies and related detailed information will be made available to the investors, who seek such information, at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by the investor in the registered office of Texmo Pipes and Products Limited and that of subsidiary companies concerned.

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Vijay Prasad Pappu
Whole Time Director

Place: Burhanpur (M.P.)
Date: 29th May, 2014

Satyendra Rathi
CFO

Akhilesh Gupta
Company Secretary

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Board of Directors
Texmo Pipes and Products Limited

1. We have audited the accompanying Consolidated Financial Statements of TEXMO PIPES AND PRODUCTS LIMITED ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries as noted below and on the financial information of the components of the group, we are of the Opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
 - (b) in the case of the consolidated Profit and Loss Account, of the Profit of operations of the Group for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

Emphasis of Matter

6. We draw attention to Note 27 to the consolidated financial statements regarding fire insurance claim settlement less to the extent of ` 769.50 Lacs for which the Company has filed lawsuit against the Insurance Company, in view of the uncertainty related to the outcome of the lawsuit filed by the Company; no adjustments have been made in this regard to the consolidated financial Statements for the year ended 31st March 2014. Our opinion is not qualified in respect of this matter.
7. We draw attention to the matters as mentioned in Note 28 to the consolidated financial statements where the auditors of Foreign Subsidiary Company 'Tapti Pipes and Products Limited FZE' have drawn attention in their auditor's report on certain balances which the management considered good and recoverable. Our opinion is not qualified in respect of this matter.

Other Matter

8. In respect of the financial statement of subsidiary, we did not carry out the audit. These financial statements have been audited by other auditor whose report have been furnished to us by the management, and in our opinion, insofar as it relates to the amounts included in respect of the subsidiary is based solely on the report of the other auditor. The details of the assets and revenues in respect of the subsidiary to the extent to which they are reflected in the consolidated financial statements are given below:

Audited by other Auditor:

	Total Assets	Total Revenue	Net Profit
Foreign Subsidiary	` 6,037.89 Lacs	` 6,139.02 Lacs	` 3.02 Lacs

Our opinion is not qualified in respect of this matter.

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

CA Pankaj Somaiya
Partner
Membership No.079918

Place: Burhanpur (M.P.)
Date: 29th May, 2014

Consolidated Balance Sheet as at 31st March 2014
Amount in ` Lacs

Particulars	Note	As at 31st March 2014	As at 31st March 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1	2,382.00	2,382.00
(b) Reserves and surplus	2	10,428.86	9,670.70
		<u>12,810.86</u>	<u>12,052.70</u>
Non-current liabilities			
(a) Long-term borrowings	3	695.85	159.08
(b) Deferred tax liabilities (Net)	4	250.89	234.51
(c) Other Long term liabilities	5	10.40	8.45
		<u>957.14</u>	<u>402.05</u>
Current liabilities			
(a) Short-term borrowings	6	4,958.28	4,461.11
(b) Trade payables	7	2,828.22	1,800.86
(c) Other current liabilities	8	716.34	719.77
(d) Short-term provisions	9	121.95	113.52
		<u>8,624.79</u>	<u>7,095.26</u>
TOTAL		<u>22,392.80</u>	<u>19,550.00</u>
ASSETS			
Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		4,707.08	4,831.88
(ii) Intangible assets		31.95	31.82
(iii) Capital work-in-progress		6.68	-
(b) Non-current investments	11	607.40	541.70
(c) Long-term loans and advances	12	872.88	494.30
(d) Other non-current assets	13	769.50	769.50
		<u>6,995.49</u>	<u>6,669.20</u>
Current assets			
(a) Current investments	14	82.23	137.25
(b) Inventories	15	6,090.94	4,698.02
(c) Trade receivables	16	5,490.46	5,151.19
(d) Cash and cash equivalents	17	581.57	413.48
(e) Short-term loans and advances	18	3,150.57	2,478.81
(f) Miscellaneous Expenditure (to the extent not written off)		1.54	2.05
		<u>15,397.31</u>	<u>12,880.80</u>
TOTAL		<u>22,392.80</u>	<u>19,550.00</u>

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918
Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Satyendra Rathi
CFO

Vijay Prasad Pappu
Whole Time Director

Akhilesh Gupta
Company Secretary

Consolidated Statement of Profit and loss for the Year Ended 31st March 2014

Particulars	Note	Amount ` in Lacs	
		For the year ended 31st March 2014	For the year ended 31st March 2014
Revenue			
Revenue from operations	19	23,993.13	20,690.81
Other income	20	154.64	109.72
Total Revenue		24,147.77	20,800.54
Expenses:			
Cost of materials consumed	21	13,142.29	11,327.79
Purchases of Stock-in-Trade	22	6,449.31	2,413.16
Changes in inventories	23	-263.03	2,828.89
Employee benefits expense	24	740.24	640.68
Other expenses	25	2,245.00	1,973.35
Finance costs	26	1,030.23	876.12
Depreciation and amortization expense	10	548.90	511.72
Preliminary Expenses		0.51	2.84
Total expenses		23,893.43	20,574.55
Profit before tax		254.34	225.99
Tax expense:			
(1) Current tax		52.77	41.81
(2) Deferred tax		16.38	30.46
(3) Short/(Excess) Provision for Tax for earlier years		-	27.47
Profit for the year		185.20	126.25
Earnings per equity share:			
(1) Basic		0.78	0.53
(2) Diluted		0.78	0.53

