



ENRICHING LIVES OF FARMERS

28th Annual Report
2016-2017

 **Texel
Industries
Limited**

TEXEL INDUSTRIES LIMITED

CIN : L29100GJ1989PLC012576

Corporate Information

BOARD OF DIRECTORS

Mr. Kirit N. Mehta	:	Chairman DIN: 00444837
Mr. Shailesh R. Mehta	:	Managing Director DIN: 01457666
Mr. Naresh R. Mehta	:	Director DIN: 02888018
Dr. Christy Fernandez	:	Independent Director DIN: 00090752
Mrs. Jasmin Nahidakhtar Vhora	:	Independent Director DIN: 07173838

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Umesh A. Vyas (Till 31st March, 2017)
Reshma Susan Thomas (From 01st April, 2017)

AUDITORS

M/s. A.L. Thakkar & Company
Chartered Accountants,

1st Floor, Kashmira Chamber,
B/H Old High Court, Navrangpura,
Ahmedabad- 380009.

BANKERS

Union Bank of India
Bank of Maharashtra
Punjab National Bank

REGISTERED OFFICE

Block No.2106,
Santej-Khatraj Road,
Village Santej,
Tal.- Kalol,
Dist.- Gandhinagar-382721
Gujarat.

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
5th Floor, 506 to 508,
Amarnath Business Centre-1,
Besides Gala Business Centre,
Off C. G Road, Navrangpura,
Ahmedabad-380009.
E-mail: ahmedabad@linkintime.co.in

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NOTICE OF THE 28TH ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting of **TEXEL INDUSTRIES LIMITED** will be held on Saturday, 19th August, 2017 at 11:00 a.m. at the Registered Office of the Company at Block No. 2106, Santej - Khatraj Road, Nr. Shah Alloys Ltd., Village Santej, Tal.: Kalol, Dist: Gandhinagar-382721, Gujarat, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended on 31st March, 2017, including audited balance sheet, statement of profit and loss account and Cash Flow Statement together with the notes for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Naresh R. Mehta (DIN: 02888018)**, who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors

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 Sections 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s Sunil Poddar & Co., Chartered Accountants (ICAI Firm Registration No.110603W) be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. A.L. Thakkar & Co., Chartered Accountants, the retiring Auditors, for a term of (5) five years to hold office from the conclusion of the 28th Annual General Meeting of the Members of the Company till the conclusion of the 33rd Annual General Meeting to be held in the year 2022 (subject to ratification of their appointment by the Members at every Annual General Meeting held after this Annual General Meeting) on such remuneration plus applicable taxes, out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution.”

SPECIAL BUSINESS:

4. **To appoint Mr. Shailesh R. Mehta, as the Managing Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the consent of the Company be and is hereby accorded to appoint Mr. Shailesh R. Mehta (DIN:01457666), as the Managing Director of the Company for a period of three years with effect from February 15, 2017, upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the Explanatory Statements annexed to this Notice and powers and duties as set out in the agreement as placed before the members and duly initialled by the Chairman for the purpose of identification, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, with liberty to the Board of Directors to vary the terms and conditions of the said appointment.”

“RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profit of the company in any financial year, during the term of office of Mr. Shailesh R. Mehta, the remuneration mentioned in the above referred agreement shall be paid to Mr. Shailesh R. Mehta as minimum remuneration and the same shall be subject to the limits as set out in Section II of part II of Schedule V of the Companies Act, 2013, with further liberty to the Board of Directors to increase such remuneration so as not to exceed overall limit as set out in Section II of Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT any revision in the remuneration payable to Mr. Shailesh R. Mehta shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the board for its approval, from time to time.”

“RESOLVED FURTHER THAT the board be and is hereby authorized to do all such acts, deeds and things and execute all such acts, documents, instruments and writing as may be required and to delegate all or any of its powers herein conferred to any committee of director to give effect to the aforesaid resolution”

5. **Authority to Keep Register of Members and copies of annual return at a place other than the Registered Office of the Company:**

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

“RESOLVED THAT pursuant to the provisions of Section 94, other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register and Index of Members, Register and Index of Debenture Holders and copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates to be annexed thereto or any other documents as may be required, at the office of the Registrar and Share Transfer Agent of the Company viz. M/s Link In time India Pvt Ltd. having their Registered Office at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai-400083, or its any other office or branch or place, instead of the Registered Office of the Company”

“**RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof or Company Secretary of the Company be and are hereby authorized either severally or jointly to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.”

6. To consider and approve increase in the borrowing limit u/s. 180(1)(c):

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 earlier resolution passed by the Members in 25th Annual General Meeting held on 29th September, 2014, the consent of the Company be and is hereby accorded to the Board of Directors and/or any Committee of Directors thereof, under Section 180(1)(c) of the Companies Act, 2013 to borrow any sum or sums of moneys from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company, may exceed aggregate of its paid-up capital and free reserves, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business, provided however that, the total amount so borrowed shall not exceed Rs. 50,00,00,000/- (Rupees Fifty Crores only).

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion considered to be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regards.”

7. To consider and approve the increase in limit for creating mortgage or hypothecation charge on the assets of the Company u/s. 180(1)(a):

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“**RESOLVED THAT** in supersession of the earlier resolution passed by the Members at their 25th Annual General Meeting held on 29th September, 2014, the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create mortgage(s)/charge(s) and/or hypothecation in addition to the existing mortgage(s) / charge(s) and / or hypothecation created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any part of the immovable and / or movable properties and assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company in the form of first and / or second and / or pari- passu / subservient mortgage, charge and / or floating charge to secure in favour of Financial Institutions, Banks, Lenders, etc. for securing the borrowings of the Company availed / to be availed, by loans sanctioned / to be sanctioned by the Financial Institutions, Banks and any other Lender(s) to the Company or any other third party from time to time for an amount at any time not exceeding in aggregate Rs.50 Crores (Rupees Fifty Crores only) together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges and other expenses and charges and all other monies payable by the Company to the said Financial Institutions, Banks and Lenders in respect of such loans and borrowings on such specific terms and conditions and covenants in respects of enforcement of security as may be stipulated in that behalf and agreed to between the Company, Financial Institutions, Banks and its Lenders, etc.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to finalize the documents with the Financial Institutions, Banks and Lenders of the Company for creating aforesaid mortgage/ charge and/ or hypothecation and to do all such acts, deeds, things and matters as may be necessary and expedient for giving effect to the above Resolution.”

8. To consider and approve early redemption of Preference Shares:

To pass with or without modification the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to provisions of Sections 48 and 55 and all other applicable provisions of the Companies Act, 2013 read with Rules made there under (including any statutory modifications or re-enactment thereof for the time being in force), if any, applicable provisions of the Articles of Association of the Company and subject to the applicable statutory approvals, regulations, Rules if any, and in partial modification to the resolution number 10 passed at the 26th Annual General Meeting of the Company held on 30th November, 2015, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make early redemption of 30,00,000 (Thirty Lacs only) 4% Cumulative, 7 year Redeemable Preference Shares of Rs. 10/- (Rupees ten only) each, allotted to M/s. Sky Point Technical Textile Private Limited (hereinafter referred to as STTPL), on terms and conditions as may be mutually agreed by and between the Company and STTPL.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be necessary and expedient for giving effect to the above Resolution.”

By Order of the Board of Directors

Date:-27th May, 2017

Place:-Santej

**Reshma Susan Thomas
Company Secretary**

Registered Office:-

Block No. 2106, Santej-Khatraj Road,
Nr. Shah Alloys Ltd., Village-Santej-382721,
Tal.:Kalol, Dist.: Gandhinagar, Gujarat.
Tel.: +91 8980026110, 8980026220
E-mail: invrelations@geotexelin.com
CIN:-L29100GJ1989PLC012576

Notes:

1. The respective Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 5 to 8 of the accompanying Notice are annexed hereto.
2. A statement giving additional details of the Directors seeking appointment/re-appointment as set out in Resolution at Item No's 2 & 4 is annexed herewith as required under 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty (50) members holding in aggregate, not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting right may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than **48 hours** before the commencement of the meeting.

Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative together with specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.
5. The Register of Member and Share Transfer Books of the Company will remain closed from 12th August, 2017 (Saturday) to 19th August, 2017 (Saturday) (both days are inclusive).
6. Members, proxies and authorized representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No.
7. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents, reports, orders, notice or other papers referred to in the notice and accompanying the statement are open for inspection by the members at the registered office of the company on all working days, except Sunday and national holiday, during normal business hours (10:00 A.M to 5:00 P.M.) up to the date of the annual general meeting.
9. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in security market, deletion of the same of deceased holder, transmission/transposition of shares. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA, Link In time India Pvt. Ltd.
10. Pursuant to Section 72 of the Companies Act, 2013, members who hold shares in their single names are advised to make nomination by filling prescribed Form SH-13 with the Registrar and Share Transfer Agent of the Company.
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA - Link In time India Pvt. Ltd. the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. Members seeking any information with regard to the accounts are requested to write to the Company at least 7 (seven days) prior to the AGM, so as to enable the Management to keep the information ready at the AGM.
13. Electronic copy of the Notice of the Annual General Meeting of the Company along with annual report inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company along with Annual Report 2016-17 inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode at their registered address with the Company. Members may note that this Notice and the Annual Report 2016-17 will be available on the Company's website viz. www.geotexelin.com.
14. To support the 'Green Initiative', Members are requested register their e-mail addresses with DPs / Link In time India Pvt. Ltd. The registered e-mail address will be used for sending future communications.
15. Members are requested to bring their copy of the Annual Report to the Annual General Meeting as an austerity measure.
16. The route map showing directions to reach the venue of the AGM is annexed.

VOTING THROUGH ELECTRONIC MEANS:

1. Pursuant to provisions of Section 108 of the Act and the Rules framed there under, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means on the resolutions proposed to be considered at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The Company has fixed 12th August, 2017 as the “cut-off date” to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of “remote e-voting” (e-voting from a place other than venue of the AGM), to enable them to cast their votes at the 28th Annual General Meeting (AGM) and the business at the 28th AGM may be transacted through such voting.
2. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).
3. The facility for voting through ballot paper shall be made available at the AGM 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 meeting through ballot paper.
4. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
5. The remote e-voting period commences on 16th August, 2017, Wednesday, (10.00 A.M.) and ends on 18th August, 2017, Friday, (5:00 P.M.) During this period Members of the Company, holding shares as on the cut-off date of 12th August, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
6. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on cut-off date i.e. 12th August, 2017 only shall be entitled to avail the facility of voting.
7. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company/RTA for issuance of the User ID and Password for exercising their right to vote by electronic means.
8. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
9. The facility for voting, either through electronic voting system or ballot/polling paper shall also be made available at the venue of the AGM, apart from the remote e-voting facility provided prior to the date of AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the AGM. The Company has appointed M/s. D. A. Rupawala & Associates, Practicing Chartered Accountants, Ahmedabad (Firm Registration No. 120116W) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, during the remote e-voting and voting at the AGM, not later than three days of conclusion of the meeting, to the Chairman or a person, authorized by him in writing. The Chairman or a person, authorized by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer’s report shall be placed on the Company’s website and on the website of CDSL and shall be communicated to the Stock Exchanges.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins at 16th August, 2017 (10:00 A.M.) and ends on 18th August, 2017, (5:00 P.M.). During this period shareholders’ of the Company, holding shares, as on the cut-off date (record date) of 12th August, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) 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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on the Address Sticker. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Date of Birth (DOB)	Enter the Date of Birth as recorded in your DEMAT account or in the Company records for the said DEMAT account or folio in DD/MM/YYYY format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your Demat account or in the company records in order to login. 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 (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "Texel Industries Limited" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the login or password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) 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 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.
 - 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 on.
 - The list of accounts should be mailed to 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

- (xxi) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12th August, 2017.
- (xxii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 12th August, 2017, may obtain the user ID and password by sending a request at helpdesk.evoting@cdslindia.com or inrvrelations@geotexelin.com.
- (xxiii) However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evotingindia.com
- (xxiv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- (xxv) The result declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
- (xxvi) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, M/s. D. A. Rupawala & Associates, Practicing Chartered Accountants, Ahmedabad (Firm Registration No. 120116W), at the Registered Office of the Company not later than Thursday, 17th August, 2017 (11.00 A.M. IST). Members have the option to request for physical copy of the Ballot Form by sending an e-mail to invrelations@geotexelin.com by mentioning their Folio / DP ID Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Thursday, 17th August, 2017 (11.00 A.M. IST).
- (xxvii) Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

By Order of the Board of Directors

Date:-27th May, 2017

Place:-Santej

Reshma Susan Thomas

Company Secretary

Registered Office:-

Block No. 2106, Santej-Khatraj Road,
Nr. Shah Alloys Ltd., Village-Santej-382721,
Tal.:Kalol, Dist.: Gandhinagar, Gujarat.
Tel.: +91 8980026110, 8980026220
E-mail: invrelations@geotexelin.com
CIN:-L29100GJ1989PLC012576

ANNEXURE TO NOTICE

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

Item No. 2

Mr. Naresh Mehta retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. Naresh Mehta is B.S. and M.S. from USA in Plastic Engineering and has vast experience of more than 20 years in the Plastic Engineering Industry. It will be in the interest of the Company to re-appoint Mr. Naresh Mehta.

Mr. Naresh Mehta has been on the Board of this Company since 2nd August, 1989 and holds 99,801 equity shares in the Company. Mr. Naresh Mehta is brother of Mr. Shailesh Mehta, Managing Director of the Company.

The Board of Directors accordingly recommends the resolutions set out at Item No. 2 of the Notice for the approval of the Members.

Except, Mr. Shailesh Mehta and Mr. Naresh Mehta, no other Directors, Key Managerial Personnel or their relatives, are interested or concerned in the Resolution financially or otherwise.

Item No. 3

Pursuant to the provisions of Section 139 of the Act read with applicable Rules framed there under, M/s. A.L. Thakkar & Co., Chartered Accountants, Ahmedabad, the present Auditors of the Company have completed their term as Statutory Auditors of the Company and their office is liable for compulsory rotation.

In view of the above, and on the recommendation of the audit committee, the board of directors of the company on their meeting held on 24th January, 2017, subject to member's approval, recommended the appointment of M/s. Sunil Poddar & Co., Chartered Accountants, Ahmedabad, Firm Registration No. 110603W, as Auditors of the Company for a term of (5) Five years to hold office

from the conclusion of the ensuing 28th Annual General Meeting till the conclusion of the 33rd Annual General Meeting to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting of the members of the company, at such remuneration plus applicable taxes, out-of-pocket expenses, etc. incurred in connection with the Audit as may be agreed by the Board of Directors in consultation with the Auditors.

The Board commends the Resolution at Item No.3 for approval by the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel and their relatives thereof are concerned or interested (financially or otherwise) in the Resolution at Item No.3 of the Notice.

