



**29<sup>th</sup> Annual Report**  
**2017-2018**

*Enriching Lives of Farmers, Since 1989*

# TEXEL INDUSTRIES LIMITED

CIN - L29100GJ1989PLC012576

## CORPORATE INFORMATION

### BOARD OF DIRECTORS:

Mr. Kirit Narotamdas Mehta	DIN - 00444837	Chairman & Independent Director
Mr. Shaileshbhai Ramniklal Mehta	DIN - 01457666	Managing Director
Mr. Naresh Ramniklal Mehta	DIN - 02888018	Non-Executive Director
Dr. Christy Leon Fernandez	DIN - 00090752	Independent Director
Mrs. Jasmin Nahidakhtar Vhora	DIN - 07173838	Independent Director

### COMPANY SECRETARY & COMPLIANCE OFFICER:

CS Reshma Thomas (till 23<sup>rd</sup> January, 2018)  
CS Priyanka Kuntamal (w.e.f. 14<sup>th</sup> May, 2018)

### CHIEF FINANCIAL OFFICER :

Mr. Dhruvit Sanghvi (till 23<sup>rd</sup> January, 2018)  
Mr. Vikram Patel (w.e.f. 23<sup>rd</sup> May, 2018)

### STATUTORY AUDITOR:

**M/s. Sunil Poddar & Company**  
Chartered Accountants,  
Ahmedabad

### INTERNAL AUDITORS:

**M/s. Pabari & Company**  
Chartered Accountants,  
Ahmedabad

### SECRETARIAL AUDITOR

**M/s. G.R. Shah & Associates**  
Practising Company Secretaries,  
Ahmedabad

### BANKERS:

- Union Bank of India
- Bank of Maharashtra
- Punjab National Bank
- HDFC

### REGISTERED & CORPORATE OFFICE:

Block No. 2106, Santej-Khatraj Road,  
Nr. Shah Alloys Ltd., Village: Santej,  
Tal: Kalol, Dist: Gandhinagar -382721, Gujarat  
**Phone** – (02764) 286329/34  
**Email** – [finance@geotexelin.com](mailto:finance@geotexelin.com)  
**Website** - [www.geotexelin.com](http://www.geotexelin.com)

### REGISTRAR & SHARE TRANSFER AGENT:

**M/s Link Intime India Private Limited**  
5<sup>th</sup> Floor, 506 to 508,  
Amarnath Business Centre – 1 (ABC-1), Beside Gala  
Business Centre, Nr. St. Xavier's College Corner,  
Off C G Road, Ellisbridge, Ahmedabad - 380006.  
**Phone** – (079) 2646 5179/86/87  
**Email** - [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)  
**Website** - [www.linkintime.co.in](http://www.linkintime.co.in)

**GST NUMBER: 24AAACT7085R1ZN**

**SECURITY CODE: BSE - 526638**

**DEMAT ISIN NUMBER: INE594V01010**

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## NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the **29<sup>th</sup> Annual General Meeting** of the Members of **TEXEL INDUSTRIES LIMITED** will be held on **Monday, the 10<sup>th</sup> day of September, 2018 at 10.00 a.m.** at the Registered Office of the Company at Block No. 2106, Santej – Khatraj Road, Nr. Shah Alloys Limited, Village Santej, Tal: Kalol, Dist: Gandhinagar – 382721, Gujarat, to transact the following business:

### ORDINARY BUSINESS:

#### Item No. 01: Adoption of Audited Financial Statements -

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2018 and the Reports of the Board of Directors and the Auditors thereon.

#### Item No. 02: Re-Appointment of Director-

To appoint a Director in the place of **Mr. Naresh Ramniklal Mehta (DIN: 02888018)**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

**For and on behalf of the Board**

Sd/-

**(Mr. Shailesh Ramniklal Mehta)**  
**Managing Director**  
**DIN - 01457666**

**Place : Mumbai**

**Date : 31<sup>st</sup> July, 2018**

#### Registered Office:

Block No. 2106, Santej – Khatraj Road,  
Nr. Shah Alloys Limited, Village Santej, Tal: Kalol,  
Dist: Gandhinagar – 382721, Gujarat