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918
Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Satyendra Rathi
CFO

Vijay Prasad Pappu
Whole Time Director

Akhilesh Gupta
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March 2014
Amount in ` Lac

Particulars	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and exceptional items	254.34	225.99
Adjustments for:		
Depreciation and amortization expenses	549.42	512.23
Interest Expenses	716.57	727.78
Other Borrowing Costs	313.66	148.34
Interest Income	(122.62)	(70.62)
Provisions for Doubtful Debts & Advances	18.38	16.02
(Profit)/Loss on Sale of Asset/Investments	(15.72)	3.47
Operating Profit before working capital changes	1,714.03	1,563.21
Adjustments for:		
(Increase)/Decrease in Trade receivables	(37.01)	(1,397.60)
(Increase)/Decrease in Inventories	(1,392.90)	2,356.97
(Increase)/Decrease in Other current assets	-	640.86
Increase/(Decrease) in payables	1,022.85	(2,032.29)
Increase/(Decrease) in Provision for Employee Benefits	(2.54)	19.49
Increase/(Decrease) in Other current liabilities	(6.92)	(357.31)
Cash generated from operations	1,297.50	793.33
Direct taxes (paid)/Refund received	(44.12)	(152.32)
Net Cash from operating activities before Exceptional item	1,253.38	641.00
Exceptional items and prior period adjustment	-	-
Net Cash from operating activities	1,253.38	641.00
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment towards Fixed Assets/Capital Expenditure (net)	(694.71)	(269.54)
Proceeds from Sale of Investment	55.02	1,931.82
Payment towards Purchase of investment	(11.45)	(25.00)
Increase/(Decrease) in Other long term liabilities	1.95	2.91
(Increase)/Decrease in Long Term Loans and advances	(110.87)	249.65
(Increase)/Decrease in Short Term Loans and advances	(468.29)	(6.25)
Profit on Sale of Asset/Investment	15.72	(3.47)
Misc. Expenses	-	2.31
Interest Received	122.62	70.62
Net Cash used in investing activities	(1,090.01)	1,953.07
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (net)	1,033.94	-
Repayment of borrowings (net)	-	(1,632.02)
Interest paid	(716.57)	(727.78)
Other Borrowings Cost	(313.66)	(148.34)
Net Cash from/(used) in financing activities	3.71	(2,508.15)
Effect of Exchange Difference arising on consolidation	-	39.58
Net increase/(decrease) in cash and cash equivalent	167.08	125.51
Effect of Exchange Difference on translation of Cash & Cash Equivalents	1.01	(0.71)
Cash and Cash Equivalents (Opening Balance)	413.48	288.68
Cash and Cash Equivalents (Closing Balance)	581.57	413.48
Notes:		
Cash and Cash Equivalents include:		
– Balances with banks	560.23	384.10
– Cash, Cheques on hand	21.34	29.38
Total	581.57	413.48

As per our report of even date

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

CA Pankaj Somaiya
Partner
Membership No.079918

Place: Burhanpur (M.P.)
Date: 29th May, 2014

For Texmo Pipes and Products Limited

Sanjay Agrawal
Managing Director

Satyendra Rathi
CFO

Vijay Prasad Pappu
Whole Time Director

Akhilesh Gupta
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

A. Basis for Preparation: The consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS) 21 – “Consolidated Financial Statements”. The financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra – group balances, intra – group transactions and unrealized profit or losses.

B. In translating the financial statements of non-integral foreign operations for incorporation in the Consolidated Financial Statements, the assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date. Income and expense items of non-integral foreign operations are translated at the average rates of the exchange for the year. The resulting exchange differences are disclosed under the 'Foreign Currency Translation Reserve' until the disposal of the net investment in non-integral operations.

Notes to the consolidated financial statement for the year ended 31st March 2014

Amount in ` Lacs

1. Share Capital	As at 31st March 2014	As at 31st March 2013
Authorised		
30000000 Equity Shares of ` 10 each	3,000.00	3,000.00
Issued Subscribed & Paid up		
23820000 Equity Shares of ` 10 each	2,382.00	2,382.00
(23820000 Equity Shares of ` 10 each in Previous year)		
Total	2,382.00	2,382.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2014	
	No. of Shares	Amount in ` Lacs
Shares outstanding at the beginning of the year	23,820,000	2,382.00
Add shares issued during the year	-	-
Less buy back of shares during the year	-	-
Shares outstanding at the end of the year	23,820,000	2,382.00

- b) The Company has issued only one class of shares referred to as equity shares having a par value of ` 10/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All shares rank equally with regard to the Company's residual assets.
- c) The Company has not issued any bonus shares, equity shares pursuant to contract(s) without payment being received in cash and had not bought back any equity shares during the period of 5 years immediately preceding the Balance Sheet date.