Item No. 4

Pursuant to the provisions of Sections 196,197 and 203 and other applicable provisions of the Act read with applicable Rules framed there under and the Articles of Association of the Company, the Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, at its Meeting held on January, 24, 2017, appointed Mr. Shailesh R. Mehta as the Managing Director of the Company for a period of (3) three years with effect from February 15, 2017 upon the terms and conditions herein after indicated.

Mr Shailesh R. Mehta has a successful track record in plastic industry and around 30 years experience.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Act, read with Schedule V and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the terms of appointment and remuneration of Mr. Shailesh R. Mehta as the Managing Director is subject to approval of the Members of the Company in General Meeting.

The Terms of Appointment and Remuneration are as follows:

1. Period of Appointment

Three years from February 15, 2017, the date of appointment.

2. Remuneration

COMPONENT	CTC/P.A. (AMOUNT IN RS.)
Basic	15,12,000
HRA	6,04,800
Conveyance	19,200
Medical	15,000
Uniform	1,11,200
LTA	70,000
Telephone & Internet	12,000
Training/Books & Periodicals	30,000
Child Education Allowance	30,000
Other Allowance	9,96,820
Gratuity	73,030
Bonus	1,25,950
Total (a)	36,00,000
Perquisites	
Medical Insurance	50,000
Accidental Insurance	5,000
Utility (electricity, Telephone, Property tax etc	2,25,000
Driver Salary	1,68,000
Total (b)	4,48,000
Total (a+b) CTC	40,48,000

Remuneration to the Managing Director will be increased up to 15% every year, subject to the overall limit of managerial remuneration under Schedule V of the Companies Act, 2013.

Performance Bonus:

Performance bonus may be fixed up to 10% of the Net Profit of the preceding financial year, subject to the overall limit of the managerial remuneration under Schedule V of the Companies Act, 2013.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

Conveyance facilities:

The Company shall provide repairs, maintenance and running expenses for car owned by MD.

Overall Remuneration

The aggregate of salary, allowances, perquisites and performance incentive in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with Rules there under and Schedule V to the said Act or any modification(s) or re-enactment(s) for the time being in force.

Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of office of the MD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, allowances and perquisites as specified above, subject to the requisite approvals being obtained in that behalf.

Income Tax

Income tax will be deducted at source as per applicable laws / rules.

Out of Pocket expenses in connection with the Company's work

The MD will be entitled to be reimbursed by the Company all costs, charges and expenses including entertainment expenses as may be reasonably incurred by him for the purpose of or on behalf of the Company, subject to such ceiling as may be decided by the Board on the recommendation of the Nomination & Remuneration Committee.

Other Terms and Conditions of Appointment

- a. MD will, to the best of his skill and ability, endeavour to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and also such orders and directions as may from time to time be given to him by the Board of Directors of the Company. He shall at all times act in the best interests of the Company and all its stakeholders (including its minority shareholders) and keep the Board informed of any developments or matters that have materially impaired, or are reasonably likely to materially impair, the interests of the Company and/or any of its stakeholders.
- b. Subject to the superintendence, direction and control of the Board, the MD will:
 - (i) Have the general control of the business of the Company and be vested with the Management and the day-to-day affairs of the Company;
 - (ii) have the authority to enter into contracts on behalf of the Company in the ordinary course of business; and
 - (iii) have the authority to do and perform all other acts and things which in the ordinary course of such business maybe considered necessary or proper in the best interests of the Company.
- c. The MD will devote the whole of his time and attention to the business of the Company and shall not engage directly or indirectly in any other business, occupation or employment, provided, however, he may with the prior approval of the Board, hold Directorships in other companies.
- d. The MD shall not, during the continuance of his employment hereunder or at any time thereafter, divulge, publish or disclose to any person whomsoever or make use whatsoever for his own purpose or for any other purpose other than that of the Company of any information, knowledge, methods, trade secrets or any confidential information relating to the business affairs or activities of the Company, obtained by him during his employment with the Company and shall, during the continuance of his employment, use his best endeavours to prevent any other person from doing so.
- e. The terms and conditions of the appointment, including remuneration of the MD may be varied, altered, increased, enhanced or widened from time to time by the Board as it may in its discretion deem fit, within the maximum amount payable in accordance with the provisions of the Companies Act, 2013 or any amendments made hereafter in this regard.
- f. The MD shall disclose his interest in any company or companies or bodies corporate, firms or other association of individuals and shall also disclose direct or indirect interest in any contract or arrangement entered into between the Company and such other companies, body corporate, firms or association of persons in the manner laid down in Section 184 of the Companies Act, 2013 and The Companies (Meetings of the Board and its Powers) Rules, 2014. In the event of his failure to disclose his interest as aforesaid or acts in contravention of the provisions of Section 184, his office shall forthwith stand vacated.
- g. Mr Shailesh R. Mehta's appointment as the MD of the Company is by virtue of his employment in the Company and his appointment will be subject to the provisions of Sections 167, 196, 197, 198 and 203 and other applicable provisions of the Act, read with Schedule V and Rules there under, including any modification(s) or re-enactment(s) for the time being in force. So long as MD continues to be in the employment of the Company, he will be a Director not liable to retire by rotation.

Further, the terms and conditions shall be as per the agreement executed by and between the Company and Mr. Shailesh Mehta, Managing Director of the Company.

This statement containing following information is given as per Clause-A of Section II of part II of Schedule V of the Companies Act, 2013:

I General Information:				
(1)	Nature of industry	Plastic Manufacturing Industry		
(2)	Date or expected date of commencement of commercial production	The Company is engaged in production of multilayer reinforced Geo-Membrane and P.E. Protection Cover since August,1989.		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.		
(4)	Financial performance based on given indicators (Rs. in Lacs)	2016-17	2015-16	2014-15
	- Sales & Other receipts	5346.13	7118.70	6405.53
	- Depreciation	92.66	48.89	50.38
	- Profit before Tax	140.98	159.19	1438.47
	- Profit after Tax	111.29	133.19	1392.60
(5)	Foreign investments or collaborations, if any.	There is no foreign investments/collaborations		
II Information about the appointee:				
(1)	Background details	Mr. Shailesh R. Mehta is one of the promoter and founder of the Company. He is in board since 1989 and has wide experience in the management of the affairs of the Company. Further Mr. Shailesh R. Mehta has practical knowledge in the area of the manufacturing, finance and administration.		
(2)	Father's Name	Shri Ramniklal V. Mehta		
(3)	Date of Birth	29 th January,1960		
(4)	Educational Qualification	Bachelor of Commerce		
(5)	Past remuneration	At the annual general meeting of the Company held for the year 2012-2013, the Company has approved and passed the resolution sanctioning remuneration of Rs. 2.00 lacs per month payable to him.		
(6)	Recognitions and Awards	None		
	Job Profile and his suitability	Mr. Shailesh Mehta, Managing Director is responsible for the day to day management of the Company and assisted by Functional HOD's. He is working under the superintendence and control of the Board of Directors.. He has vast experience in the Plastic Industry		
(7)	Remuneration Proposed	As mentioned in the aforementioned abstract of remuneration.		
	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	The proposed remuneration is commensurate with skills and experience of the appointee. Mr. Shailesh Mehta, Managing Directors of the Company to carry out such duties on day to day basis as entrusted to him. The remuneration proposed is in line with and prevailing in similar industry and having regard to the size of the Company		
(8)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Shailesh Mehta is one of the Promoter of the Company. He is Promoter Director of the Company having 1.43% Equity Shareholding.		
(III) Other information:				
(1)	Reasons of loss or inadequate profits	The company has not suffered any loss during the year 2016-17 and during the preceding three years. Further the Board of Directors of the Company are striving hard to maintain the profits and increasing the same in coming years.		
(2)	Steps taken or proposed to be taken for improvement	The modernisation in existing plant may steer the improved profits and enhancement in production, which the board is striving to set up.		
(3)	Expected increase in productivity and profits in measurable terms.	Strict steps will be taken to control fixed costs Inventory costs, which will enable Company to improve its turnover and profits in years to come with normative numbers calculated with reference to good returns from the Industry.		

IV.	Disclosures
	(1) The remuneration package of Mr. Shailesh Mehta has been enumerated above. A copy of the agreement entered with the Managing Director is available for inspection by members on any working days, except Sundays and National Holidays between 10:00 A.M. to 5:00 P.M. at the Registered Office of the Company.
	(2) The required disclosure to the shareholders of the Company about remuneration package of the managerial person and all elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc., of all the directors; details of fixed component and performance linked incentives along with the performance criteria; Service contract, notice period, severance fees; Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable has been made in the Annual Report of the Company, wherever applicable.

The appointment and remuneration of Mr. Shailesh R. Mehta has been approved by the Board of Directors. The Board of Directors of your Company recommends the approval of the appointment of Mr. Shailesh R. Mehta, on new terms with effect from 15th February, 2017 for a period of three years.

Mr. Shailesh R. Mehta satisfies all the conditions as set out in Part I of Schedule V as also under Section 196 of the Companies Act, 2013 for being eligible to be appointed as a Managing Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors are of the opinion that the appointment of Mr. Shailesh R. Mehta as the Managing Director is in the best interest of the Company and accordingly, recommend the resolution set out in Item No.4 for approval of the members as an ordinary resolution.

Other than Mr. Shailesh R. Mehta, Mr. Naresh Mehta and their relatives, none of the other Directors, Key Managerial personnel or their relatives are interested or concerned in the proposed Resolution at Item No. 4 of this Notice.

Item No. 5

As required under the provisions of Section 94 of the Companies Act, 2013, certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the registered office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

The Company desires to keep the Register and Index of Members, Register and Index of Debenture Holders and copies of all Annual Returns together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the office of the Registrar and Share Transfer Agent of the Company viz. M/s Link In time India Pvt Ltd.

Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the office of the Registrar and Transfer Agent ("RTA"), M/s Link In time India Pvt Ltd. at their new Registered Office at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai-400083, or its any other office, branch or place, instead of their old Registered Office at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, (West), Mumbai-400078, as M/s. Link In time India Pvt. Ltd. has changed its registered office.

The Board of Directors accordingly recommends the resolutions set out at Item No. 5 of the Notice for the approval of the Members with special majority.

A copy of the proposed resolution will be forwarded in advance to the Registrar of Companies, as required under the said Section 94 (1) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested (financially or otherwise) in the said Resolutions

Item No. 6 & 7

Section 180(1) (c) of the Companies Act, 2013, requires that the Directors of the Company need to obtain the consent of the shareholders by way of Special Resolution in the General Meeting to enable them to borrow monies where the amount to be borrowed together with the amount already borrowed by the Company will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes.

Keeping in view the Company's intended growth, expansion plan and future fund requirements, vis-à-vis ever-increasing cost of various inputs including labour, materials, finance and administration, etc, it is proposed to increase the borrowing power limit of the Board of Directors u/s. 180(1) (c) of the Companies Act, 2013 from existing limit of Rs. 15 Crores to Rs. 50 Crores.

Accordingly, it is required to obtain the consent of Shareholders, pursuant to Section 180(1) (c) of the Companies Act, 2013 to make the limit of borrowing powers of the Board of Directors up to Rs. 50 Crores, as is now proposed under the Special Resolution and to give necessary powers to Board of Directors as required under the said section with reference to such limit.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole of the undertaking of the Company. Section 180(1) (a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the general meeting.

The Board of Directors accordingly recommends the proposed Special Resolutions set out in Item No. 6 and 7 of the accompanying Notice for approval by Members. None of the Directors, Managers and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolutions mentioned at Item No. 6 and 7 of the accompanying Notice.

Item No. 8

The Company has originally sought approval of the Members of the Company for issue of 30,00,000 (Thirty lacs only) 4% 7 years Cumulative Redeemable Preference Shares aggregating to Rs. 3,00,00,000/- (Rupees Three Crores only) to M/s. Sky Point Technical Textile Private Limited (STTPL), pursuant to Para 11.2 of the "Sanctioned Scheme" (SS), as approved by the Hon'ble Board for Industrial and Financial Restructuring (BIFR) vide its order dated 31st August, 2015., the said shares were issued to STTPL against conversion of dues towards outstanding loans.

Further, pursuant to BIFR Scheme, the Company has made allotment of 30, 00,000 (Thirty Lacs only) 4% 7 years Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees ten only) each to STTPL, at the meeting of the Board of Directors held on 25th day of November, 2016.

The Board of Directors of the Company and STTPL have mutually agreed to redeem such Preference Shares earlier than approved by the Members. The Company has received consent from STTPL (100%) in writing under section 48 of the Companies Act, 2013. The provision of Section 55 further states that such redemption shall be made only out of the surplus or free reserves of the company available for distribution. The Board of directors are of the view that the company has sufficient surplus funds available to make payment towards such redemption of preference shares.

As original resolution was passed by the Members of the Company at the Annual General Meeting by way of Special Resolution for the issue of such Preference Shares, the Board of Directors proposes item No. 8 of the Notice for the approval of Members by way of Special Resolution, for such variation in the terms of Redemption of Preference Shares as issued to STTPL.

The Board of Directors propose Item No. 8 of the Notice of Annual General Meeting for according approval of Members as Special Resolution.

Copies of No Objection Letter/Consent Letter of STTPL, Sanctioned Scheme of BIFR and copies of earlier resolution passed and all relevant papers are available for inspection of the Members at the registered office of the Company on all working days during business hours till the date of Annual General Meeting.

None of the Directors, Managers or Key Managerial Personnel and their relatives are any way concerned or interested (financially or otherwise) in the said resolution except in their capacity as Members of the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS

Name of Director	Mr. Naresh R. Mehta	Mr. Shailesh R. Mehta
DIN	02888018	01457666
Date of Birth	06/12/1961	29/01/1960
Date of Appointment	02/08/1989	02/08/1989
Expertise in specific functional area	He has experience of more than 20 years in business and plastic engineering	He has experience of more than 30 years in plastic manufacturing industry.
Qualification	B.S. and M.S. from USA in Plastic Engineering	Bachelor of Commerce
Relationship with other Directors	Brother of Mr. Shailesh Mehta, Managing Director	Brother of Mr. Naresh R. Mehta
No. of Equity Shares held	99801	74725
No. of Outside Company Directorship held	None	None
No. of Outside Company Chairmanship / Membership held	None	None

By Order of the Board of Directors

Date:-27th May, 2017

Place:-Santej

Reshma Susan Thomas

Company Secretary

Registered Office:-

Block No. 2106, Santej-Khatraj Road,
Nr. Shah Alloys Ltd., Village-Santej-382721,
Tal.:Kalol, Dist.: Gandhinagar, Gujarat.
Tel.: +91 8980026110, 8980026220
E-mail: invrelations@geotexelin.com
CIN:-L29100GJ1989PLC012576

BOARD'S REPORT

To,
The Members,

The Directors have pleasure in presenting the 28th Annual Report along with the Audited Financial Statements of the Company for the financial year/period ended March 31, 2017.