**Tel:** +91 8980026110, 8980026220

**CIN:** L29100GJ1989PLC012576

**Website:** [www.geotexelin.com](http://www.geotexelin.com)

**Email:** [finance@geotexelin.com](mailto:finance@geotexelin.com)

### NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH THE COMPANY'S REGISTERED OFFICE EITHER IN PERSON OR THROUGH POST NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- 3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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.**
- 4. Details as required, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General in respect of the Directors seeking re-appointment at the AGM are provided Annexure-A of this Notice. Requisite declarations have been received from the Directors seeking re-appointment. The Independent Directors of the Company have been appointed for a term of 5 years in accordance with the relevant provisions of the Companies Act, 2013 and are not eligible to retire by rotation.**
- 5. In accordance with the amendments to Regulation 40 of Listing Regulations, the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository. This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and ensure safety of transactions for investors.**

Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

- 6. Members of the Company had approved the appointment of M/s. Sunil Poddar & Company, Chartered Accountants, Ahmedabad as the Statutory Auditors at the 28<sup>th</sup> AGM of the Company which is valid till the Conclusion of 33<sup>rd</sup> AGM of the Company. In accordance with**



the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

7. Corporate members intending to send their authorised representative to attend the Meeting are requested to ensure that the authorised representative carries a certified copy of the Board Resolution, Power of Attorney or such other valid writings, authorising them to attend and vote on their behalf at the Meeting.
8. In case of joint holders attending the meeting, only such joint holders who are higher in the order of the names will be entitled to vote.
9. Members/proxies/authorised representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
10. The Register of Members and Share Transfer Books of the Company will be closed from **Tuesday, 4<sup>th</sup> September, 2018 to Monday, 10<sup>th</sup> September, 2018** (both days inclusive) for the purpose of the Annual General Meeting (AGM) for the Financial Year 2017-18.
  - Members holding shares in electronic form are requested to intimate immediately any change in their address or any other changes with regard to their Identity proof to their Depository Participants with whom they are maintaining their demat accounts.
  - Members holding shares in physical form are requested to advise any change in their address or any other changes with regard to their Identity proof mandates immediately to the Company / M/s. Link Intime India Private Limited (RTA of the Company) at the Following address quoting reference of the Registered Folio Number;

**M/s Link Intime India Private Limited**  
 5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1),  
 Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
 Off C G Road, Ellisbridge, Ahmedabad - 380006.  
**Phone** – (079) 2646 5179/86/87  
**Email** - [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)
11. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the Members at the Registered Office of the Company during business hours on all working days, up to the date of the Annual General Meeting.
12. Members desirous of getting any information on the Annual Accounts, at the Annual General Meeting, are requested to write their queries and send atleast 7 days before the Annual General Meeting so as to enable the Management to keep the information ready at the meeting.
13. As per the provisions of the Companies Act, 2013, facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms SH-13 can be obtained from the Company's Registrar and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant(s).
14. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with M/s. Link Intime India Private Limited /Depository Participant(s).
15. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, annexed to the Proxy Form. Members/ Proxies are requested to bring the attendance slip duly filled in and to affix their signature at the place provided on the Attendance Slip and hand it over at the counters at the venue.
16. Members are requested to incorporate their Folio Number in the Attendance Slip/Proxy Form, for easier identification of attendance at the Meeting.
17. Members are requested to bring their copy of Annual Report at the Meeting as an austerity measure.
18. The Company has designated an exclusive **Email ID:-“[invrelations@geotexelin.com](mailto:invrelations@geotexelin.com)”** for redressal of shareholders'/Investors complaints/grievances. In case of any queries, complaints/grievances, kindly write to the above mentioned email address.
19. If any of the members are holding shares in the same name or in the same order of names, under different folios, then members are requested to notify the same to the Registrar and Share Transfer Agent for consolidation of their shareholding into a single folio.
20. A Route map showing directions to reach the venue of the 29<sup>th</sup> Annual General Meeting is drawn on last page of this annual report as per the requirement of the Secretarial Standards -2 on “General Meeting”.