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

Particulars	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
THE BANK OF NEW YORK MELLON, DR *	669000	2.81%	4627860	19.43%
SANJAY KUMAR AGRAWAL	3007500	12.63%	3007500	12.63%
RASHMI DEVI AGRAWAL	3001500	12.60%	3001500	12.60%

* The equity shares are held by depository custodian against 33450 GDRs outstanding as at 31st March 2014.

Notes to the financial statement for the year ended 31st March 2014
(Amount in ` Lacs)

2. Reserves & Surplus	As at 31st March 2014	As at 31st March 2013
Securities Premium Account		
Opening Balance	6,564.04	6,564.04
Additions during the year	-	-
	6,564.04	6,564.04
Foreign Currency Translation Reserve		
Opening Balance	559.75	485.73
(+) Addition		
From Holding Company	-	74.02
From Foreign Subsidiary (Tapti Pipes & Products Ltd FZE)	1,052.66	479.69
	1,612.41	1,039.44
Surplus in statement of profit and loss account		
Opening balance	2,067.22	1,940.97
(+) Net Profit/(Net Loss) For the current year	185.20	126.25
	2,252.42	2,067.22
Total (A+B+C)	10,428.86	9,670.70

Foreign currency translation reserve balance is on account of translation of year end balance of foreign currency monetary items by applying closing rates as per AS 11.

Amount in ` Lacs

3. Long Term Borrowings	As at 31st March 2014	As at 31st March 2013
Secured		
Term loans		
from banks	745.74	440.16
Less : Current Maturity of long term loan	157.17	281.08
	588.57	159.08
From Others	86.20	-
Less : Current Maturity of long term loan	4.12	-
	82.08	-
Unsecured		
Term Loans		
From Others	33.91	-
Less : Curent Maturity of long term loan	8.71	-
	25.20	-
Total	695.85	159.08

- Bank of India Term Loan for Indore Godown of ` 33.86 Lacs (Previous Year: ` 77.37 Lacs) repayable in 57 equal monthly installments repayable by November 2015 secured by Equitable mortgage of Godown and Personal Guarantees of Directors Mr. Sanjay Kumar Agrawal, Mr. Vijay Prasad Pappu and Mrs. Rashmidevi Agrawal.
- HDFC Bank Term Loan of ` 113.00 Lacs (Previous Year: ` 78.37 Lacs) has been enhanced during the Year 2013-14 by ` 40.38 Lacs repayable in 120 equal monthly installments repayable by April 2024 secured by office No. 412, Mumbai.
- Bank of Baroda Term Loan for Plant & Machinery of ` 520.70 Lacs (Previous Year: Nil), first disbursement in May 2013 of ` 568.00 lacs, repayable within 66 months including initial moratorium period of 6 months, repayable by October 2019, secured on pari pasu charge on plant & Machinery and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigation Pvt. Ltd., Balaji Industries and Venkatesh Industries.
- SBI Term Loan of has been fully repaid during the year (Previous Year Balance: ` 234.88 Lacs).
- Vehicle Loans are secured by way of hypothecation Respective Motor Vehicles Purchased.
 - Bank of India Vehicle Loan of ` 6.37 Lacs (Previous Year: ` 16.31 Lacs) repayable within 54 equal monthly installments. Repayable by September 2015
 - HDFC Bank Limited Vehicle Loan of ` 8.31 Lacs (Previous Year: ` 18.32 Lacs) Repayable within 36 equal monthly installments. Repayable by January 2015; the loans are secured by way of hypothecation of respective motor vehicles purchased.

Notes to the financial statement for the year ended 31st March 2014

- iii) HDFC Bank Limited Vehicle Loan of ` 2.55 Lacs (Previous Year: ` 4.49 Lacs) repayable within 36 equal monthly installments. Repayable by May 2015; the loans are secured by way of hypothecation of respective motor vehicles purchased.
- iv) HDFC Bank Limited Vehicle Loan of ` 22.84 Lacs (Previous Year: ` 10.44 Lacs) repayable within 36 equal monthly installments. Repayable by February 2017; the loans are secured by way of hypothecation of respective motor vehicles purchased.
- v) HDFC Bank Limited Vehicle Loan of ` 8.38 Lacs (Previous Year: Nil) repayable within 36 equal monthly installments. Repayable by November 2016; the loans are secured by way of hypothecation of respective motor vehicles purchased.
- vi) ICICI Bank Limited Vehicle Loan of ` 29.71 Lacs (Previous Year: Nil) repayable within 59 equal monthly installments. Repayable by June 2018; the loans are secured by way of hypothecation of respective motor vehicles purchased.
- f) Secured Loan From Others include Loan from Religare Fin Vest Limited of ` 86.20 Lacs (Previous Year: NIL), disbursed in March 2014 of ` 89.00 Lacs repayable in 120 equal monthly installments, repayable by April 2024 secured by Equitable Mortgage of Indore Office.
- g) Unsecured Loan From Others include Loan from Religare Fin Vest Limited of ` 33.91 Lacs (Previous Year: NIL) disbursed in March 2014 of ` 35.00 Lacs, repayable in 36 equal monthly installments, repayable by April 2017.