FINANCIAL RESULTS

The financial performance of your Company for the year ended 31st March, 2017 is summarized as below: (Rs. In Lakhs)

PARTICULARS	2016-17	2015-16
Total income	5346.14	7118.70
Total expenses before finance costs, depreciation, amortization, exceptional items, extraordinary items & tax expenses	4976.90	6753.81
Operating profit	369.24	364.89
Finance cost	135.02	156.19
Depreciation & amortization expenses	92.66	48.89
Profit before extraordinary/exceptional items and tax expenses	141.56	159.81
exceptional items	-	-
Extraordinary items – previous year expenses	(0.57)	(0.62)
Profit before tax	140.99	159.19
Current tax expense	29.70	26.00
Profit/(Loss) after tax	111.29	133.19
Profit/(Loss) brought forward from previous year	21.39	(111.80)
Excess Depreciation adjusted	-	-
Balance carried forward to the balance sheet	132.68	21.39

BIFR STATUS

We are pleased to inform you that the Company has received Order of Honorable Board, dated 30th November, 2016, discharging the Company from purview of SICA/BIFR. As a result, the Company ceased to be a sick industrial company within the meaning of Section 3 (1) (o) of Sick Industrial Companies (Special Provisions) Act, 1985.

By virtue of the said order, Mr. Deveshwer Kumar Kapila, Special Director appointed by Honorable BIFR, stands discharged w.e.f. the date of the said order.

During the year, the Company has implemented the 'Sanctioned Scheme' (SS) as follows:

Pursuant to Para 11.1 of the Scheme, promoters have infused balance capital of Rs. 25.50 Lakhs by subscribing 2.55 Lakhs fully paid up equity shares of Rs.10/- each. (P.Y. Rs. 74.50 Lakhs)

Pursuant to Para 11.2 (A) of the Scheme, the Company has issued 30 Lakhs fully paid up 4% 7 years redeemable cumulative Preference Shares of Rs.10/- each to one of the Secured Creditor M/s. Skypoint Technical Textile Pvt Ltd, against OTS dues.

Pursuant to Para 11.4 (a) of the Scheme, the Company has effected 50% reduction of paid up value of its 58,45,842 Equity Shares pursuant to Order of Hon'ble Gujarat High Court dated 12th August, 2016. Simultaneously consolidated two equity shares of Rs. 5/- each fully paid up with one equity share of Rs. 10/- each fully paid up.

DIVIDEND

In view of the future expansion plans, BIFR Status and taking conservative view during the financial year 2016-17, your Directors have not recommended any dividend to equity shareholders for the year under review. Board of Directors sincerely hopes that members would appreciate and understand the situation for non-payment of Dividend.

The Board has approved the dividend to the preference shareholders at 4% p.a.

TRANSFER TO RESERVES

The company has not proposed to transfer any amount to the reserves during the year under review.

OPERATING RESULTS AND PROFITS

Your company is on continued path of improvement. During the financial year, your Company has performed with 3649.37 M.T. production (Previous Year 4032.85 M.T.), registering a good performance with capacity utilization 80.70 % (Previous Year 89.18%).

The Company has recorded sales turnover of Rs. 5329.06 Lakhs (Previous Year Rs. 7024.23 Lakhs) and EBITDA amounted to Rs. 369.24 Lakhs (Previous Year Rs. 364.89 Lakhs) and Profit before Tax, exceptional Items and Extraordinary Items is Rs. 141.56 Lakhs for financial year under review (Previous Year Rs. 159.81 Lakhs) and the Profit after tax for the year under review accounted to Rs. 111.29 Lakhs (Previous Year Rs. 133.19 Lakhs).

INFORMATION ON STATE OF THE COMPANY'S AFFAIRS

All the products and business information including performance and business environment thereof have been covered in detail in the Management Discussion and Analysis Report separately which is the part of this Board Report and enclosed as "Annexure – A".

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in 'Annexure-B' and is attached to this report.

Your Company understands and appreciates the responsibility and importance of conservation of energy and continues to put efforts in reducing or optimizing energy consumption for its operations.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 and Rules made there under are not applicable for the financial year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not granted any loans or provided any guarantees or made any investments during the financial year under review and hence no disclosure with respect to purpose for which such loans, guarantees and investments made are required to be made pursuant to provisions of Section 186 of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

1. The Company has received order of Honorable Gujarat High Court, confirming 50% reduction in paid up value of 58,45,842 Equity Shares and simultaneous consolidation of two equity shares of Rs.5/- each fully paid up with one equity share of Rs.10/- each fully paid up, in the month of August, 2016. Accordingly, the Company has given effect of the said order in its books of accounts on 30.09.2016.
2. The Company has received order of Honorable Board For Industrial and Financial Reconstruction (BIFR), dated 30th November, 2016, discharging the Company from purview of SICA/BIFR. As a result, the Company has ceased to be a sick industrial company, within the meaning of Section 3 (1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985.

By virtue of the aforesaid order, Mr. Deveshwer Kumar Kapila, Special Director appointed by Honorable BIFR, stands discharged w.e.f. date of the said order.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. Rule 8(5) (viii) of the Companies (Accounts) Rules, 2014 requires the information regarding the adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's Report.

The Board of Directors of the Company has laid down adequate internal financial controls which are operating effectively. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year, policies and procedures are adopted by the Company to ensure the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparations of reliable financial information.

The scope of Internal Audit is well defined in the organization. The Internal Audit report regularly placed before the Audit Committee of the Board. The Management monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies in all departments of the organization. Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas, thereby strengthening the controls continuously. Significant audit observations, if any, and corrective actions suggested and taken are presented to the Audit Committee of the Board.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions / arrangements entered into with the Related Parties during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior approval of the Audit Committee is obtained on a yearly/quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee on a quarterly basis and the Board of Directors for their approval on a yearly basis.

All the related party transactions were on arm-length basis and not material in nature and hence Form AOC-2 is not applicable to the Company for the financial year under review.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

There is no qualification, reservation or adverse remarks made in the statutory auditor's report.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134 (3) (a) of the Companies Act, 2013, the extracts of Annual Return pursuant to the provisions of Section 92 (3) in prescribed form MGT-9 is furnished in "Annexure-C" and forms part of this report.

NUMBER OF MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the financial year under review 10 Board Meetings, 5 Audit Committee Meetings, 2 Nomination & Remuneration committee and 1 separate meeting of Independent Directors were held. For convening Board Meeting and Audit Committee meetings, maximum time duration between two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement that:-

- a. In the preparation of the annual accounts, the applicable accounting standards were followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARY, ASSOCIATE, JOINT VENTURE COMPANY, ITS PERFORMANCE & FINANCIAL POSITION

The Company does not have any subsidiary company, associate company or Joint Venture Company as on report date. Hence AOC-1 is not applicable to the company.

CHANGE IN PROMOTER HOLDING

Pursuant to Para 11.1 of the Order of Honorable BIFR, dated 31/08/2015, for rehabilitation of the Company, Smt. Avani S. Mehta, a member of the promoters group, has been allotted 2.55 Lakhs Equity Shares each of Rs.10/- during the year under review. **(P.Y. 7.45 Lakhs Shares)**

The total Promoter shareholding of the Company hence stands increased to 34.25% from 29.43%.

DEPOSITS

The Company has neither accepted nor renewed any deposits falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time, during the year under review and therefore details mentioned in Rule 8(5)(v)& (vi) of Companies (Accounts) Rules, 2014 relating to deposits, covered under Chapter V of the Act is not required to be given.

DIRECTORS COMING UP FOR RETIREMENT BY ROTATION

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Naresh Mehta (DIN:- 02888018) Director of the company retires by rotation at this Annual General Meeting and being eligible, offer his candidature for re-appointment as Director.

DISCHARGE OF BIFR NOMINEE DIRECTOR

Shri Deveshwar Kumar Kapila, Special Director appointed by Honorable BIFR, stands discharged from 30th November, 2016, by virtue of Order of Honorable BIFR for discharging the company from the purview of SICA.

MANAGING DIRECTOR

The tenure of appointment of Mr. Shailesh R. Mehta, Managing Director of the Company, had expired on 13.02.2017. The Board had appointed him as a Managing Director of the Company for further period of three years from 15th February, 2017, subject to approval of the members of the Company in the ensuing AGM.

Apart from aforesaid, there was no other change in composition of Board of Directors of the Company during the year.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the following are the Key Managerial Personnel:

During the year under review, the Board of Directors appointed Reshma Thomas as Company Secretary and Compliance Officer with effect from 21st December, 2016.

However, she was re-designated as Assistant Company Secretary till 31st March, 2017.

As on 31st March, 2017, Mr. Umesh A. Vyas, resigned from the position of Company Secretary & Chief Finance Officer (CFO) of the Company and Reshma Susan Thomas was designated as Company Secretary of the Company with effect from 01st April, 2017. .

After the closure of the financial year 2016-17, the Board of Directors appointed Mr. Dhrumit D. Sanghvi, as Chief Financial Officer (CFO) of the Company w.e.f. 27th May, 2017.

DECLARATION OF INDEPENDENT DIRECTOR(S)

The Independent Directors hold office for a fixed period of five years from the respective date of their appointment and are not liable to retire by rotation.

In accordance with Section 149(7) of the Companies Act, 2013, each Independent Director has submitted written declarations to the Company confirming that he/she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There is no appointment of Independent Director on the Board or no re-appointment of Independent Director/(s) during the year under review.

BOARD EFFECTIVENESS, FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarization Programme for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates, business model etc.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

A separate meeting of Independent Directors was also held on 24th January, 2017 to review the Non-Independent Directors' performance on the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. This was followed by a Board meeting that discussed the performance of the Board, its Committees and individual Directors, the criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc.

CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR LEADERSHIP POSITIONS

A well-defined criteria is in place for the selection of candidates for appointment as Directors, Key Managerial Personnel and senior leadership positions. The relevant information forms part of the code of conduct policy, which, is available on investors' section of the company' website www.geotexelin.com

PARTICULARS REGARDING EMPLOYEES REMUNERATION

A statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as "Annexure-D."

The information in respect of employees of the Company required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 will be provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid Annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

AUDITORS

A. Statutory Auditors

M/s. A. L. Thakkar & Co., Chartered Accountants, Ahmedabad, (Firm Registration No. 120116W) were appointed as statutory auditors of the Company for a term of three consecutive years i.e. from 2014-15 to 2016-17 who retires at the conclusion of ensuing Annual General Meeting. Their office is liable for compulsory rotation under Section 139(2).

The Board has proposed to appoint M/s. Sunil Poddar & Co., Chartered Accountants, Ahmedabad, FRN 110603W, as Statutory Auditor of the Company, in the ensuing Annual General Meeting for a term of five consecutive years from the conclusion of the ensuing Annual General Meeting.

The Company has obtained a letter of consent and also a certificate under section 139 and 141 of the Companies Act, 2013 from the proposed auditors to the effect that, their appointment, if made would be within the limit prescribed in the said section.

B. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed M/s. G.R. Shah & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company for the year under review.

There are certain qualifications of the Secretarial Auditor in the report issued by them for the financial year for which explanation has been given as follows:

1. Since the script of the company is suspended and connectivity with NSDL, CDSL is not active yet, dematerialization is not feasible and hence 31(2) is not applicable.
2. As such, insider trading regulation may not apply to our company since the script is suspended and without the connectivity of CDSL and NSDL, no trade is possible.
3. Since the results were supposed to be submitted within 48 hours from the conclusion of AGM and 2nd October 2016 was national holiday, the results were submitted on 3rd October 2016 and therefore the national holiday hours are excluded.
4. The script is already suspended since 2001.
5. The Company is awaiting the order of Stamp Duty Authorities, Gandhinagar, Gujarat, with respect to the issue of share certificates for shares allotted during the year.

The Report of the Secretarial Audit for financial year 2016-17 is annexed herewith as "**Annexure-E**".

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

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

BUSINESS RISK & OPPORTUNITIES

The Company has a reasonable Business Risk Management process which systematically identifies risks and opportunities and supports the Executive Committee in strategic decision making.

This is a rolling process reviewed periodically. It involves measuring of all the risk elements on parameters like likelihood of the event and the impact it is expected to have on the Company's operations and performance. The risks that fall under high likelihood and high impact are identified as key risks for which detailed mitigation plans are developed.

Your company is not required to constitute a Risk Management Committee (RMC). However, the Company has in April 2014 constituted a Risk Management Committee (RMC) which has been entrusted with responsibility to assist the Board in (a) Overseeing the Company's risk management process and controls, risk tolerance and capital liquidity and funding (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks. The company has documented all the risks along with risk mitigation measures which shall be reviewed by Risk Management Committee.

INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

Pursuant to the notification, issued by The Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, the Company will adopt "IND AS" with effect from April 01, 2017, with the comparatives for the periods ending March 31, 2017.

The implementation of IND AS is a major change process for which the Company has established a project team and has dedicated considerable resources. The impact of the change on adoption of IND AS has been assessed and the Company is ready to adopt IND AS.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named "Vigil Mechanism Policy" to report concerns about unethical behaviour, actual/suspected frauds and violation of Company's Code of Conduct and/or Ethics Policy. Protected disclosures can be made by a whistle blower through several channels. The Audit Committee of the Board oversees the functioning of the same. The Company has disclosed the details of the Vigil Mechanism on its website www.geotexelin.com.

INSIDER TRADING POLICY

As required under the new Insider Trading Policy Regulations of SEBI, your Directors have framed new Insider Trading Regulations and Code of Internal Procedures and Conducts for Regulating, Monitoring and Reporting of Trading by Insider. The Company has disclosed information about establishment of the Insider Trading Policy on its website under investors' section viz. www.geotexelin.com

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS ALONG WITH NOMINATION AND REMUNERATION POLICY

The Board has adopted a Policy determining the code of conduct for the independent directors of the Company along with the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management. The code of conduct for the independent directors of the Company along with Nomination and Remuneration policy pursuant to provisions of the Companies Act, 2013 and Regulations of the SEBI, (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on investors' section of the company' website www.geotexelin.com

RELATED PARTY TRANSACTION POLICY

The Board has adopted a policy for Related Party Transactions (RPT) on recommendation of Audit Committee. The Related Party Transaction Policy as provided herewith pursuant to provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI, (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Related Party Transactions Policy is available on investors' section of the company' website www.geotexelin.com

SHARES**A. Share Capital**

The Company's paid-up Equity Share Capital as on March, 31, 2017 is Rs. 822.29 Lakhs as compared to Rs. 789.08 Lakhs in the previous year.

During the year under review, the Company has increased Authorized Share Capital from Rs. 8,50,00,000/- (Eight Crores Fifty Lakhs only), consisting of 80,00,000 (Eighty Lakhs) Equity Shares of Rs.10/- each and 5,00,000 (Five Lakhs) Preference Shares of Rs.10/- each to Rs. 13,50,00,000/- (Rupees Thirteen Crores Fifty Lakhs Only), consisting of 1,00,00,000 (One Crores) Equity Shares of Rs.10/- each and 35,00,000 (Thirty Five Lakhs) Preference Shares of Rs,10/- each.

B. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

C. Sweat Equity

The Company has not issued any Sweat Equity during the year under review.

D. Bonus Shares

The Company has not issued any Bonus Shares during the year under review.

E. Employee Stock Option Plan

The Company has not provided any Employee Stock Option Plan during the year under review.

INSURANCE

All the properties and assets of the Company are adequately insured during the year under review.

FINANCIAL LIQUIDITY

Cash and cash equivalent as at March 31, 2017 is Rs. 130.98 Lakhs (Previous year Rs. 129.22 Lakhs). The Company's working capital management is based on a well-organized process of continuous monitoring and controls on Receivables, inventories and other parameters.

CODE OF CONDUCT

The Company has adopted a Code of Conduct applicable to the Board of Directors and Senior management which is available on Company's website. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct.

CORPORATE GOVERNANCE

As per regulation 15(2)(a) of SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015, the company is exempted from complying with the requirements of Corporate Governance and therefore the management has decided to voluntarily comply with the requirement without mandatory disclosure as required to be given under the regulations, to the extent possible.

ENVIRONMENT, HEALTH AND SAFETY (EHS) REVIEW**A. Health & Safety**

Your Company attaches utmost importance to the health of its employees. Health related issues, if any, are discussed with consulting Medical Officer to provide timely medical assistance to the employees/workers in case of emergencies. Protective Equipments were provided to each workers of the Company.

A number of specialized training programs were organized targeting different work groups to enhance their H&S capability.

B. Environment

Company always strives hard to give importance to environmental issues in normal course of operations. Adherence to Environmental and pollution control Norms as per Gujarat Pollution Control guidelines is of high concern to the Company.

HUMAN RESOURCES

During the year, the Company took many initiatives to increase organizational capability and productivity.

Talent Development

Several initiatives were taken to identify, develop and nurture talent at all levels within the organization through various training programmes and exposure to make them future ready for various positions in the organization. The assessment helped in understanding key motivators that drive performance.

Talent development efforts are also made in respect of shop floor associates with interventions to help building up skills and multitasking capabilities.

Industrial Relations

The Company continued to enjoy peaceful industrial relations during the year. The Company is proud of its work culture which emphasizes safety, high productivity, good health, quality of life and overall wellbeing of employees.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

During the financial year 2016-2017, the Company has received **NIL** complaints on sexual harassment.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the financial year 2016-17.

REVOCATION OF SUSPENSION ON TRADING OF COMPANY'S EQUITY SHARES

The Company has applied to BSE Ltd. for revocation of suspension of trading of Company's equity Shares on BSE main trading platform. It is under consideration with BSE Ltd. The Company expects to receive in principal approval from BSE Ltd. shortly.

ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance.

Your Directors place on record their sincere thanks to the bankers, business associates, customers, consultants, dealers, suppliers, and various Government authorities for the continuous support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their continued support and confidence reposed in your Company and in its management.

For and on behalf of the Board of Directors

Date:- 27th May, 2017

Place:- Santej

Kirit N. Mehta
Chairman
DIN: 00444837

ANNEXURE-A

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Your company is in business of manufacturing of Tarpaulin and Geomembrane. The plant is equipped with latest manufacturing equipments and supported by in-house R&D center and quality assurance department which are equipped with advanced equipments and analytical instruments. The site also has a dedicated pilot plant to conduct trials. The Company has an excellent team of experienced and qualified professional to manage routine operations efficiently. For more details please visit our website www.geotexelin.com.

A. Performance

Total operating revenue (net of excise and taxes) for the year 2016-17 amounted to Rs. 5329.06 Lakhs compared to Rs. 7024.23 Lakhs of the previous year 2015-16. The operating profit before tax amounted to Rs.140.99 Lakhs as compared to Rs. 159.19 Lakhs in the previous year 2015-16.

B. Segment-wise performance

As such company is working in only one segment – Tarpaulin and Geomembrane, hence there is no specific differential information pertaining to this section.

C. Industry Structure and Developments

During financial year 2016-2017, your company has performed with 3649.37 M.T. productions (PY 4032.85 M.T.), registering a good performance with capacity utilization of 80.70% (PY 89.18 %) of the total plant capacity

Your company produces Tarpaulin and Geomembrane at Block No.2106, Santej-Khatraj Road, Nr. Shah Alloys Ltd., Village-Santej,-382721, Tal. Kalol, (N.G.), Dist. Gandhinagar, Gujarat. The Company for now caters only domestic markets in its product segment. The company intends to cover more states and cities in future years to increase the business and to explore overseas market. Your company is taking participation in various exhibitions both domestic and international to showcase the products and expand the regions to increase the revenue.

D. Opportunity and Threats, Risks and Concerns

Today, the business industry for Tarpaulin and Geomembrane is experiencing increasingly growing and the increased usage of the same in various segment of economy, the demand of the same is anticipated to increase.

However, competition from importers and unorganized markets, industry consolidation, regulatory compliance and global volatility affect adversely the stock prices and threaten business as usual. To continue to deliver value, your company will have to adopt a new approach to be able to sense and respond dynamically to customer demands, market opportunities and external threats.

During the reporting year, the revenue of the company has affected due to factors like extended heavy monsoon and effect of demonetization on the economy in general.

Further, the company has bagged a tender from RACP –Rajasthan Agricultural Competitiveness Project for supply and installation of Geomembrane within the State of Rajasthan, under the World Bank Project. The Company has initiated the work under this project, which was adversely affected by stay order of Jaipur Bench of Honorable Rajasthan High Court, against execution of work under the said project till further directions is issued.

To ensure sustainable and consistent growth, the company has developed a sound risk management framework so that the risks assumed by the company are properly assessed and monitored continuously. The risk management and control systems are considered to be in balance with your company's risk profile and appetite, although such systems can never provide absolute assurance, your company's management and control systems are subject to continuous review and adaptations in order to remain in balance with its growing business size and changes in its risk profile. Necessary insurance policies are in place to take care of all the important machineries to minimize losses if any during operation.

E. Outlook

For the year 2017-18, the Company's focus will continue on sustaining and maintaining the market share in present industry segment where company enjoys a considerable position. This will be achieved by establishing stronger relationship with existing customers and by negotiating and entering in to beneficial contracts with the suppliers of raw materials and strengthening ties with new customer base. Export marketing efforts will also be targeted in the upcoming year targeting a wider range of customers.

Presently, there is considerable growth in demand of Tarpaulin and Geomembrane and hence there is a balanced demand-supply and your management is targeting on achieving the market leadership in the segment in the year 2017-18.

Your company is well aware of the challenging scenario lying ahead in goal of becoming market leader and hence the management is taking necessary steps by planning activities properly at all stages. Sales and marketing efforts are being intensified.

F. Internal Control System and Their Adequacy

The Company has an adequate internal control system, commensurate with the size, scale and complexity of its operations to ensure orderly and efficient conduct of business while safeguarding their assets, quality and safety. On the financial front, periodic audits by internal auditors and external auditors provide a means whereby weaknesses are exposed and rectified.

The company has an independent internal audit system, covering on a continuous basis, the business operations. The internal audit functions include evaluation of all financial and major operating system controls. The internal audit findings and recommendations are reviewed by the Audit Committee and are then reported to the Board.

G. Material Developments in Human Resources and Industrial Relations front

The company routinely undertakes employee development activities keeping in mind the professional requirements of the employees as well as the growth of the company. We started a systematic performance appraisal system and competitive incentive plans were laid down.

Your Company has valued both experience and fresh talent, and takes pride in the commitment, competence and dedication shown by its employees in all areas of business and is conscious of the importance of environmentally clean and safe operations. For upgradation of technical skills, training is periodically given to employees. During the year under review, there were no strikes or lockouts, the industrial relations were cordial throughout the year.

H. Disclaimer Clause

Statements in the Management Discussion and Analysis describing the Company's objectives and expectations may be "forward looking statement" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and reasonable expectations of future events and involve risks and uncertainties. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply, price conditions in the domestic and overseas market in which the Company operates, changes in the Government regulations and tax structures, economic developments within India and outside and other factors such as litigation and industrial relations. The company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

Conclusion

Though the company cannot assess its success on short term profits and financial performance is the main factor to overall success, we with entire system are keen in improving our performance of every individual employee just as much as we are doing for improving our product.

ANNEXURE-B

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended on 31st March, 2017.

A. CONSERVATION OF ENERGY

- a) **Energy Conservation and Measures taken:** The Company is making continuous efforts for the conservation of energy through improved operational methods and better technology utilization.
- b) **Additional Investments and Proposals, if any, being implemented for reduction of consumption of energy:** Nil
- c) **Impact of Measures at (a) and (b):** Nil (PY Rs. 0.80 per unit).
- d) **Total Energy Consumption and consumption per unit of production:**

Particulars	2016-2017	2015-2016
1. Power and Fuel Consumption		
Electricity		
a. Purchase		
(Quantity) Units	26,74,312	33,42,768
Total Amount (in Rs.)	1,77,90,466	2,45,55,714
Average Rate (in Rs.)	6.65	7.35
b. Own Generation		
Unit (KHz)	1501.41	33.29
Unit /Liters of Diesel Oil	441.59	9.79
Cost/Unit	17.81	15.02
2. Consumption/Tonne of Productions		
Production of Tarpaulin & Geomembrane (MT)	3,649.37	4,032.86
Electricity (Unit)	26,74,312	33,42,768
Coal (Tonnes)	-	-
FO/LDO (Tonnes)	-	-

B. TECHNOLOGY ABSORPTION / DEVELOPMENT

- (a) Specific areas of significance in which R&D work was carried out by the company: - **No R&D was done during the year under review.**
- (b) Benefits derived from R&D:- **Not Applicable**
- (c) Technology absorption, adoption and innovation: - **Human Machine interface (HMI) and Programmable Logic Control (PLC) Systems are installed in the plant during the year under review.**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to export initiatives taken to increase exports, developments of new export markets for products and services and export plans: The Company has taken initiatives for ploughing export market for its product through overseas market search, promotion of product in the foreign market etc. ongoing basis.

(Rs. In Lakhs)

Sr. No.	Particulars	2016-17	2015-16
1.	Total foreign exchange used/outgo	114.94	17.32
2.	Total foreign exchange earned/earnings	0.00	32.81

ANNEXURE-C

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Details	Particulars
1.	CIN	L29100GJ1989PLC012576
2.	Registration Date	02-08-1989
3.	Name of the Company	Texel Industries Limited
4.	Category / Sub-Category of the Company	Public Company/Limited By Shares
5.	Address of the Registered Office and Contact Details	Block No.2106, Santej Khatraj Road, Nr. Shah Alloys Ltd., Village-Santej,-382721, Tal. Kalol,(N.G.), Dist. Gandhinagar, Gujarat. Tel. - +91-8980026110/220 Email: invrelations@geotexelin.com, info@geotexelin.com Website: www.geotexelin.com
6.	Whether Listed Company	Yes, the equity shares are listed on BSE, however trading is suspended since 2001. The Company is in process of relisting of it's equity shares with BSE for trading purpose.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main Product/Service	NIC Code of the Product/Service	% to total turnover of the company
1	Manufacture of Tarpaulin and Geomembrane	13925	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :-

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associates	% of Share Held	Applicable Section
----- Not Applicable -----					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding Pattern

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year 2016				No. of shares held at the end of the year 2017				% change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(A)	Promoters and Promoter Group									
1	Indian									
(a)	Individuals/Hindu Undivided Family	0	17,53,045	17,53,045	22.22	0	15,04,023	15,04,023	28.80	6.58
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Financial Institutions/Banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total (A)(1)	0	17,53,045	17,53,045	22.22	0	15,04,023	15,04,023	28.80	6.58
2	Foreign									
(a)	Individuals (Non-Residents Individuals/Foreign Individuals)	0	5,69,463	5,69,463	7.22	0	2,84,732	2,84,732	5.45	-1.77
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
2	Foreign									
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Banks / Foreign Investor	0	0	0	0	0	0	0	0	0

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year 2016				No. of shares held at the end of the year 2017				% change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(e)	Any Others(Specify)	0	0	0	0	0	0	0	0	0
	Sub Total(A)(2)	0	5,69,463	5,69,463	7.22	0	2,84,732	2,84,732	5.45	-1.77
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	0	23,22,508	23,22,508	29.44	0	17,88,755	17,88,755	34.25	4.81
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
(b)	Financial Institutions/Banks	0	2,00,000	2,00,000	2.53	0	1,00,000	1,00,000	1.91	-0.62
(c)	Central Government/State Government(s)	0	0	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	5,00,000	5,00,000	6.34	0	2,50,000	2,50,000	4.79	-1.55
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h)	Qualified Institutional Investor	0	0	0	0	0	0	0	0	0
(i)	Any Other (specify)	0	0	0	0	0	0	0	0	0
	Sub-Total (B)(1)	0	7,00,000	7,00,000	8.87	0	3,50,000	3,50,000	6.70	-2.17
(B)	Public shareholding									
2	Non-institutions									
(a)	Bodies Corporate	0	8,78,390	8,78,390	11.13	0	6,89,195	6,89,195	13.20	2.07
(b)	Individuals									
i	Individual shareholders holding nominal share capital up to Rs 2 lakhs	0	18,40,281	18,40,281	23.32	0	14,42,271	14,42,271	27.61	4.29
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs.	0	21,49,663	21,49,663	27.24	0	9,52,700	9,52,700	18.24	-9.00
(c)	Any Other (specify)	0	0	0	0	0	0	0	0	0
(c)(i)	Non Resident Repatriates	0	0	0	0	0	0	0	0	0
(c)(i)	Non Resident Non Repatriates	0	0	0	0	0	0	0	0	0
	Sub-Total (B)(2)	0	48,86,334	48,86,334	61.69	0	30,84,166	30,84,166	59.05	-2.64
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	0	55,68,334	55,68,334	70.56	0	34,34,166	34,34,166	65.75	-4.81
	TOTAL (A)+(B)	0	78,90,842	78,90,842	100	0	52,22,921	52,22,921	100	0
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
1	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
2	Public	0	0	0	0	0	0	0	0	0
	Sub-Total (C)	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	0	78,90,842	78,90,842	100	0	52,22,921	52,22,921	100	0

ii. Share Holding of Promoters :

