

# ANNUAL REPORT

F.Y. 2020-21



## WIDE RANGE OF PIPES & FITTINGS

C.P.V.C. Pipes & Fittings | U.P.V.C. Pipes & Fittings | SWR Pipes & Fittings | Solvent Cement

## Board of Directors

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

## Committees of Directors

### Audit Committee

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

### Nomination and Remuneration Committee

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

### Treasury Committee

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

### Stakeholders' Relationship Committee

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

## Corporate Social Responsibility Committee

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

## Chief Executive Officer

Mr. Mohit Agrawal

## Company Secretary & Compliance Officer

Mr. Ajay Shrivastava (Appointed on 24.07.2020)

### Statutory Auditors

M/s. Anil Kamal Garg & Company  
 Chartered Accountants, Indore

### Secretarial Auditor

Mr. Dinesh Kumar Gupta  
 Practicing Company Secretary, Indore

### Bankers

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

### Registrar and Share Transfer Agent

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

### Registered Office

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

### Corporate Identification Number

L25200MP2008PLC020852

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**CHAIRPERSON'S MESSAGE**

Dear Shareholders,

It is my privilege to share with you the 13th Annual Report of your Company for FY 2020-21 and share the key highlights and the financials and the roadmap going forward. We have always strived as a Company to better our performance by continually quality production and strengthening capabilities and expanding our products with making it unique one. Beginning since inception, our vision is always based on hard work, open communication and a strong focus on team work and a high level of responsibility and accountability. We always believe that Sustainable development is the key to success and we have aligned ourselves to this mission. Your Company Texmo Pipes and Products Limited is one of the most trusted Company, engaged in defining and offering higher levels of customer satisfaction and faster adoption of latest available technology and resources.

In the FY 2020-21, we have made significant progress and your Company has performed well in terms of revenue and achieved a milestone of turnover. Your Company is continuously increasing our operations year by year and is being committed towards the same growth in order to expand business operations and continuous growth. Your Company is focused on to increase the value of stakeholders and to maintain a wide market as a leader. We are always focused on growth and innovations so as to maintain a diversified and strong portfolio and maintain our strength and strong presence in the market.

We all are very well aware that, the wide spread and outbreak of COVID-19 pandemic last year and again second wave in the end of fourth quarter of FY 2021 forced the entire world into a lockdown and has inflicted a global economic recession. Societies, business and economies have all suffered as to prevent and stop the chain of spread of the virus. The crisis has dimmed the growth outlook for the global economy including for India in coming year. The prices of raw material touch a boom which results in pricing of finished goods to a great extent and also affected the customer base.

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

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

**With Best Wishes,**

**Rashmi Devi Agrawal**  
**Chairperson & Whole Time Director**  
**DIN 00316248**

**NOTICE**

NOTICE is hereby given that the 13th Annual General Meeting of the Members of **TEXMO PIPES AND PRODUCTS LIMITED** (CIN: L25200MP2008PLC020852) will be held through Video Conference (“VC”) / Other Audio Visual Means (“OAVM”) on Wednesday, 29th September, 2021, at 12.30 P.M. to transact with or without modification(s), as may be permissible, the following business:-

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Vijay Prasad Pappu ((DIN: 02066748) who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**3. REMUNERATION OF COST AUDITOR FOR THE YEAR 2021-22.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being enforce), the remuneration of Rs. 80,000/- (Rupees Eighty thousand only) plus applicable taxes to be paid to M/s Saurabh Parikh & Associate (Firm Registration No.101495), Cost Auditors of the Company to conduct the Audit of the cost records of the Company for the Financial Year ending March 31, 2022, as approved by the Board of Directors of the Company, be and is hereby ratified.

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

**4. RE-APPOINTMENT OF SHRI AMBER CHAURASIA (DIN 07729278) AS A NON EXECUTIVE INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with the Rules made thereunder, Regulation 16 (1)(b) and 25(8) including such other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and Board of Directors, Shri Amber Chaurasia (DIN 07729278), an Independent Director of the Company whose period of office is liable to expire on February 09, 2022, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act and Rules thereof including amendments thereunder, proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation, to hold office for a second term of five consecutive years with effect from February 10, 2022 to February 09, 2027.

**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.”

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

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, (if any) of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company and on recommendation of Nomination and Remuneration Committee to the Board of Directors (Board) and approval thereof by the Board, approvals of the members of the Company be and is hereby accorded for revision in the remuneration payable to Shri Sanjay Kumar Agrawal (DIN: 00316249) as Managing Director of the Company with effect from 1<sup>st</sup> October, 2021 for the remaining period of his present term of appointment upto 31<sup>st</sup> August, 2023 on the remuneration and perquisites set out hereunder with liberty to the Board (which term shall include any committee constituted by the Board) from time to time to alter the said terms and conditions and to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

**1) Salary-**

Monthly basic salary of Rs. 12,50,000/- (Rupees Twelve Lakhs Fifty Thousand only)

**(2) Allowances / Benefits / Perquisites**

A. Housing - Rent free furnished residential accommodation. In case, no accommodation is Provided by the Company, the Managing Director shall be paid House Rent Allowance equivalent to 40% of basic salary i.e. Rs. 5,00,000/-

**B. Other Perquisites / Allowances**

- i. Medical Allowance 10% of basic Salary i.e. Rs. 1,25,000/-p.m.
- ii. Conveyance Allowance Rs. 2,50,000/-p.m.
- iii. Uniform Allowance Rs. 1,25,000/- p.m.
- iv. Other Allowance and Children education allowance Rs. 2,50,000/- p.m.
- v. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- vi. Medical and Personal Accident Insurance.
- vii. Reimbursement of membership fees /subscription, subject to a maximum of two clubs in India.
- viii Conveyance: The Company shall provide suitable conveyance facilities as per requirements.
- ix. Telecom / Computer facilities: The Company shall provide telecom / computer facilities as per requirements.
- x. Servants facilities Gardener, cook, house keeper, watchman and driver etc.
- xi. Premium for payment of Employer-Employee Insurance taken by the Company: Rs. 10,15,687/- per annum, for pay-term of 10 years which will be paid by the Company and the said insurance cover shall be assigned in favour of Shri Sanjay Kumar Agrawal, Managing Director (DIN: 00316249) of the Company.