(Amount in ` Lacs)

4. Deferred Tax Liability (Net)	As at 31st March 2014	As at 31st March 2013
Deferred Tax Liabilities on account of timing differences		
Depreciation	250.89	234.51
TOTAL	250.89	234.51

Amount in ` Lacs

5. Other Long Term Liabilities	As at 31st March 2014	As at 31st March 2013
Long Term Deposits from Dealers	10.40	8.45
TOTAL	10.40	8.45

Amount in ` Lacs

6. Short Term Borrowings	As at 31st March 2014	As at 31st March 2013
Secured		
Loans repayable on demand :		
<i>Working Capital Loans from banks :</i>		
Cash Credit from SBI	3,647.24	3,977.46
SBI-SLC	125.94	-
Cash Credit from BOB	704.98	-
<i>Working Capital Loans from others :</i>		
NSIC Assistance	480.12	480.47
Unsecured		
Term loans		
From Others		3.18
Total	4958.28	4,461.11

- a) Working Capital Loans are from Consortium of Banks State Bank of India and Bank of Baroda led by State Bank of India where in, SBI Cash Credit Loan of ` 3,647.24 Lacs (Previous Year: ` 3,977.46 Lacs) and SBI SLC of ` 125.94 and Bank Of Baroda Cash Credit Loan of ` 704.98 Lacs (Previous Year: NIL) secured by first Pari passu charge (between consortium members) charge on whole of companies present & future stocks of Raw Material, Finished Goods, Stock in Process, Stores & Spares and other Raw Material, and the companies present and future book debts, outstanding monies, receivable, claims, bills, Contracts, engagements, securities, investments, rights and assets of

Notes to the financial statement for the year ended 31st March 2014

the company. The working capital facilities as above are further secured by way of equitable mortgage of Immovable Properties of the company and promoters, Related Entities and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs Rashmi Devi Agrawal, Shree Padmavati Irrigations Pvt. Ltd., Shree Balaji Industries and Shree Venkatesh Industries.

- b) Working Capital Loans from Others includes Raw Material NSIC assistance of ` 480.12 Lacs (Previous Year : ` 480.47 Lacs) is secured by bank guarantees.
- c) Unsecured Loan from Bajaj Finance Ltd. is fully repaid during the year (Previous Year Balance: ` 3.18 Lacs).

(Amount in ` Lacs)

7. Trade Payables	As at 31st March 2014	As at 31st March 2013
Micro, Small and Medium enterprises	86.02	17.32
Other payables	2,742.20	1,783.54
Total	2,828.22	1,800.86

a) Details of dues towards MSME units

Amount in ` Lac

Particulars	As at 31st March 2014	As at 31st March 2013
Principal amount remaining unpaid and interest due thereon	94.93	21.44
Interest paid in terms of Sec 16	-	-
Interest due and payable for the period of delay in payment	8.91	4.12
Interest accrued and remaining unpaid	-	-
Interest due and payable even in the succeeding years	-	-

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

(Amount in ` Lac)

8. Other Current Liabilities	As at 31st March 2014	As at 31st March 2013
(a) Current maturities of long-term debt	170.00	281.08
(d) Others :		
Statutory Liabilities	59.81	38.64
Advance from customers	395.54	333.61
Other Liabilities	83.69	60.94
Advance for sale of Property	7.30	5.50
Total	716.34	719.77

(Amount in ` Lac)

9. Short Term Provisions	As at 31st March 2014	As at 31st March 2013
Provision for Employee Benefits	69.18	71.71
Provision for tax	52.77	41.81
Total	121.95	113.52

Notes to the financial statement for the year ended 31st March 2014
10. Fixed assets
Amount in ` Lac