#### Updation of Members' details:

The Securities and Exchange Board of India (SEBI) vide its circular dated 20<sup>th</sup> April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all the securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to M/s Link Intime India Private Limited, RTA of the Company, by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

#### **Process and manner for voting through electronic means:**

1. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, the Company is pleased to provide to its Members the facility to cast their votes electronically, through e-voting services provided by Central Depository Services Limited ("CDSL"), on resolutions set forth in this Notice. The Members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting ("remote e-voting"). Instructions for remote e-voting are given herein below. The Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting.
2. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting.
3. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.
4. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners are maintained by the Depositories as on the Cut-off date of **Monday, 3<sup>rd</sup> September, 2018**, shall be entitled to avail the facility of remote e-voting as well as voting at the ensuing Annual General Meeting. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
5. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, 3<sup>rd</sup> September, 2018, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Ballot Paper at the ensuing Annual General Meeting by following the procedure mentioned in this part.
6. The voting period begins on **Thursday, 6<sup>th</sup> September, 2018 (9:00 a.m.) to Sunday, 9<sup>th</sup> September, 2018 (5.00 p.m.)**. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 3<sup>rd</sup> September, 2018, may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter.
7. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
8. The voting rights of the members shall be in proportion of their shares to the paid up equity share capital of the Company as on the Cut-off date of Monday, 3<sup>rd</sup> September, 2018.
9. **M/s D. A. Rupawala & Associates, Chartered Accountants, Ahmedabad**, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process as well as the voting through Ballot paper at the ensuing Annual General Meeting, in a fair and transparent manner.
10. The Scrutinizer shall immediately, after the conclusion of voting at ensuing Annual General Meeting, will first count the votes cast at the ensuing Annual General Meeting, thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, submit a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the results of the voting forthwith, within 48 hours of conclusion of the Annual General Meeting.
11. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL "[www.cdslindia.com](http://www.cdslindia.com)" and on the website of the Company "[www.geotexelin.com](http://www.geotexelin.com)", within 48 hours after the conclusion of the 29<sup>th</sup> AGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

The process and manner for remote e-voting is as under:

- a) The shareholders should log on to the e-voting website "[www.evotingindia.com](http://www.evotingindia.com)"
- b) Click on "Shareholders".
- c) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to "[www.evotingindia.com](http://www.evotingindia.com)" and voted on an earlier voting of any Company, then your existing password is to be used.

- f) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (d).</li> </ul>

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) Click on the EVSN for the relevant Company on which you choose to vote.
- k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- m) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also print the vote done by you by clicking on "Click here to print" option on the Voting page.
- p) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q) Shareholders can also use Mobile app - "m - Voting" for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

**Note for Non – Individual Shareholders and Custodians:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
- The list of accounts linked in the login should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at "[www.evotingindia.com](http://www.evotingindia.com)" under help Section or write an email to "[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)".

**For and on behalf of the Board**

**Sd/-**

**(Mr. Shailesh Ramniklal Mehta)**  
**Managing Director**  
**DIN - 01457666**

**Place : Mumbai**  
**Date : 31<sup>st</sup> July, 2018**

# **ANNEXURE- A TO THE NOTICE**

## **Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]**

### **PROFILE OF MR. NARESH RAMNIKLAL MEHTA:**

Mr. Naresh Mehta (55) was appointed as a Member of the Board with effect from 2<sup>nd</sup> August, 1989. He holds a Masters of Science from U.S.A in Plastic Engineering and has rich and varied experience of 21 years in the Plastic Engineering Industry.

### **Particulars of experience, attributes or skills that qualify the candidate for Board membership:**

Mr. Naresh Mehta has demonstrated executive leadership and he has provided valuable insights and perspectives to the Boards deliberations on complex financial and operational issues. His unique insights with respect to regulatory and policy matters, compliance and internal controls has strengthened the Board's collective knowledge, capabilities and experience.

### **Board Meeting Attendance:**

During the year, Mr. Naresh Mehta attended one out of the Four Board Meetings held.

### **Bodies Corporate (other than Texel Industries Limited) in which Mr. Naresh Mehta holds Directorships and Committee memberships:**

Nil

### **Chairperson of Board Committees:**

Nil

### **Member of Board Committees:**

Nomination and Remuneration Committee

### **Disclosure of Relationship inter-se between Directors, Manager and other Key Managerial Personnel:**

There is a inter-se relationship between Mr. Naresh Mehta and Mr. Shailesh Mehta, Managing Director of the Company.