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

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

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

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

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

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

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

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

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

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

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

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

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

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, (if any) of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company and on recommendation of Nomination and Remuneration Committee to the Board of Directors (Board) and approval thereof by the Board, approvals of the members of the Company be and is hereby accorded for revision in the remuneration payable to Mrs. Rashmi Devi Agrawal (DIN: 00316248) as Chairperson and Whole Time Director of the Company with effect from 1<sup>st</sup> October, 2021 for the remaining period of her present term of appointment upto 31<sup>st</sup> August, 2023 on the remuneration and perquisites set out hereunder with liberty to the Board (which term shall include any committee constituted by the Board) from time to time to alter the said terms and conditions and to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

1) Salary-



Monthly basic salary of Rs. 4,00,000/- (Rupees Four Lakhs only)

**(2) Allowances / Benefits / Perquisites**

A. The Whole Time Director shall be paid House Rent Allowance equivalent to 40% of basic salary i.e. Rs. 1,60,000/-p.m.

**B. Other Perquisites / Allowances**

- i. Medical Allowance 10% of basic Salary i.e. Rs. 40,000/-p.m.
- ii. Conveyance Allowance Rs. 80,000/-p.m.
- iii. Uniform Allowance Rs. 40,000/- p.m.
- iv. Other Allowance and Children education allowance Rs. 80,000/- p.m.
- v. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- vi. Medical and Personal Accident Insurance.
- vii. Reimbursement of membership fees /subscription, subject to a maximum of two clubs in India.
- viii. Conveyance: The Company shall provide suitable conveyance facilities as per requirements.
- ix. Telecom / Computer facilities: The Company shall provide telecom / computer facilities as per requirements.
- x. Premium for payment of Employer-Employee Insurance taken by the Company: Rs. 7,23,728/- per annum, for pay-term of 10 years which will be paid by the Company and the said insurance cover shall be assigned in favour of Smt. Rashmi Devi Agrawal, Whole Time Director (DIN: 00316248) of the Company.

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

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

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

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

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

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

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

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of Mrs. Rashmi Devi Agrawal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by



way of salary and perquisites as specified above subject to the restrictions set out in Schedule V of Companies Act, 2013;

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

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

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

**7. TO APPROVE REVISION IN REMUNERATION OF SHRI MOHIT AGARWAL AS CHIEF EXECUTIVE OFFICER OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provision of Section 2(18), 188 and 203 and other applicable provision (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 read with Rules made there under and pursuant to recommendation of Nomination & Remuneration Committee and Audit Committee to the Board of Directors (Board) and approval thereof by the Board, approval of the members of the Company be and is hereby accorded to revise remuneration of Shri Mohit Agrawal to Rs. 6,00,000/- (Rupees Six Lakhs only) per month with effect from 1st October, 2021, to perform the duties assigned to him by the Board from time to time as Chief Executive Officer of the Company.

**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.”

**8. TO APPROVE REVISION IN PAY SCALE OF SMT. APARNA MOHIT AGARWAL AS CHIEF DESIGN OFFICER IN THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of Companies Act 2013 and other applicable provisions, if any, including any statutory modification(s) or re-enactment(s) thereof for time being in force, and pursuant to recommendation of Nomination & Remuneration Committee and Audit Committee to the Board of Directors (Board) and approval thereof by the Board, approval of the members of the Company be and is hereby accorded for the revision in appointment terms of Smt. Aparna Mohit Agrawal as Chief Design Officer on a pay scale of Rs. 5,00,000/- per month with effect from the 01<sup>st</sup> October, 2021, in the Company.

**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.”

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

**Ajay Shrivastava  
Company Secretary**

**Membership No.: ACS 41817**

**Place: Burhanpur  
Date: August 13, 2021**

**NOTES:-**

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business as set out above is annexed hereto.
2. Pursuant to the General Circular numbers 14/2020, 17/2020 and 20/2020 issued by the Ministry of Corporate Affairs (MCA) dated April 8, 2020, April 13, 2020, May 5, 2020 and Clarification Circular dated January 13, 2021 and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM for the calendar year 2021 and the registered office of the Company i.e. 98, Bahadarpur Road, Burhanpur, MP will be the deemed venue of the AGM. In accordance with the said Circulars, hard copies of the AGM Notice and Annual Report are not circulated to the members.
3. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies to attend and cast vote on behalf of the members is not available.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 (“the Act”).
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorize their representatives to participate and vote at the AGM are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
6. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the 13<sup>th</sup> Annual General Meeting of the Company being conducted through Video Conferencing (VC) herein after called as “e-AGM”.
7. e-AGM: The Company has appointed M/s KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
8. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2021 and Members seeking to inspect such documents and ask any information pertaining to the above can send an email to [complaints@texmopipe.com](mailto:complaints@texmopipe.com). The same will be replied by the Company suitably.
10. Members whose shareholding is in electronic mode are requested to direct notifications about change of address, mobile number and email IDs to their respective depository participants(s) (DP) and also to quote Folio Number/Client ID/DP ID, in all their correspondence with the Company/DP.
11. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the management to keep the information ready at the meeting.