Assets Particulars	Gross Block				Depreciation & Amortization				Net Block	
	As at 01-04-2013	Additions During the year	Deductions During the year	As at 31-03-2014	As at 01-04-2013	for the year	Deduc tions	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013
i) Tangible Assets										
Freehold Land	352.12	-	-	352.12	-	-	-	-	352.12	352.12
Factory Building	851.08	1.36	-	852.44	77.75	28.45	-	106.20	746.24	773.33
Office Building	289.52	-	-	289.52	14.18	4.88	-	19.06	270.46	275.34
Plant & Machinery	4,387.77	359.45	(2.20)	4,745.02	1,217.79	461.95	(0.55)	1,679.19	3,065.83	3,169.98
Furniture and Fixtures	122.53	5.76	-	128.29	24.58	7.64	-	32.22	96.07	97.95
Vehicles	219.65	43.18	(14.55)	248.28	108.11	33.68	(14.04)	127.76	120.52	111.54
Office equipment	75.31	10.08	-	85.39	23.67	5.88	-	29.55	55.84	51.54
Total Tangible Assets	6,297.98	419.83	(16.75)	6,701.06	1,466.06	542.47	(14.59)	1,993.98	4,707.08	4,831.90
ii Intangible Assets										
SAP Software	⁽¹⁾ 31.82	6.56	-	38.38	-	6.44	⁽¹⁾ -	6.44	31.95	31.82
Total Intangible Assets	31.82	6.56	-	38.38	-	6.44	-	6.44	31.95	31.82
iii Capital Work In Progress									6.68	
Total Assets (i+ii+iii)	6,329.80	426.39	(16.75)	6,739.44	1,466.11	548.90	(14.59)	2,000.42	4,745.71	4,863.72
Previous Year	5,871.15	458.67	-	6,329.80	954.36	511.72	-	1,466.09	4,863.72	-

(1) SAP Software was put to use on 31.03.2013, therefore there is no accumulated amortisation as on 01.04.2013
Amount in ` Lac

11. Non - Current Investments	As at 31st March 2014	As at 31st March 2013
Long Term Investment - At Cost		
Investment in Partnership Firm		
Mangal Murti Minerals, Nepanagar	11.45	-
Other Investments		
Polygon Far East Corporation (Inv. Singa)	570.95	516.70
MARS Distributors Pvt. Ltd., Kolkata	25.00	25.00
Total	607.40	541.70

12. Long Term Loans and Advances (Unsecured, considered good unless stated otherwise)	As at 31st March 2014	As at 31st March 2013
Capital Advances (advance for capital goods)	311.10	24.82
Advance for Property Purchase	44.24	59.58
Security Deposits	87.64	70.56
Loans and Advances to related parties considered good	11.45	-
considered doubtful	32.40	32.40
Less : Provision	9.72	6.48
	34.13	25.92
Other Loans & Advances	351.13	167.06
Balance with Tax Authorities	44.64	146.36
Total	872.88	494.30

Notes to the financial statement for the year ended 31st March 2014		Amount in ` Lacs
13. Other non current assets	As at 31st March 2014	As at 31st March 2013
Insurance claim receivable	769.50	769.50
Total	769.50	769.50

		Amount in ` Lacs
14. Current Investment	As at 31st March 2014	As at 31st March 2013
Investment in Property (Freehold Land)	82.23	137.25
Total	82.23	137.25

		Amount in ` Lacs
15. Inventories	As at 31st March 2014	As at 31st March 2013
Raw Materials	3,287.43	2,202.14
Packing Materials	62.37	37.35
Finished goods	1,727.31	1,456.43
Stock in trade	586.26	568.01
Stores and spares	46.25	26.69
Others :		
Reusable waste	381.31	407.40
Total	6,090.94	4,698.02

		Amount in ` Lacs
16. Trade Receivables	As at 31st March 2014	As at 31st March 2013
Unsecured		
Debts outstanding for a period exceeding six month from due date :		
Considered good	495.78	621.58
Considered doubtful	47.29	47.29
Less Provision for doubtful debts	37.97	22.83
	505.10	646.04
Others		
Unsecured, considered good	4,985.36	4,505.14
Total	5,490.46	5,151.19

		Amount in ` Lacs
17. Cash and cash equivalents	As at 31st March 2014	As at 31st March 2013
Cash in Hand	21.33	29.38
Balance with banks :		
In Current Account	47.29	73.22
Other Bank Balances*		
In deposit account	512.94	310.87
(* as margin money for bank guarantee and letter of credits)		
Total	581.57	413.48

Notes to the financial statement for the year ended 31st March 2014
Amount in ` Lacs

18. Short-term loans and advances	As at 31st March 2014	As at 31st March 2013
Unsecured, Considered good		
Security deposits	18.62	17.13
Advances Recoverable in Cash or kind or value to be received		
From employees	19.10	20.54
From others	117.75	75.14
Advance to Suppliers for Raw Material	2,547.22	2,086.53
Advance Tax & TDS	73.09	69.40
Balances with Tax Authorities	374.79	210.08
Total	3,150.57	2,478.81

	Amount in ` Lacs	
19. Revenue from Operations	for the year ended	for the year ended
	31st March 2014	31st March 2013
Sale of Manufactured Goods	19,361.19	16,615.33
less excise duty	-1,970.42	-1,541.15
Net sales of manufactured goods	17,390.77	15,074.18
Sale of Traded goods	6,508.66	5,497.11
Other operating income		
Selfit Charges	10.18	7.93
VAT/CST Subsidy for industrial promotion	83.53	111.60
Total	23,993.13	20,690.81