### **Shareholding in the Company**

Mr. Naresh Mehta holds 99801 equity shares of the Company as on date of this Notice and belongs to the promoter group of the Company.

**For and on behalf of the Board**

**Sd/-**

**(Mr. Shailesh Ramniklal Mehta)**

**Managing Director**

**DIN - 01457666**

**Place : Mumbai**

**Date : 31<sup>st</sup> July, 2018**

### **Registered Office:**

Block No. 2106, Santej – Khatraj Road,  
Nr. Shah Alloys Limited, Village Santej, Tal: Kalol,  
Dist: Gandhinagar – 382721, Gujarat

**Tel:** +91 8980026110, 8980026220

**CIN:** L29100GJ1989PLC012576

**Website:** [www.geotexelin.com](http://www.geotexelin.com)

**Email:** [finance@geotexelin.com](mailto:finance@geotexelin.com)



**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2017-18**

To,  
The Members,

The Directors take pleasure in presenting the 29<sup>th</sup> Annual Report of the Company along with Audited Financial Statements for the year ended 31<sup>st</sup> March, 2018.

**1. FINANCIAL PERFORMANCE:**

The performance of your Company for the Financial Year ended 31<sup>st</sup> March, 2018 is summarized below:

(₹ in Lakhs)

Particulars	Financial Year ending	
	2017-18	2016-17
Total Revenue	9165.34	5346.13
<b>Profit before Interest, Depreciation &amp; tax (EBIDTA)</b>	<b>562.01</b>	<b>371.85</b>
Less: Finance Cost	87.47	135.02
Less: Depreciation	51.110	92.66
<b>Profit Before Tax and Extraordinary Items</b>	<b>423.43</b>	<b>144.17</b>
Extraordinary Items	0.02	0.57
<b>Profit Before Tax (PBT)</b>	<b>423.41</b>	<b>143.60</b>
Less: Provisions for Taxation Including Deferred Tax	116.85	29.70
<b>Profit for the Year</b>	<b>306.56</b>	<b>113.90</b>
Other Comprehensive Income	-1.68	-2.61
<b>Total Comprehensive Income for the Year</b>	<b>304.88</b>	<b>111.29</b>

The Company has adopted Indian Accounting Standard ('Ind AS') with effect from 1<sup>st</sup> April, 2017 and accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.

**2. PERFORMANCE AT A GLANCE:**

Your Company reported a marginal top-line growth of 173.95% over the Previous Year.

During the Financial Year 2017-18, there has been significant improvement in the performance of the Company as compared to the previous year. The Company registered total operating revenue of ₹ 9108.62 lakhs for the year ended 31<sup>st</sup> March, 2018 as compared to ₹ 5329.06 lakhs for the year ended 31<sup>st</sup> March, 2017 which is an increase of 70.92%. The Company registered a net profit of ₹ 304.88 lakhs in the year ended 31<sup>st</sup> March, 2018 as compared to ₹ 111.29 lakhs in the year ended 31<sup>st</sup> March, 2017, thereby registering an increase of 173.95%.

No material changes or commitments have occurred between the end of the Financial Year and the date of this Report which affect the financial statements of the Company in respect of the Financial Year.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Audited Financial Statements along with the

Directors' Report and Auditors' Report therein form part of this Annual Report. The Financial Statement of the Company are also available on the website of the Company and can be accessed at the **website : [www.geotexelin.com](http://www.geotexelin.com)**.

**3. DIVIDEND:**

Considering the current cash flow position of the Company, the Board of Directors has not recommended any dividend on Share Capital of the Company for the year ended on 31<sup>st</sup> March, 2018.

**4. DEPOSITS:**

Your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) from the public or the members and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**5. AMOUNTS TRANSFERRED TO GENERAL RESERVES:**

Pursuant to provisions 134(3)(i) of the Companies Act, 2013, the Companies has not proposed to transfer any amount to general reserves account of the Company during the year under review.

**6. SHARE CAPITAL:**

As detailed in the financial statements and fully explained in the Annual Report 2016-17, the Company had received an order of the Honorable Gujarat High Court on 12<sup>th</sup> August, 2016,

confirming 50% reduction in paid up value of 58,45,842 equity shares as a sacrifice on behalf of the shareholders of the company to reduce accumulated losses and simultaneously consolidated two equity Shares of ₹ 5/- each fully paid with one equity share of ₹ 10/- each fully paid up.