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017		
		Number of shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total shares	Number of shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total shares
1	Bhupendra Ramniklal Mehta	2,13,383	2.70	100.00	1,06,692	2.04	100.00
2	Naresh Ramniklal Mehta	1,99,603	2.53	100.00	99,801	1.91	100.00
3	Shailesh Ramniklal Mehta	1,49,451	1.89	99.87	74,725	1.43	99.87
4	Ms. Avani Shailesh Mehta	8,95,632	11.35	9.52	10,75,316	20.59	3.97
5	Muktaben Ramniklal Mehta	1,30,552	1.65	65.10	65,276	1.25	65.10
6	Sujata Naresh Mehta	38,300	0.49	100.00	19,150	0.33	100.00
7	Ramniklal Vrajlal Mehta	56,143	0.71	57.96	28,072	0.54	57.97
8	Sonal Bhupendra Mehta	18,920	0.24	85.20	9,460	0.81	85.20
9	Harsha Shah	20,320	0.26	-	10,160	0.19	0.00
10	Shailesh Dwarkesh Shah	5,562	0.07	-	2,781	0.05	0.00
11	Riddhi Sahil Parikh	4,200	0.05	-	2,100	0.04	0.00
12	Rishita Pravit Parikh	4,200	0.05	-	2,100	0.04	0.00
13	Dilipbhai Bhikhabhai Bhakta	3,400	0.04	-	1,700	0.03	0.00
14	Krishnakant Vakharia	4,720	0.06	-	2,360	0.045	0.00
15	Leela Vakharia	3,400	0.04	-	1,700	0.03	0.00
16	Sunil Shah	1,100	0.01	-	550	0.01	0.00
17	Avishi Mehta	3,759	0.05	-	1,880	0.03	0.00
18	Aman Mehta	400	0.01	-	200	0.00	0.00
19	Rajendra Bhakta	4,65,296	5.89	100.00	2,32,648	4.45	100.00
20	Mahendra Bhakta	1,04,167	1.32	62.93	52,084	1.00	62.93
	TOTAL	23,22,508	29.43	58.14	17,88,755	34.24	38.29

iii. Change in Promoter's Share Holding (Please Specify, if there is no change)

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding end of the year 31.03.2017	
		Number of shares	% of total Shares of the Company	Number of shares	% of total Shares of the Company
1	Mrs. Avani Mehta	8,95,632	11.35	-	-
2	At the beginning of the year				
Add	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /Transfer / bonus/ sweat equity etc.)				
	Issued on: 7 th May, 2016 30 th September, 2016			1,00,000 1,55,000	1.25 2.97
Less	Capital reduction by 50% Reason:- Issue of further shares to promoters/members of promoters group pursuant to BIFR Order of Sanctioned Scheme dated 31.08.2015, for rehabilitation of the Company			(75,316)	
3	At the end of the year	8,95,632	11.35	10,75,316	20.59

iv. Share Holding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of DGRs and ADRs)

Sr. No.	Name of the shareholder	Date	Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding end of the year 31.03.2017	
			Number of shares	% of total Shares of the Company	Number of shares	% of total Shares of the Company
1	Sky Point Technical Textile Pvt. Ltd.	-	5,00,000	6.34	5,00,000	9.57
2	Mihir Bhandari	-	3,00,000	3.80	3,00,000	5.74
3	Ulhas Paymaster	-	3,00,000	3.80	3,00,000	5.74
4	The New India Assurance Co. Ltd.	-	2,50,000	3.17	2,50,000	4.49
5	National Insurance Co. Ltd.	-	2,50,000	3.17	2,50,000	4.79
6	Naresh Madhukar Shah	-	2,00,000	2.53	2,00,000	3.83
7	Union Bank of India	-	2,00,000	2.53	1,00,000	1.91
8	D.D. Shah Fragrances Pvt. Ltd.	-	83,350	1.06	80,775	1.55
9	Mukesh Chimanlal Patani	-	1,07,700	1.35	53,850	1.03
10	Khushrooh Pheroz Byramjee	-	90,000	1.14	45,000	0.86

v. Share Holding of Directors and Key Managerial Personnel

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year 01.04.2016		Date	Reason	Increase/Decrease in the Shareholding		Cumulative Shareholding at the end of the year 31.03.2017	
		Number of shares	% of total Shares of the Company			Number of shares	% of total Shares of the Company	Number of shares	% of total Shares of the Company
(a)	Directors								
1	Mr. Kirit N. Mehta	10,200	0.13	12.08.2016	Capital Reduction	5,100	0.10	5,100	0.10
2	Mr. Naresh R. Mehta	1,99,603	2.53	12.08.2016	Capital Reduction	99,802	1.91	99,801	1.91
(b)	Key Managerial personnel (KMP)								
1	Mr. Shailesh R. Mehta, Managing Director	1,49,451	1.89	12.08.2016	Capital Reduction	74,726	1.43	74,725	1.43

V) INDEBTEDNESS

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

Sr. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1.	Indebtedness at the beginning of the Financial Year (01.04.2016)				
i)	Principal Amount	3,07,25,662	9,13,238	56,66,667	3,73,05,567
ii)	Interest due but not paid	-	-	1,83,000	1,83,000
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	3,07,25,662	9,13,238	58,49,667	3,74,88,567
2.	Changes in indebtedness during the year				
	Additions (+)	-	-	-	-
	Reductions (-)	(3,07,25,662)	(3,16,595)	-	-
	Net Change	(3,07,25,662)	(3,16,595)	-	(3,10,42,259)
3.	Indebtedness at the end of the Financial Year (31.03.2017)				
i)	Principal Amount	-	5,96,641	50,00,000	55,96,641
ii)	Interest due but not paid	-	-	46,500	46,500
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	-	5,96,643	50,46,500	56,43,141

VI) REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and /or Manager

Sr. No.	Particulars of Remuneration	Name of Managing Director	
		Mr. Shailesh R Mehta	
1.	Gross Salary	-	-
a.	Salary as per provisions contained in section 17(1) of the Income tax Act,1961	25,42,858	25,42,858
b.	Value of perquisites under section 17(2) of the Income tax Act,1961	63,178	63178
c.	Profit in lieu of Salary under section 17(3) of the Income Tax Act,1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission-as % of profit or if any others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	26,06,036	26,06,036

The above remuneration is as per Income-tax Act, 1961.

B. Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		Mr. Kirit Mehta	Mr. D.K. Kapila	Dr. Christy Fernandez	Mrs. Jasmin Nahidakhtar	
1.	Independent Director	-	-	-	-	-
a.	Fees for attending board / committee meetings	80,000	60,000	70,000	40,000	2,50,000
b.	Commission	-	-	-	-	-
c.	Other – Reimbursement of expense	-	3,000	8,404	-	11,404
	Total B(1)	80,000	63,000	78,404	40,000	2,61,404
		Mr. Naresh Mehta				
2.	Other Non-Executive Director	-	-	-	-	-
a.	Fees for attending board / committee meetings	-	-	-	-	-
b.	Commission	-	-	-	-	-
c.	Other, please specify	-	-	-	-	-
	Total B(2)	-	-	-	-	-
	Total Remuneration B=B(1)+B(2)	80,000	63,000	78,404	40,000	2,61,404

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount (Rs.)
A)		Mr. Umesh Vyas	Reshma Susan Thomas (since December, 2016)
1.	Gross Salary	-	-
a.	Salary as per provisions contained in section 17(1) of the Income tax Act,1961	8,63,729	78,009
b.	Value of perquisites under section 17(2) of the Income tax Act,1961	-	-
c.	Profit in lieu of Salary under section 17(3) of the Income Tax Act,1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission-as % of profit or if any others, specify	-	-
5.	Others, please specify	-	-
	Total	8,63,729	78,009

VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority RD / NCLT / COURT	Appeal made, if any (give Details)
A. COMPANY	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Date : 27th May, 2017
Place : Santej

Kirit N. Mehta
Chairman
DIN: 00444837

ANNEXURE - D

PARTICULARS REGARDING EMPLOYEES REMUNERATION

As required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name and Designation of Director/KMP	Remuneration for F.Y.2016-17	% Increase in remuneration during the year	Ratio to Median to Remuneration
1.	Mr. Shailesh R. Mehta - Managing Director	26,06,037	50%	9.05
2	Mr. Umesh A. Vyas* -Company Secretary & CFO	8,63,729	NIL	3.00
3	Ms. Reshma Susan Thomas -Assistant Company Secretary	78,009	NIL	0.27

* Mr. Umesh A. Vyas has resigned and ceased to be CS & CFO w.e.f. 01st April, 2017.

ANNEXURE-E

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
TEXEL INDUSTRIES LIMITED
Gandhinagar.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Texel Industries Limited** (CIN: - L29100GJ1989PLC012576) (hereinafter called "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2017 according to the provisions of:

- I. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made there under;
- II. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under ;(During the year the Company does not have connectivity with the NSDL and CDSL)
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable during the reporting period under review)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
 - c. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable during the reporting period under review)
 - d. During the Audit Period, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is not applicable;
 - e. During the Audit Period, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. During the Audit period, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable;

- h. During the Audit Period, the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable.
 - i. The Security Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- VI The Management has identified and confirmed the following laws as specifically applicable to the Company:

Local tax laws as applicable in the state of Gujarat

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

- a) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with BSE Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.
 - However as per the regulations of 31 (2) all shares of Promoters should be in Demat form and process of dematerialization has not been completed.
 - The Company has not closed the Trading Window pursuant to the SEBI (Prohibition of the Insider Trading) Regulations, 2015 read with the Code of Internal Procedure and Conduct for Regulations, Monitoring and Reporting of Trading by Insiders adopted by the Company.
 - The Company has delay in submit the voting result of the shareholder in Annual General Meeting to the Stock Exchange as per the Regulation 44 (3) of (Listing Obligations & Disclosure Requirements) Regulations, 2015.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decisions were carried out unanimously and where it was not so, the dissenting members' views were captured and recorded as part of the minutes.

I further report that the compliance by the company of the direct and indirect tax laws has not been reviewed during this audit as the same has been subject to review by statutory auditor and other designated professionals.

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Observations:

- 1) Company has suspended from Bombay Stock Exchange Ltd during the Audit period.
- 2) The share certificate of the Company has not been issued as mention in the Companies Act, 2013.

**For, G R Shah & Associates
Company Secretaries**

**Gaurang Shah
Proprietor
C.P No: 14446**

**Date: 27th May, 2017
Place: Ahmedabad**

ANNEXURE TO SECRETARIAL REPORT

To,
The Members
TEXEL INDUSTRIES LIMITED
Gandhinagar.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on our audit. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CEO/CFO CERTIFICATION

To,
**The Board of Directors,
Texel Industries Limited.**

Dear Members of the Board,

We, Mr. Shailesh R. Mehta, Managing Director and Mr. Dhruvit D Sanghvi, Chief Financial Officer of Texel Industries Limited, certify that:

- a. We have reviewed the financial statements and the Cash Flow Statements of Texel Industries Limited for the year ending 31st March, 2017 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading; and
 - ii. 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. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify the deficiencies.
- d. We have indicated to the auditors and the Audit Committee that:
 - i. There have been no significant changes in internal control during this year.
 - ii. There have been no significant changes in accounting polices during the year.
 - iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or employee having significant role in the Company's internal control systems.

Place : Santej.
Date: 27th May, 2017

Shailesh R. Mehta
Managing Director

Dhruvit Sanghvi
Chief Financial Officer

Independent Auditor's Report

To the Members of Texel Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Texel Industries Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31 March 2017 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position -
The company has filed Special Civil Application on 18/05/2016, before Honourable Gujarat High Court for quash and set aside the notice of demand raised by Employees Provident Fund Organisation for Rs.11, 31,463/- on late payment of remittance for November, 1998 to January 2014, vide notice dated 25.04.2016 and to stay on the notice of demand dated 25.04.2016 during Pending admission and hearing of the present petition.
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts -
The company has not entered any long term contracts including derivative contracts and therefore, it is not required to provide for any losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosure in Note -7.3d of its financial statements as to holding as well as dealing in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with books of accounts maintained by the Company.

For A.L.Thakkar & Co.,
Chartered Accountants
Firm Registration Number : 120116W

Aseem Thakkar
Partner
Membership number : 041313

Place : Ahmedabad
Date : 27th May 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident

fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has issued 2,55,000 Equity Shares each of Rs.10/- to promoters/member of promoter group, pursuant to Para 11.1 read with Para 17 of BIFR Sanctioned Scheme dated 31.08.2015. Also during the year, the company has issue 30,00,000, 4% Redeemable Preference Shares of 7 years having face value of Rs. 10/- each pursuant to Para 11.2 of BIFR Sanctioned Scheme dated 31.08.2015.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For A.L.Thakkar & Co.,
Chartered Accountants
Firm Registration Number : 120116W

Aseem Thakkar
Partner
Membership number : 041313

Place : Ahmedabad
Date : 27th May 2017

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Texel Industries Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A.L.Thakkar & Co.,
Chartered Accountants
Firm Registration Number : 120116W

Aseem Thakkar
Partner
Membership number : 041313

Place : Ahmedabad
Date : 27th May 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

[in Rupees]

Particulars	Note	As At 31st March, 2017	As At 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	82,229,210	78,908,420
Reserves and surplus	2.2	59,787,393	29,972,428
		142,016,603	108,880,848
Non-current liabilities			
Long-term borrowings	2.3	5,643,141	37,488,567
Other long term liabilities	2.4	750,000	1,025,786
Deferred tax liability (Net)	2.5	7,562,664	-
Long-term provisions	2.6	2,177,281	2,548,462
		16,133,086	41,062,815
Current liabilities			
Trade payables	2.7	59,951,767	136,420,937
Other current liabilities	2.8	32,674,622	28,326,804
Short-term provisions	2.9	8,261,213	729,436
		100,887,602	165,477,177
TOTAL		259,037,291	315,420,840
ASSETS			
Non-current assets			
Fixed assets	2.10		
Tangible assets		47,804,758	53,187,563
Intangible assets		21,000	21,000
		47,825,758	53,208,563
Long-term loans and advances	2.11	11,244,492	27,460,794
		59,070,250	80,669,357
Current assets			
Inventories	2.12	95,778,864	79,550,943
Trade receivables	2.13	80,481,142	121,768,142
Cash and cash equivalents	2.14	13,098,463	12,922,357
Short-term loans and advances	2.15	10,500,160	19,891,412
Other current assets	2.16	108,412	618,629
		199,967,041	234,751,483
TOTAL		259,037,291	315,420,840

Significant Accounting Policies

Accompanying Notes are an integral part of the Financial Statements

In terms of our report attached

For A.L. Thakkar & Co.