	Amount in ` Lacs	
20. Other Income	for the year ended	for the year ended
	31st March 2014	31st March 2013
Interest Income	122.62	70.62
Foreign Exchange Gain	-	30.90
Profit on Sales of Property	14.20	-
Profit & Loss on Sale of Fixed Asset	1.52	-
Miscellaneous Income	16.31	8.20
Total	154.64	109.72

	Amount in ` Lacs	
21. Cost of material consumed	for the year ended	for the year ended
	31st March 2014	31st March 2013
Raw Materials Consumed	12,752.27	11,077.14
Packing Materials Consumed	390.02	250.65
Total	13,142.29	11,327.79

	Amount in ` Lacs	
22. Purchase of traded goods	for the year ended	for the year ended
	31st March 2014	31st March 2013
Trading Purchase	6,106.94	1,998.06
Accessories & Fittings	255.94	390.15
PVC Resin/Chemicals	86.42	24.95
Total	6,449.31	2,413.16

Notes to the financial statement for the year ended 31st March 2014

	Amount in ` Lac	
	for the year ended	for the year ended
23. Changes in Inventories	31st March 2014	31st March 2013
Inventories at the end of the year		
Closing Stock - Traded Goods	586.26	568.01
Closing Stock - Finished Goods	2,108.61	1,863.83
	<u>2,694.88</u>	<u>2,431.84</u>
Inventories at the beginning of the year		
Opening Stock - Traded Goods	568.01	3,653.63
Opening Stock - Finished Goods	1,863.83	1,607.10
	<u>2,431.84</u>	<u>5,260.73</u>
Net (Increase)/Decrease	<u>-263.03</u>	<u>2,828.89</u>
		Amount in ` Lac
24. Employees benefit expenses	for the year ended	for the year ended
	31st March 2014	31st March 2013
Salaries, Wages, Bonus and Gratuity	662.64	563.13
Contributions to Provident Fund and ESIC	57.29	47.95
Employees Welfare and Other Benefits	20.30	29.59
Total	<u>740.24</u>	<u>640.68</u>
		Amount in ` Lac
25. Other Expenses	for the year ended	for the year ended
	31st March 2014	31st March 2013
Power & Fuel	588.58	537.01
Other Manufacturing Expenses	173.55	133.11
Stores and Spares consumed	85.67	75.13
Repairs & Maintenance -Machineries	28.28	25.25
Repairs & Maintenance - Buildings	8.13	14.80
Directors Sitting Fees	2.65	3.05
Rent, Rates & Taxes	30.11	24.64
Insurance	17.50	23.43
Communications	16.41	11.88
Travelling & Conveyance	43.83	42.60
Payment to Auditors	6.22	5.47
Advertisement, Publicity and Sales Promotion	44.96	45.36
Commission on Sales	130.58	140.23
Freight Outward & Other Selling Expenses	615.46	575.53
Turnover Discount/Sales Incentive	213.69	175.18
Cash Discount/ Early Payment	78.94	-
Bad Debts Written Off	6.12	25.81
Provision for Doubtful Debts	15.14	12.78
Provision for Doubtful Loans	3.24	3.24
Foreign Exchange Loss	26.78	-
Legal & Professional Expenses	27.48	36.21
Loss on sale of Investment	-	3.47
Office Expenses	10.82	11.51
Printing & Stationary Expenses	13.80	12.67
Miscellaneous Expenses	57.06	35.00
Total	<u>2,245.00</u>	<u>1,973.35</u>
		Amount in ` Lac
26. Finance costs	for the year ended	for the year ended
	31st March 2014	31st March 2013
Interest expense	716.57	727.72
Other borrowing costs	313.66	148.40
Total	<u>1,030.23</u>	<u>876.12</u>

NOTE 27: Insurance Claim Receivable

During the year 2010-11 on 21.03.2011 a fire occurred in main Raw Material godown at the factory premises of the Company and the Company has lodged the claim of ` 2,547.69 Lacs with the Insurance Company and the same was accounted as 'Insurance Claim Receivable'. The Claim is finally settled by Insurance Company for ` 1,640.86 Lacs on 12.04.2012. The Management has filed lawsuit against the Insurance Company as the claim is fully recoverable. The Management is confident of realizing the amount due from the Insurance Company and accordingly no adjustments are made to the financial results of the Company in this regard.

NOTE 28:

The Auditors of the Foreign Subsidiary Company 'Tapti Pipes & Products Limited' have invited attention to the following matter in their Auditors Report for the year ended 31st March, 2014:

- No independent confirmations are available for Investments of ` 570.95 Lacs (USD 0.95 Million), Trade Receivables of ` 3,347.27 Lacs (USD 5.57 Million) and Advance to Suppliers of ` 2,106.86 Lacs (USD 3.50 Million). However the Management of the Company considers the balances to be good and recoverable.