Hence, the Share capital of the Company was reduced from ₹ 5,84,58,420/- to ₹ 2,92,29,210/- and financial entries of the same had been taken by the Company into its Books on 30<sup>th</sup> September, 2016.

Further, pursuant to Para. 11 '**Sanctioned Scheme by the BIFR**', further allotment of Shares was made to the Promoter as a part of Capital Infusion and to Secured Creditors as part of one time settlement against their dues, to revive the sick industry which were not under the purview of Capital Reduction and they are detailed as below:

- a. 10,00,000 fully paid up equity shares of ₹ 10/- each issued by the Company to Mrs. Avni Mehta, Promoter of the Company in more than one tranches.
- b. 5,00,000 Lakhs fully paid up equity shares of ₹ 10/- each issued by the Company to one of its Secured Creditor, M/s Sky Point Technical Textile Private Limited.
- c. 8,00,000 fully paid up equity shares of ₹ 10/- each issued by the Company to one of its Secured Creditor, M/s Standard Chartered Bank in the year 2009.

Therefore, after taking the effects of Capital Reduction and further Share Allotment into the consideration, total Equity Share Capital of the Company stands as on date at ₹5,22,29,210/-.

Further, the Company has already made an application dated 12/04/2017 and 17/03/2018 to BSE for getting the trading approval for the further allotted shares as mentioned above.

During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity as on 31<sup>st</sup> March, 2018 and none of the Directors of the company hold instruments convertible into equity shares of the Company.

## **7. EARLY REDEMPTION OF 19,50,000 PREFERENCE SHARE CAPITAL:**

During the year under review, out of 30,00,000 Preference Shares, your Company had redeemed the 19,50,000 fully paid up, 4% Cumulative, 7 years Redeemable preference shares of ₹ 10/- each before attaining its maturity period for which the Company has already taken the Shareholder Approval at the 28<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> August, 2017.

## **8. EXPANSION & MODERNISATION:**

During the year, under review; as a part of the Company's expansion plans outside the Home Country and further to take advantage of transfer of technology and skill, access to wider

global market and promotion of brand image in other countries, the Company has incorporated the Wholly Owned Subsidiary Company "**Texel Industries (Africa) Limited**" in Kenya by subscribing its Memorandum by 100% capital.

The Company has intimated the same to the Bombay Stock Exchange (BSE) pursuant to Regulation 30(2) of SEBI (LODR) Regulations, 2015 on 18<sup>th</sup> June, 2018.

## **9. SUBSIDIARIES & ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary Company or Associate Company as at 31<sup>st</sup> March, 2018, hence, the statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 pursuant to Section 129(3) of the Companies Act, 2013 is not applicable to your Company.

## **10. POLICY ON MATERIAL SUBSIDIARY:**

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available on the website of the Company under the weblink: [http://geotexelin.com/wp-content/uploads/bsk-pdf-manager/Policy\\_of\\_Material\\_Subsubsidiary\\_93.pdf](http://geotexelin.com/wp-content/uploads/bsk-pdf-manager/Policy_of_Material_Subsubsidiary_93.pdf).

## **11. UPDATE ON TRADE SUSPENSION AND LISTING:**

As detailed before, the Company was declared as sick Industrial Company in terms of Section 3(1)(o) of Sick Industrial Companies Act, 1985 and rehabilitation scheme has been submitted to BIFR, which has been sanctioned by BIFR for implementation by all concerned vide order dated 31.08.2015 of BIFR, New Delhi.

The Trading in the securities of your company was suspended by the Bombay Stock Exchange with effect from 10<sup>th</sup> September, 2001 due to a surveillance measure. Subsequently, with the Management's decision to file revocation of suspension of trading of shares with BSE, the Company filed an application for the same on 19<sup>th</sup> September, 2016.

All necessary dues to BSE have been paid. The Company is expecting to revoke its Suspension in a short period of time.

## **12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) and Schedule V of SEBI (LODR) Regulation 2015 is set out in the **Annexure – A** to this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's various businesses viz., analysis and review of global and Indian Geomembranes industry, industrial and home improvement business, internal controls and their adequacy, risk management systems and other material developments during the Financial Year 2017-18.