Chartered Accountants

Firm Registration Number : 120116W

Aseem Thakkar

Partner

Membership No. 041313

Place : Santej

Dated : 27/05/2017

For and On Behalf of the Board of Director of M/s Texel Industries Limited

Shailesh R.Mehta
Managing Director

Kirit N. Mehta
Director

Dhrumit Sanghvi
CFO

Reshma Thomas
Company Secretary

Place : Santej

Dated : 27/05/2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

[in Rupees]

Particulars	Note	For the year ended 31st March, 2017	For the year ended 31st March, 2016
INCOME			
Revenue from operations (gross)	3.1	597,648,593	789,860,201
Less: Excise duty		64,742,713	87,437,041
Revenue from operations (Net)		532,905,880	702,423,160
Other income	3.2	1,707,552	9,447,485
Total income		534,613,432	711,870,645
EXPENSES			
Cost of materials consumed	3.3	364,038,444	432,151,093
Purchases of stock-in-trade	3.4	37,757,499	94,644,867
Changes In Inventories of Finished Goods,- work-in-progress and stock-in-trade	3.5	(21,013,562)	7,735,055
Employees benefits expense	3.6	28,810,825	29,948,960
Finance Costs	3.7	13,501,741	15,619,433
Depreciation and Amortisation		9,265,750	4,889,490
Other expenses	3.8	88,096,593	110,900,907
Total expenses		520,457,290	695,889,805
Profit before exceptional, extraordinary items and tax		14,156,142	15,980,840
Exceptional items		-	-
Profit before extraordinary items and tax		14,156,142	15,980,840
Extraordinary items - prior period expense		57,259	61,646
Profit before tax		14,098,883	15,919,194
Tax expense			
Current tax		6,664,111	2,599,784
(Excess)/short provision of income tax of earlier years		(1,212,224)	-
Deferred tax		(2,482,125)	-
Total tax expense		2,969,762	2,599,784
Profit/(Loss) after tax		11,129,121	13,319,410
Earnings Per Equity Share (Face Value Rs 10 each)			
Basic (Rs)	3.9	2.13	1.69
Diluted (Rs)		2.13	1.69

Significant Accounting Policies

Accompanying Notes are an integral part of the Financial Statements

In terms of our report attached

For A.L. Thakkar & Co.
Chartered Accountants
Firm Registration Number : 120116W

For and On Behalf of the Board of Director of M/s Texel Industries Limited

Aseem Thakkar
Partner
Membership No. 041313

Shailesh R.Mehta
Managing Director

Kirit N. Mehta
Director

Dhrumit Sanghvi
CFO

Reshma Thomas
Company Secretary

Place : Santej
Dated : 27/05/2017

Place : Santej
Dated : 27/05/2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

[in Rupees]

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
A Cash flow from operating activities		
Net profit/(loss) before tax	14,098,883	15,919,194
Adjustment for		
Depreciation / Amortisation	9,265,750	4,889,490
Profit/Loss on discarded assets	1,135,560	581,020
Interest expense	13,501,741	15,619,433
Interest income	(674,763)	(9,447,485)
Operating cash flow before working capital changes	37,327,171	27,561,652
(Increase) / Decrease in other current/non-current assets	26,117,772	2,551,944
(Increase) / Decrease in trade receivable	41,287,000	20,593,433
(Increase) / Decrease in inventories	(16,227,921)	(6,404,956)
Increase / (Decrease) in trade payable	(76,469,170)	1,313,379
Increase / (Decrease) in other current/non current liabilities	18,795,292	11,468,229
Cash generated from operations	30,830,144	23,602,839
Income taxes paid (net)	2,969,762	2,599,784
Net cash generated by operating activities (A)	27,860,382	21,003,055
B Cash flow from investing activities		
Purchase of fixed assets	(5,018,505)	(8,514,006)
Assets held for sale	-	618,629
Interest received	674,763	9,447,485
Net cash used in investing activities (B)	(4,343,742)	1,552,108
C Cash flow from financing activities		
Proceeds from equity	2,550,000	12,450,000
Repayment of long-term borrowing	(31,845,426)	(14,174,096)
Change in reserves & surplus	(10,543,366)	-
Issue of preference shares	30,000,000	-
Interest paid	(13,501,741)	(15,619,433)
Net cash generated from / used in financing activities (C)	(23,340,533)	(17,343,529)
Net (decrease)/increase in cash & cash equivalents (A+B+C)	176,106	5,211,634
Cash and cash equivalents at the beginning of the period	12,922,357	7,710,723
Cash and cash equivalents at the end of period (Refer Note 2.13)	13,098,463	12,922,357

The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.

See accompanying notes forming part of the financial statements

In terms of our report attached
For A.L. Thakkar & Co.
 Chartered Accountants
 Firm Registration Number : 120116W

For and On Behalf of the Board of Director of M/s Texel Industries Limited

Aseem Thakkar
 Partner
 Membership No. 041313

Shailesh R.Mehta
 Managing Director

Kirit N. Mehta
 Director

Dhrumit Sanghvi
 CFO

Reshma Thomas
 Company Secretary

Place : Santej
Dated : 27/05/2017

Place : Santej
Dated : 27/05/2017

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**NOTE NO.1****COMPANY BACKGROUND**

Texel Industries Limited is a Public Limited Company, incorporated in India under the provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Tarpaulins and Geomembrane.

NOTE NO. 2**SIGNIFICANT ACCOUNTING POLICIES:****1) Basis of Preparation and Presentation of Financial Statements:**

The financial statements are prepared in accordance with generally accepted accounting principles in India under the historical cost convention on an accrual basis Pursuant to section 133 of the Companies Act, 2013 ('The Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The preparation of financial statements requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported year. Differences between the actual results and estimates are recognized in the year in which the results are known/ materialized.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

2) Revenue Recognition:

- a) Revenue from the sale of goods is recognized when the goods are delivered and titles have passed along with all risks and rewards. Service income is recognized by reference to the stage of completion method. Revenue from Sale of goods & services are accounted for net of Excise Duty, VAT, Service tax, returns & claims etc.
- b) Sales exclude recovery of charges separately collected from customers like transport, packing etc.
- c) The Company adopts the mercantile method in the preparation of the accounts. Claims / Refunds not ascertainable with reasonable certainty are accounted for on actual/final settlement.
- d) Government Benefits on account of export sales is estimated and accounted for in the year of export and when there is no significant uncertainty regarding the ultimate collections of export proceeds as applicable.
- e) Dividend income is recognized when right to receive dividend is established and there is no uncertainty as to its reliability.
- f) Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably. Interest on Bank Deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

3) Fixed Assets**(a) Tangible Fixed Assets**

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any subsidy/ reimbursement/ contribution received for installation and acquisition of any fixed assets is shown as deduction in the year of receipt.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets derecognized.

(b) Intangible Fixed Assets

Intangible fixed assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

4) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value. The useful life of an asset is the period over which an asset is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by the entity.

Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful lives of the assets

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013.

Freehold land is stated at cost and is not depreciated and leasehold land is amortized over the primary period of lease. Intangible Assets are amortized on a Straight Line basis over the estimated useful economic life.

5) Impairment of Assets:

At the end of each reporting period, the Company reviews the carrying amounts of its' tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs to disposal and value in use. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which the asset is identified as impaired. Reversal of impairment loss recognized in prior years are recorded when there is an indication that impairment loss recognized for the asset no longer exists or has been decreased.

6) Investments:

All long term investments are stated at cost. Provision for diminution, if any, in the value of investments are made to recognize a decline, other than temporary, in the opinion of the management.

Investment in Joint Ventures are held for long term and valued at cost reduced by diminution of permanent nature therein, if any.

Current investments are carried at the lower of cost or fair value, determined on a category-wise basis.

7) Inventories:

- a) Raw Material & Components - at cost or net realizable value, whichever is lower based on First in first out (FIFO) method.
- b) Finished Goods - at cost using weighted average cost basis or net realizable value whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventory to their respective present location and condition.
- c) The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods.
- d) Stores, Spare Parts, Packing Materials etc. - at cost using FIFO or at net realizable value whichever is lower.
- e) Scrap stock is valued at net realisable value.

8) Provisions, Contingent Liabilities and Contingent Assets:

The Company creates a provision when there exists a present obligation (legal or constructive) as a result of a past event, that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized.

Warranties:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise. As on the balance sheet date, the company has no such historical records.

9) Taxes on Income:

Income tax expense represents the sum of the tax currently payable and deferred tax.

I. Current Tax Provision

The tax currently payable is based on the basis of estimated taxable income for the current accounting year and in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws) is recognized as an asset by way of credit to the Profit and Loss Account only if, there is convincing evidence of its realization. At each Balance Sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassure realization.

II. Deferred Tax Provision

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in financial statements and corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that the taxable profits will be available against which those deductible temporary differences can be utilized.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Deferred tax liabilities or assets are measured using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. Deferred tax assets and liabilities are reviewed as at each Balance Sheet date to reassess realisation

10) Foreign Currency Transactions:**(a) Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

(b) Measurement of foreign currency items at the Balance Sheet date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

11) Retirement Benefits:**Retirement and other employee benefits**

Retirement benefit in the form of Provident Fund and Superannuation Schemes are defined contribution schemes.

The Company has no obligation, other than the contribution payable to the respective funds. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation carried out on projected unit credit method at the end of each reporting period. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as current liability in the Balance Sheet; to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

12) Earnings per Share:

Basic and Diluted earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

13) Borrowing Cost:

Borrowing Cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to the interest cost. Interest and other borrowing costs attributable to acquisition, construction or production of qualifying assets that takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expenses in the period they occur.

14) Segment Reporting:

As the Company's business activities falls within a single primary business segment viz. "Manufacturing of Tarpaulin" and sales are entirely in the domestic market, the disclosure requirements of Accounting Standard – 17 "Segment Reporting" specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 are not applicable.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

[in Rupees]

Particulars	As At 31st March 2017	As At 31st March 2016
2.1 SHARE CAPITAL		
2.1.1 Authorised		
1,00,00,000 (PY 8,00,000) Equity Shares of Rs. 10 each	100,000,000	80,000,000
35,00,000 (PY 5,00,000) Redeemable cumulative Preference Shares of Rs. 10 each	35,000,000	5,000,000
	135,000,000	85,000,000
2.1.2 Issued, Subscribed and Fully Paid Equity Shares		
52,22,921 (PY 78,90,842) Equity Shares of Rs. 10 each fully paid (It comprises of 255,000 equity shares of Rs. 10/- each issued to the Promoter and 50% Capital Reduction of 58,45,842 equity shares and consolidation of the same of Rs. 5/- each into Rs. 10/- each).	52,229,210	78,908,420
	52,229,210	78,908,420
2.1.2 Issued, Subscribed and Fully Paid Preference Shares		
30,00,000 (PY NIL) Preference Shares of Rs. 10 each fully paid	30,000,000	-
	30,000,000	-

- The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share held.
- The Board of Directors has not recommended any dividend for the year ended 31st March 2017.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

2.1.3 Reconciliation of the number of equity shares outstanding (including Share Capital Suspense)

	Number of Shares		Amount	
	Current Year	Previous Year	Current Year	Previous Year
Outstanding as at the beginning of the year	7,890,842	6,145,842	78,908,420	61,458,420
Issued during the year as per BIFR scheme	255,000	1,745,000	2,550,000	17,450,000
(Less) : 50% capital reduction as per BIFR order of 58,45,842 shares of Rs.10/- each to Rs.5/- each & consolidation of 58,45,842 of Rs.5/- each in to Rs.10/- each as per BIFR scheme (Refer Note below).	(2,922,921)	-	(29,229,210)	-
Outstanding as at the end of the year	5,222,921	7,890,842	52,229,210	78,908,420

Note : During the FY 2016-17, the Company has issued 255,000 equity shares to the promoters as per the Sanctioned BIFR scheme. Apart from issue of equity shares, the Company has made 50% Capital Reduction of its 58,45,842 equity shares and after Capital Reduction, every 2 equity shares of Rs. 5/- each are consolidated with 1 equity shares of Rs. 10/- each fully paid up. The effect of Capital Reduction was given as per the Sanctioned BIFR scheme vide Para No. 11.4 of the Scheme.

Reconciliation of the number of Preference shares outstanding

	Number of Shares		Amount	
	Current Year	Previous Year	Current Year	Previous Year
Outstanding as at the beginning of the year	-	500,000	-	5,000,000
Issue of preference shares in lieu of secured loan (Refer below note)	3,000,000	500,000	30,000,000	5,000,000
Outstanding as at the end of the year	3,000,000	-	30,000,000	-

Note : During the year, the Company has issued 4% 7 years cumulative redeemable preference shares of Rs. 10 each to M/s Skypoint Technical Textiles Pvt. Ltd. in lieu of the secured loan outstanding as on 31st March 2016 (Rs. 3,00,00,000) as per Sanctioned BIFR scheme. The preference share holders carries no voting rights. The Board in its meeting held on 27th May 2017 has approved the dividend (including dividend tax) at 4% to the preference shareholder.

2.1.4 List of Shareholders holding more than 5 % shares in the Equity Share & Preference Share Capital of the Company:

	Current Year		Previous Year	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares				
Ms. Avani S Mehta*	1,075,316	20.59%	895,632	11.35%
Mr. Rajendra Bhakta	-	0.00%	465,296	5.90%
Mr. Mihir Bhandari	300,000	5.74%	-	0.00%
Mr. Ulhas Paymaster	300,000	5.74%	-	0.00%
SkyPoint Technical Textiles Pvt. Ltd.	500,000	9.57%	500,000	6.34%
* Holding of 10,75,316 Equity shares by Ms Avani S Mehta is after giving effect of additional issue of shares, Capital Reduction and Consolidation of shares as per BIFR Order.				
Preference Share				
SkyPoint Technical Textiles Pvt. Ltd. (Refer below note)	3,000,000	100%	-	0.00%

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note : During the year, the Company has issued 4% 7 years cumulative redeemable preference shares of Rs. 10 each to M/s Skypoint Technical Textiles Pvt. Ltd. as per Sanctioned BIFR scheme. The preference share holders carries no voting rights. The Board in its meeting held on 27th May 2017 has approved the dividend (including dividend tax) at 4% to the preference shareholder.

2.2 RESERVES AND SURPLUS

[in Rupees]

Particulars	Securities Accumulated Premium Account	Losses ⁽¹⁾	General Reserve ⁽¹⁾	Capital Redemption Reserve	Capital Reserve	Surplus as per Statement of Profit and Loss	Total
Current Year							
Opening Balance as at 1st April, 2016	19,499,668	-	5,000,000	3,333,332	-	2,139,428	29,972,428
Profit For The Year	-	-	-	-	-	11,129,121	11,129,121
Utilization of Revenue Reserves for Deferred tax liability ⁽¹⁾	-	(5,044,789)	(5,000,000)	-	-	-	(10,044,789)
Appropriation of Preference Share Dividend	-	-	-	-	-	(498,577)	(498,577)
Capital reserve ⁽²⁾	-	-	-	-	29,229,210	-	29,229,210
Closing Balance as at 31st March, 2017	19,499,668	(5,044,789)	-	3,333,332	29,229,210	12,769,972	59,787,393
Previous Year							
Opening Balance as at 1st April, 2015	19,499,668	-	5,000,000	3,333,332	-	(11,179,982)	16,653,018
Profit For The Year	-	-	-	-	-	13,319,410	13,319,410
Closing Balance as at 31st March, 2016	19,499,668	-	5,000,000	3,333,332	-	2,139,428	29,972,428

Note

- Deferred Tax Liability arising due to Fixed Asset (impact of difference between tax depreciation and depreciation charged for the financial reporting), is adjusted in Reserves & Surplus balance as the effect of Deferred Tax Liability is given first time in the preparation of financial statement. Accordingly, the opening balance of Deferred Tax Liability which was Rs. 1,00,44,789/- is adjusted in Opening Reserves & Surplus balance by reducing General Reserves by Rs. 50,00,000/- and balance shown as Accumulated Losses due to Deferred Tax Liability. At the end of the year, Deferred Tax Liability was reassessed and the effect of opening value and closing value was a reversal of Rs. 24,82,125/- which was routed through the Statement of Profit & Loss.
- the Company has made 50% capital reduction of its' 58,45,842 equity shares and after capital reduction, every 2 equity shares of Rs. 5/- each are consolidated with 1 equity shares of Rs. 10/- each fully paid up. The effect of capital reduction was given as per the sanctioned BIFR scheme vide Para No. 11.4.