NOTE 29

M/s Mangal Murti Minerals is a Partnership Firm with the object of business of Mines and Minerals. During the year the Company has invested ` 11.45 Lacs towards Capital of the Firm and became Partner with a Profit/Loss Sharing Ratio of 25%. Since the Firm has insignificant Operations it is not considered as an "Associate" for the purpose of Consolidation of Financial Statements as per AS-23.

NOTE 30

The subsidiaries included in the consolidated financial statements are as under:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership as on 31st March 2014
Tapti Pipes & Products Ltd. FZE	UAE	100%
Texmo Petrochemicals Private Limited	INDIA	100%

NOTE 31

The audited financial statements of the subsidiaries are available as on 31st March 2014 and same has been considered for the preparation of the consolidated financial statements.

NOTE 32

Figures pertaining to the subsidiary companies have been reclassified, wherever necessary to bring them in line with the Company's financial statements.

NOTE 33

There are two subsidiary companies, the accounting policies and notes to accounts being similar to that of the holding company as stated in Standalone Financial Statements are not appended hereto.

As per our report of even date

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

For Texmo Pipes and Products Limited

CA Pankaj Somaiya
Partner
Membership No.079918

Sanjay Agrawal
Managing Director

Vijay Prasad Pappu
Whole Time Director

Place: Burhanpur (M.P.)
Date: 29th May, 2014

Satyendra Rathi
CFO

Akhilesh Gupta
Company Secretary

ANNUAL GENERAL MEETING – 27.09.2014

ADMISSION SLIP

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

Name (in block letters) _____

Member's Folio Number: _____

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

_____ No. of Shares held _____

I hereby record my presence at the Annual General Meeting of Texmo Pipes and Products Limited on Saturday, 27th day of September 2014 at 11.30 A. M. 98, Bahadarpur Road, Burhanpur (M.P.).

Please () the appropriate box Member ☐ Proxy ☐

Member's / Proxy's Signatures*

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

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

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

TEXMO PIPES AND PRODUCTS LIMITED

CIN: L25200MP2008PLC020852

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

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule19(3) of the Companies (Management and Administration) Rules, 2014]

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

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

1.	Name			
	Address			
	E-mail Id		Signature	
	Or falling him			
2.	Name			
	Address			
	E-mail Id		Signature	
	Or falling him			
3.	Name			
	Address		Signature	
	E-mail Id			

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6th Annual General Meeting of the Company, to be held on Saturday the 27th September , 2014 at 11:30 P.M at 98, Bahadarpur Road, Burhanpur (M.P.) 450331 and at any adjournment of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

Resolutions		For	Against
1.	To receive, consider and adopt the Standalone and Consolidated Financial Statements for the year ended as at March 31, 2014, and the Reports of the Directors and the Auditors thereon for the said period.		
2.	To appoint a Director in place of Mrs. Rashmi Devi Agrawal (DIN: 00316248) who retires by rotation and being eligible, offers herself for re-appointment.		
3.	To appoint Auditors and to fix their remuneration.		
4.	To appoint Mr. Chakradhar Bharat Chhaya (DIN:00968966) as an Independent Director under section 149 of Companies Act, 1956.		
5.	To appoint Mr. Shantilal Badera (DIN:02295033) as an Independent Director u/s 149 of Companies Act, 1956.		
6.	To appoint Mr. Sunil Kumar Maheshwari (DIN:03304103) as an Independent Director u/s 149 of Companies Act, 1956		
7.	Approve certain powers to Board of Directors under section 180 (1)(a) of Companies Act, 2013.		
8.	Approve certain powers to Board of Directors under section 180 (1)(c) of Companies Act, 2013.		
9.	Approve remuneration of Cost Auditor under section 148 of Companies Act, 2013.		
10.	Approve related party transactions under section 188 of Companies Act, 2013.		

Texmo Pipes and Products Limited
(PB No.35) 98, Bahadarpur Road, Burhanpur - 450 331, Madhya Pradesh

Dear Shareholder,

The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular no. 17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011 issued by the Ministry, Companies can now send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a Greener Environment. This is a golden opportunity for every shareholder of 'Texmo Pipes and Products Limited' to contribute to the Corporate Social Responsibility initiative of the Company. Further it will ensure instant and definite receipt of the reports by you.

We notice that your email ID is not available in our records. As we propose to send future Communications, in electronic mode, we request you to please fill up the form given herewith for registering your e-mail ID and send the same to the following address:

Karvy Computershare Private Limited
(Unit: Texmo Pipes and Products Limited)
Plot no 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad 500 081
Email id : sravanthi.kodali@karvy.com

If the shares are held in electronic mode, please get your e-mail registered with your DP immediately.

Please note that as a member of the Company you will be entitled to receive all such communication in Physical Form, upon request.

Thanking you,

Yours faithfully,
For **Texmo Pipes and Products Limited**
Sd/-
Shyam Sunder Agrawal
Company Secretary

E-COMMUNICATION REGISTRATION FORM

Folio No. /DP Id and Client ID:

Name of 1st Registered Holder:

Name of Joint Holder(s):

Registered Address:

.....

E-Mail address (to be Registered):

I/we Shareholder(s) of **Texmo Pipes and Products Limited** agree to receive communication from the Company in electronic mode. Please register my above e-mail ID for your records for sending communication through e-mail.

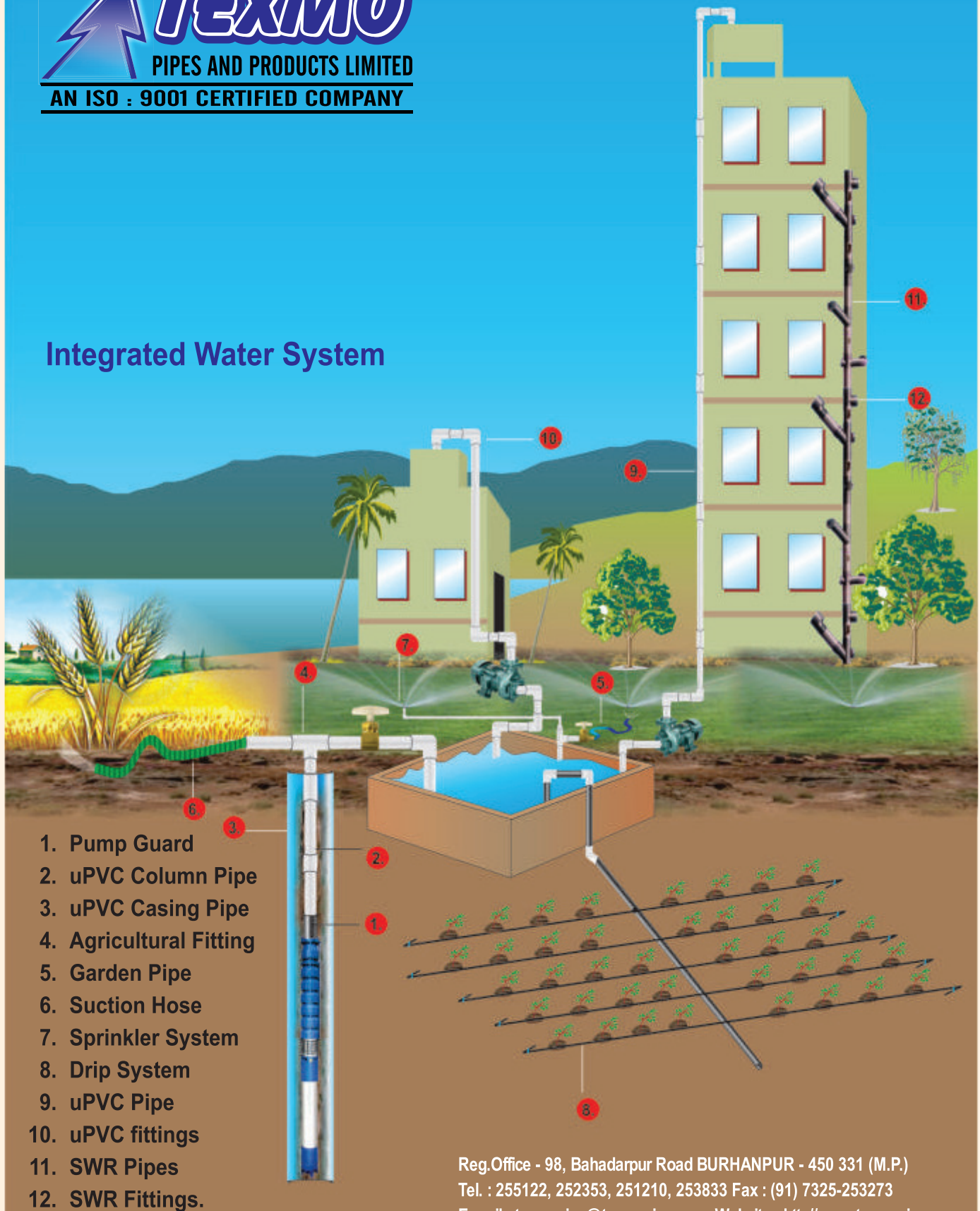
Date:

Signature:
(1st holder only)

Note:

Shareholder(s) are requested to keep the Company informed as when there is any change in the e-mail address.

Integrated Water System



1. Pump Guard
2. uPVC Column Pipe
3. uPVC Casing Pipe
4. Agricultural Fitting
5. Garden Pipe
6. Suction Hose
7. Sprinkler System
8. Drip System
9. uPVC Pipe
10. uPVC fittings
11. SWR Pipes
12. SWR Fittings.

Reg. Office - 98, Bahadarpur Road BURHANPUR - 450 331 (M.P.)

Tel. : 255122, 252353, 251210, 253833 Fax : (91) 7325-253273

E-mail : texmopipe@texmopipe.com Website : <http://www.texmopipe.com>