Particulars	As At 31st March 2017	As At 31st March 2016
2.3 LONG-TERM BORROWINGS		
Secured		
Term loans from banks		
The Saraswat Co Op Bank Limited ⁽¹⁾	-	725,662
Term loans from other parties		
Skypoint Technical Textile Private limited ⁽²⁾	-	30,000,000
	-	30,725,662
Unsecured		
Inter corporate deposit ⁽³⁾	5,046,500	5,849,667
Loans From Related Parties ⁽⁴⁾	341,641	541,641
Loans From Others ⁽⁵⁾	255,000	371,597
Total	5,643,141	6,762,905
	5,643,141	37,488,567

Note:

- The Company has written back Rs. 7,22,219/- (after adjusting dividend received from the Bank) as the debt has become timebarred.
- During the year, in lieu of the secure loan, the Company issued 4% cumulative redeemable Preference Shares as per the BIFR sanctioned Scheme vide Para No. 11.2 (A).
- Inter corporate deposit carries interest at 12% p.a. with payout of interest on quarterly basis and the loan is repayable on demand.
- Loans from related party includes loan payable to brother of the Managing Director of the Company. No interest is payable towards the loan.
- Loans from others represents the loan taken from promoter director and no interest is payable towards the same.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	As At 31st March 2017	As At 31st March 2016
2.4 OTHER LONG TERM LIABILITIES		
Security deposits and other deposits	750,000	750,000
Trade payables (Refer Note 2.7 for details of dues to micro and small enterprise)	-	275,786
	<u>750,000</u>	<u>1,025,786</u>
2.5 DEFERRED TAX LIABILITY (NET)		
Opening balance	-	-
Charged to reserves & surplus: (Opening Impact of difference between tax depreciation and depreciation charged for the financial reporting)	10,044,789	-
Charged/(Reversed) to statement of profit & loss	(2,482,125)	-
Net deferred tax liability	<u>7,562,664</u>	<u>-</u>
Note:		
Deferred Tax Liability arising due to Fixed Asset (impact of difference between tax depreciation and depreciation charged for the financial reporting), is adjusted in Reserves & Surplus balance as the effect of Deferred Tax Liability is given first time in the preparation of financial statement. Accordingly, the opening balance of Deferred Tax Liability which was Rs. 1,00,44,789/- is adjusted in Opening Reserves & Surplus balance by reducing General Reserves by Rs. 50,00,000/- and balance shown as Accumulated Losses due to Deferred Tax Liability. At the end of the FY 2016-17, Deferred Tax Liability was reassessed and the effect of opening value and closing value was a reversal of Rs. 24,82,125/- which was routed through the Statement of Profit & Loss.		
2.6 LONG-TERM PROVISIONS		
For Employees Benefits		
Provision for Gratuity	1,502,205	2,087,185
Provision for Sick Leave	64,290	-
Provision for Leave encashment	610,786	461,277
	<u>2,177,281</u>	<u>2,548,462</u>
2.7 TRADE PAYABLES		
Due to Micro, Small and Medium Enterprises (Note)	-	-
Other than Micro, Small and Medium Enterprises	49,771,494	120,619,903
Others (including creditors for expenses, salary)	10,180,273	15,801,034
	<u>59,951,767</u>	<u>136,420,937</u>
Note:		
The Company has not received information from the Suppliers regarding their status under The Micro, Small & Medium Enterprises Development Act, 2006. Hence, disclosures, if any relating to amounts unpaid as at the balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made.		
2.8 OTHER CURRENT LIABILITIES		
Other Payables (including Statutory Dues)	1,484,818	14,549,765
Advances From Customers	31,189,804	13,777,039
	<u>32,674,622</u>	<u>28,326,804</u>
2.9 SHORT-TERM PROVISIONS		
Provision for gratuity	1,393,053	361,294
Provision for sick leave	85,194	-
Provision for leave encashment	432,910	368,142
Provision for expenses	6,350,056	-
	<u>8,261,213</u>	<u>729,436</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2.10 FIXED ASSETS

	[in Rupees]										
	Gross Block			Depreciation / Amortisation				Net Block Closing			
	Opening	Additions	Deductions	Closing	Opening	For the Year	Deductions	Closing			
Current Year											
TANGIBLE ASSETS											
Freehold Land	2,403,616	-	-	2,403,616	-	-	-	-	-	-	2,403,616
Buildings	33,786,581	259,741	-	34,046,322	17,700,334	1,132,762	-	18,833,096	-	-	15,213,226
Plant and Equipments	100,158,907	3,451,387	18,045,525	85,564,769	69,826,321	6,816,056	17,026,977	59,615,400	-	-	25,949,369
Furniture and Fixtures	6,886,042	511,155	2,340,177	5,057,020	6,022,247	297,447	2,223,165	4,096,529	-	-	960,491
Vehicles	1,516,340	64,554	-	1,580,894	1,406,336	110,358	-	1,516,694	-	-	64,200
Office Equipments	4,652,786	609,366	-	5,262,152	3,313,223	592,773	-	3,905,996	-	-	1,356,156
Electric Installations	8,339,398	122,302	-	8,461,700	6,287,646	316,354	-	6,604,000	-	-	1,857,700
Total Tangible Assets	157,743,670	5,018,505	20,385,702	142,376,473	104,556,107	9,265,750	19,250,142	94,571,715			47,804,758
INTANGIBLE ASSETS											
Trade Mark	21,000	-	-	21,000	-	-	-	-	-	-	21,000
Total Intangible Assets	21,000	-	-	21,000	-	-	-	-			21,000
TOTAL	157,764,670	5,018,505	20,385,702	142,397,473	104,556,107	9,265,750	19,250,142	94,571,715			47,825,758
Previous Year											
TANGIBLE ASSETS											
Freehold Land	2,403,616	-	-	2,403,616	-	-	-	-	-	-	2,403,616
Buildings	32,308,071	1,478,510	-	33,786,581	16,746,414	953,920	-	17,700,334	-	-	16,086,247
Plant and Equipments	107,316,496	5,215,002	12,372,591	100,158,907	77,674,773	3,324,490	11,172,942	69,826,321	-	-	30,332,586
Furniture and Fixtures	6,690,197	195,845	-	6,886,042	5,965,929	56,318	-	6,022,247	-	-	863,795
Vehicles	1,516,340	-	-	1,516,340	1,401,619	4,717	-	1,406,336	-	-	110,004
Office Equipments	3,783,656	869,130	-	4,652,786	2,959,406	353,817	-	3,313,223	-	-	1,339,563
Electric Installations	7,583,879	755,519	-	8,339,398	6,091,418	196,228	-	6,287,646	-	-	2,051,752
Total Tangible Assets	161,602,255	8,514,006	12,372,591	157,743,670	110,839,559	4,889,490	11,172,942	104,556,107			53,187,563
INTANGIBLE ASSETS											
Trade Mark	21,000	-	-	21,000	-	-	-	-	-	-	21,000
Total Intangible Assets	21,000	-	-	21,000	-	-	-	-			21,000
TOTAL	161,623,255	8,514,006	12,372,591	157,764,670	110,839,559	4,889,490	11,172,942	104,556,107			53,208,563

Note : Deduction of fixed assets represents the old assets which are not in use & written off

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	As At 31st March 2017	As At 31st March 2016
2.11 LONG-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good unless otherwise stated)		
Security Deposits	718,758	5,310,816
Balances with Government Authorities	6,165,520	25,998
Other Loans and Advances (includes Advances to Suppliers)	4,360,213	22,123,980
	<u>11,244,492</u>	<u>27,460,794</u>
2.12 INVENTORIES		
(Valued at lower of cost or net realisable value unless otherwise stated)		
Raw Materials		
(i) In Stock	28,753,713	33,378,359
(ii) In Transit	7,221,720	7,411,017
Work-in-Progress	52,134,665	31,249,409
Finished Goods	5,141,849	5,037,027
Stores and Spare parts	2,212,900	2,196,244
Waste / Scrap (valued at net realisable value)	314,018	278,887
	<u>95,778,864</u>	<u>79,550,943</u>
2.13 TRADE RECEIVABLES		
(Unsecured, unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	41,479,600	26,081,539
Other receivables		
Considered good	39,001,543	95,686,603
	<u>80,481,142</u>	<u>121,768,142</u>
2.14 CASH AND BANK EQUIVALENTS		
Cash and Cash Equivalents		
Balances with Banks - current accounts	6,304,687	7,328,926
Cheques In Hand	-	299,219
Cash on Hand	685,694	1,270,559
	6,990,381	8,898,704
Bank deposits (Refer below note)	6,108,082	4,023,653
	<u>13,098,463</u>	<u>12,922,357</u>
Note :		
Bank deposits with a carrying amount of Rs. 58,78,123/- (PY Rs. 40,23,653) are given as margin against bank guarantee.		
2.15 SHORT-TERM LOANS AND ADVANCES		
Unsecured (Considered Good unless otherwise stated)		
Security Deposits	1,615,209	1,472,850
Prepaid Expense	254,169	146,222
Balances with Government Authorities	-	2,088,820
MAT Credit Entitlement	-	3,300,216
Other Short-Term Loans and Advances (includes Advances to Suppliers, etc.)	8,630,782	12,883,304
	<u>10,500,160</u>	<u>19,891,412</u>
2.16 OTHER CURRENT ASSETS		
Interest accrued on fixed deposits	20,224	-
Assets held for disposal	88,188	618,629
	<u>108,412</u>	<u>618,629</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	As At 31st March 2017	As At 31st March 2016
3.1 Revenue from operations (gross)		
Sale of Products	590,359,688	697,200,888
	590,359,688	697,200,888
Other operating revenues		
Sale of Waste	7,288,905	5,210,612
Other operating income	-	11,660
	7,288,905	5,222,272
Revenue from operations (net)	597,648,593	702,423,160
3.2 OTHER INCOME		
Interest Income on :		
others (UGVCL security deposit)	264,000	3,421,944
Bank deposits	410,763	347,096
Capital Receipt	722,219	-
Others non-operating income	310,570	5,678,445
	1,707,552	9,447,485
3.3 COST OF MATERIALS CONSUMED		
Inventory at the beginning of the year	40,789,376	40,080,355
Purchases and incidental expenses	400,069,378	432,860,114
Sales	(40,273,561)	-
Inventory at the end of the year	(36,546,749)	(40,789,376)
	364,038,444	432,151,093
3.3.1 Details of raw materials consumed		
Granuals	280,200,212	329,840,218
Fabric	16,689,946	21,857,405
Master Batches	22,481,864	29,323,701
Films	35,778,256	35,895,153
Fillers	6,091,303	6,090,799
Others (includes packing material)	2,796,863	9,143,817
	364,038,444	432,151,093
3.4 PURCHASES OF STOCK-IN-TRADE		
Granuals	37,757,499	94,644,867
	37,757,499	94,644,867
3.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening inventories		
Finished goods	4,477,357	4,023,511
Work-in-progress	31,249,409	39,098,981
Waste/Scrap	278,887	618,216
	36,005,653	43,740,708
Closing inventories		
Finished goods	5,141,849	5,037,027
Work-in-progress	52,134,665	31,249,409
Waste/Scrap	314,018	278,887
	57,590,532	3,65,65,323
(Increase) / Decrease in inventories	(21,584,879)	7,175,385
excise duty on finished goods inventories	571,317	5,59,670
	(21,013,562)	7,735,055
3.6 EMPLOYEES BENEFIT EXPENSES		
Salaries and wages	27,622,703	25,189,008
Contribution to provident fund and other funds	599,711	3,030,662
Staff welfare expenses	588,411	1,729,290
	28,810,825	29,948,960

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016	
3.7 FINANCE COSTS			
Interest on borrowings	661,669	734,996	
Interest on trade payables	12,121,322	14,884,437	
Loan processing fees	718,750	-	
	<u>13,501,741</u>	<u>15,619,433</u>	
3.8 OTHER EXPENSES			
3.8.1 Manufacturing Expenses			
Stores and machinery spares consumed	6,914,074	6,095,352	
Processing Charges	38,801,920	44,385,885	
Power & Fuel	17,812,642	24,555,714	
Repairs to Buildings	369,741	285,823	
Repairs to Machinery	207,768	549,305	
	<u>64,106,145</u>	<u>75,872,079</u>	
3.8.2 Administration, Selling and Distribution Expenses			
Advertisement and sales promotion	1,189,837	693,415	
Insurance expense	221,187	202,978	
Rates and taxes	2,947,919	123,094	
Directors' sitting fees	250,000	140,000	
Repairs & maintenance- others	511,205	118,950	
Conveyance expense	377,711	335,021	
Discount and kasar	15,631	2,604,677	
Freight and forwarding	1,778,608	8,777,150	
Legal and professional charges	4,672,590	3,347,488	
Loss on discarded assets	1,135,560	581,020	
Post and telegram	230,783	174,219	
Printing and stationery	585,791	501,469	
Sales commission	2,478,540	3,590,275	
Security charges	495,281	475,262	
Sundry balance w/off	3,430,655	5,026,886	
Telephone expense	222,699	271,268	
Travelling expense	1,406,722	665,863	
Other general & miscellaneous expenses	1,893,311	7,299,793	
	<u>87,950,173</u>	<u>110,800,907</u>	
3.8.3 Auditors' remuneration (excluding service tax)			
Audit Fee	100,000	85,000	
Other Fees	46,420	15,000	
Out of pocket expense	-	-	
Total	<u>146,420</u>	<u>100,000</u>	
3.9 Earnings Per Share:			
Net profit for the year attributable to equity shareholders	in Rupees	11,129,121	13,319,410
Weighted-average-number of equity shares	Nos	5,222,921	7,890,842
Basic Earnings Per Share (Face Value of Rs. 10 each)	in Rupees	2.13	1.69
Diluted Earnings Per Share (Face Value of Rs. 10 each)	in Rupees	2.13	1.69

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

4. Details of Related Party Transaction

			[in Rupees]
Particulars	KMP	Relative of KMP	Entity in which KMP/Relative of KMP having significant influence
A) Transaction During the year			
Salary & Perquisites to Managing Director			
Shailesh R Mehta	2,606,037	-	-
	(2,491,336)	-	-
Director Sitting Fees			
Kriti Mehta	80,000	-	-
	(50,000)	-	-
Dr.Cristy Fernandez	70,000	-	-
	(40,000)	-	-
Mrs. Jasmin Nahidakhtar Vhora	40,000	-	-
	(30,000)	-	-
Mr. Deveshwer Kumar Kapila	60,000	-	-
	(20,000)	-	-
Reimbursement of expenses			
Dr.Cristy Fernandez	8,404	-	-
	-	-	-
Mr. Deveshwer Kumar Kapila	3,000	-	-
	(2,400)	-	-
Legal and professional fees			
G.P. Kapadia & Co	-	-	500,000
	-	-	(300,000)
Mrs. Avani S Mehta	-	-	-
	-	(450,000)	-
Risha Infrastructure			
Labour charges	-	-	-
	-	-	(894,064)
Sales commission	-	-	-
	-	-	(655,835)
Reimbursement of Freight Charges	-	-	-
	-	-	(2,001,775)
Risha Aquapruf Infrastructure LLP			
Reimbursement of Freight Charges	-	-	10,557,696
	-	-	(7,527,127)
Moneeto Plasti-Feb P. LTD			
Sales	-	-	2,020,915
	-	-	(3,338,705)
Anjaneya Enterprise			
Jobworks charges	-	-	1,569,425
	-	-	(2,396,160)
Purchase of Raw Material	-	-	571,725
	-	-	-
Sales	-	-	941,351
	-	-	(298,633)
B) Closing balances			
Receivable from			
Moneeto Plasti-Feb P. LTD	-	-	231,017
	-	-	(155,467)
Risha Infrastructure	-	-	1,098,951
	-	-	(997,453)
Payable to			
Risha Aquapruf Infrastructure LLP	-	-	2,841,407
	-	-	(1,641,021)
Naresh R Mehta	440,151	-	-
	(440,151)	-	-
Shailesh R Mehta	70,014	-	-
	(152,800)	-	-
G.P. Kapadia & Co	-	-	565,000
	-	-	(270,000)
Loans & Advances - Receivable			
Crossland Housing & Const. Limited	-	-	1,000,000
	-	-	(1,000,000)
Mehta & Dholabhai	-	-	615,209
	-	-	(615,209)

Figures in brackets relates to previous year ended on 31st March 2016

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	As At 31st March 2017	As At 31st March 2016
5. Contingent Liabilities not provided for in respect of :		
5.1 Claims/disputed liabilities not acknowledged as liability :		
(a) Dividend in respect of 18% Redeemable Cumulative preference Shares issued during the year 1996-1997(As the company had converted preference shares into equity shares in 2015-16, no dividend is payable to preference share holders as on 31st March 2017).	-	53.51
(b) Legal Undertaking in favor of Customs (As on the balance sheet date, there is no obligation which will impact company's financials).	-	27.83
(c) EPF Interest and Damages(The company has filed Special Civil Application on 18/05/2016, before Honourable Gujarat High Court for quash and set aside the notice of demand raised by Employees Provident Fund Organisation for Rs.11,31,463/- on late payment of remittance for November,1998 to January2014, vide notice dated 25.04.2016 and to stay on the notice of demand dated 25.04.2016 during pending admission and hearing of the present petition).	11.31	11.31
(d) Bank Guarantee (against 100% margin money in form of deposits)	58.19	40.24
(e) Excise duty in respect of which the Company has filed an appeal (As on the balance sheet date, there is no obligation which will impact company's financials).	-	6.48
Cash outflows for the above cases are determinable only on receipt of judgements pending at various forums/authorities.		

6. Defined Benefit Plan

The Company has adopted Accounting Standard 15 (AS-15) (Revised) "Employee Benefits" which is mandatory from accounting periods starting from Dec 7, 2006. Accordingly, the Company has provided for gratuity based on actuarial valuation done as per Projected Unit Credit Method.

I. Reconciliation of opening and closing balance of Defined Benefit Obligation (Unfunded)

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligation as at the beginning	2,448,479	829,419	-	-
Current service cost	202,989	162,220	2,448,479	829,419
Interest cost	197,347	66,851	-	-
Benefits paid	(149,197)	(217,561)	-	-
Actuarial (Gain) / Loss	195,640	202,767	-	-
Present value of obligation as at the end (Unfunded)	2,895,258	1,043,696	2,448,479	829,419

II. Reconciliation of opening and closing balance of fair value of plan assets

Not applicable as Gratuity and Leave Liability is unfunded.

III. Reconciliation of fair value of assets and obligation

Not applicable as Gratuity and Leave Liability is unfunded.

IV. Expense recognised during the year

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Service cost	202,989	162,220	2,448,479	829,419
Interest cost	197,347	66,851	-	-
Actuarial (Gain) / Loss	195,640	202,768	-	-
Net cost included in 'Employee Benefit Expense'	595,976	431,839	2,448,479	829,419

V. Investment Details

Not applicable as Gratuity and Leave Liability is unfunded.

VI. Actuarial Assumptions for Gratuity and Leave Encashment

	2016-17	2015-16
Discount rate (per annum)	7.34%	8.06%
Expected rate of return on plan assets (per annum)	N.A.	N.A.
Rate of escalation in salary (per annum)	7.00%	7.00%

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

VII. Other disclosures

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	Amount	%	Amount	%
a. Present value of obligation as at the end - Gratuity	2,895,258		2,448,479	
Surplus/(deficit) - Gratuity	(2,895,258)		(2,448,479)	
Experience adjustment on plan liability - Gratuity	77,677		-	
Actuarial Loss / (Gain) due to change in assumptions - Gratuity	117,963		-	
b. Defined Benefit obligation - Leave	1,043,696		829,419	
Surplus/(deficit) - Leave	(1,043,696)		(829,419)	
Experience adjustment on plan liability - Leave	(34,310)		-	
Actuarial Loss / (Gain) due to change in assumptions - Leave	237,078		-	

7.1 Implementation of BIFR Sanctioned Scheme :

The company was declared Sick industrial company in terms of the Sick Industrial Companies (Special provisions), Act 1985, vide order dated 24.05.2002 of BIFR, New Delhi. The draft rehabilitation scheme was submitted to BIFR, which was sanctioned by BIFR for implementations by all concerned vide order dt.31.08.2015 of BIFR, New Delhi.

The Company has implemented BIFR Sanctioned Scheme in the following area with reference to relevant Paras of the Scheme during financial year 2016-17 :

Para 11.1 Mobilization of Funds :

The promoters have proposed to infuse an amount of Rs. 100 lakhs by way of equity share capital :

Accordingly, the promoters have infused fresh capital Rs. 25.50 Lakhs (PY Rs. 74.50 Laksh) by subscribing 255,000 Equity Shares (PY 7.45 Lakhs) each of Rs.10/- during the financial year.

Para 11.2 of the Scheme: Payment to secured creditors :

Against the dues of Secured Creditors, the Company issued 30, 00, 000 4%, 7 years cumulative Redeemable Preference Shares having face value of Rs. 10/- each during the year against its part of OTS (One Time Settlement Scheme) dues.

Para 11.4 (a) of the Scheme: Any other strategy :

The Company had filed petition for reduction of 50% paid up value of its 58, 45, 842 Equity Shares before the Honourable Gujarat High Court in May, 2016 which was received on 12th August 2016 and accordingly the effect of capital reduction was made.

Para 11.4 (c) of the Scheme: Payment to Unsecured Creditors :

The unsecured liabilities (including those which are under litigation / appeal shall, on crystallization after exercise of all the legal remedies available to the company) shall be paid only 25% of their principal amount, over a period of three years on interest-free basis. Accordingly, the Company has paid Rs. 341,597/- during the year.

7.2 Capital commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance payment) Rs. Nil (previous year of Rs. Nil).

7.3 a) Details of imported and indigenous raw material consumed :

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	Amount	%	Amount	%
Imported raw material	10,916,292	3.00%	579,898	0.13%
Indigenous raw material	353,122,152	97.00%	432,189,824	99.87%
Total	364,038,444	100%	432,769,722	100%

7.3 b) Value of import on CIF basis :

Particulars	2016-17	2015-16
Raw material	10,916,292	579,898
Capital goods	-	-
Others	-	-

7.3 c) Earnings in foreign currency :

Particulars	2016-17	2015-16
Export of goods on FOB basis	-	3,230,714
Others	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

7.3 d) Disclosure on specified bank notes (SBNs) :

During the year the Company had specified bank notes or other denomination notes as defined in the MCA Notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the demonetization wise SBNs and other notes as per the Notification is given below :

Particulars	SBN*	Other Denomination	Total
Closing cash in hand as on November 8, 2016	33,000	1,426	34,426
(+) Permitted receipts	-	978,270	978,270
(-) Permitted payments	-	624,075	624,075
(-) Amount deposited in Banks	33,000	-	33,000
Closing cash on hand as on December 30, 2016	-	355,621	355,621

* For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

While preparing financial statements of the year, previous year figures have been reclassified/regrouped wherever necessary.

Significant Accounting Policies

Accompanying Notes are an integral part of the Financial Statements

In terms of our report attached

For A.L. Thakkar & Co.

Chartered Accountants

Firm Registration Number : 120116W

Aseem Thakkar

Partner

Membership No. 041313

Place : Santej

Dated : 27/05/2017

For and On Behalf of the Board of Director of M/s Texel Industries Limited

Shailesh R.Mehta

Managing Director

Place : Santej

Dated : 27/05/2017

Kirit N. Mehta

Director

Dhruvit Sanghvi

CFO

Reshma Thomas

Company Secretary

UPDATION OF SHAREHOLDERS INFORMATION

To,
The Company Secretary,
TEXEL INDUSTRIES LIMITED
 Block No.2106, Santej Khatraj Road, Near Shah Alloys Ltd., Village Santej, Tal. Kalol, Dist. Gandhinagar, Gujarat.
 E-mail: invrelations@geotexelin.com

Dear Sir,
 I/We request you to record the following information against my/our Folio No.

General Information:

You are requested to provide following information regarding the Company's Shares which are in your name as per Company's record.

Folio No.:	
Name of the first named Shareholder	
PAN: *	
CIN / Registration No.: * (applicable to Corporate Shareholders)	
Telephone No. (with STD code)	
Mobile No.:	
E-mail ID:	

*Self attested copy of the document(s) enclosed

DEPOSITORY ACCOUNTS DETAIL

Depository Participant (DP) Name	
DP ID	
Depository Name (NSDL/CDSL)	
Beneficiary Name	
Beneficiary ID (BO ID)	

BANK DETAIL

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / beneficiary account.

Place : _____

Date : _____

: _____
 Signature of Sole / First holder

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TEXEL INDUSTRIES LIMITED

(CIN:- L29100GJ1989PLC012576)

Registered office: Block No.2106, Santej Khatraj Road, Near Shah Alloys, Village Santej,
Tal. Kalol, Dist. Gandhinagar, Gujarat.

BALLOT FORM
(In Lieu of remote e-voting)

Name of the Member(s)	
Registered Address	
Registered Folio No /Client ID	
DP ID	
No. of Equity Share held	
E-mail ID	

I/We , hereby exercise my /our vote in respect of the Resolution(s) to be passes for the business stated in the Notice of Annual General Meeting of the Company to be held on August 19, 2017 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

Resolution No.	Description of Resolution	No. of Equity Shares	For	Against
	Ordinary Business			
1	To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31stMarch, 2017 including audited balance sheet, statement of profit and loss account and Cash Flow Statement together with the notes for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.			
2	To appoint a Director in place of Mr. Naresh Mehta (DIN: 02888018) who retires by rotation and being eligible, offers himself for reappointment.			
3	Appointment of Statutory Auditors			
	Special Business			
4	To appoint Mr. Shailesh R. Mehta, as the Managing Director of the Company.			
5	To authorise to keep Register of Members and copies of Annual Reports at a place other than the Registered Office of the Company			
6	To consider and approve increase in the borrowing limit u/s. 180(1)(c)			
7	To consider and approve the increase in limit for creating mortgage or hypothecation charge on the assets of the Company u/s. 180(1)(a)			
8	To consider and approve early redemption of Preference Shares			

Date:
Place:

Signature of the Member/ Authorized Representative

Instruction for Ballot

- i. Members have the option to request for physical copy of the Ballot sending an e-mail to invrelations@geotexelin.com by mentioning their Folio//DP-ID and Client ID
- ii. Duly completed Ballot Form should reach the Registered Office of the Company not later than 17th August, 2017 (11.00 a.m.) Ballot Form received thereafter will strictly be treated as Invalid.
- iii. If a shareholder has opted for this physical ballot form, then he/she should not vote electronically and vice-versa. A member may request for a duplicate ballot form, but, it must reach the scrutinizer not later than the date and time specified above.
- iv. The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the Company as on 12th August, 2017. (Cut-off date)
- v. Please complete all details including details of member(s) in above box before submission. The ballot form should be signed by member as per specimen signature registered with the Company.
- vi. In case of shares held by companies, trust, societies etc., the duly completed ballot form should be accompanied by a certified copy of the Board Resolution/Authority and preferably with attested specimen signature(s) of the duly authorized signatory(s) giving requisite authority to the person voting on the ballot form.
- vii. The exercise of vote by ballot is not permitted through proxy.
- viii. There will be one Postal Ballot Form for every folio / Client id irrespective of the number of joint holders.
- ix. Members are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot form excepting giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutinizer.
- x. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (q,) in the appropriate column in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
- xi. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
- xii. The Scrutinizer shall within a period of not exceeding three (3) working days from the date of conclusion of e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- xiii. The Results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of Resolutions
- xiv. The Ballot form is an integral part of the Notice of the Annual General Meeting to be held on 19th August, 2017.
- xv. The results on resolutions shall be declared at or after the Annual General Meeting and the resolutions shall be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions.

TEXEL INDUSTRIES LIMITED

(CIN:- L29100GJ1989PLC012576)

Registered office:- Block No.2106, Santej Khatraj Road, Near Shah Alloys, Village Santej, Tal. Kalol, Dist. Gandhinagar, Gujarat.

ATTENDANCE SLIP (To be presented at the entrance)

D.P. ID _____ Client ID / Registered Folio No _____ No. of Shares Held _____

I/We hereby record my/our presence at the **28th ANNUAL GENERAL MEETING** of the Company at the Registered Office at Block No.2106, Santej Khatraj Road, Near Shah Alloys Ltd., Village Santej, Tal. Kalol, Dist. Gandhinagar, Gujarat. PIN-382721

NAME OF SHARE HOLDER (IN BLOCK LETTERS)	
SIGNATURE OF SHARE HOLDER	
NAME OF PROXY (IN BLOCK LETTERS)	
SIGNATURE OF PROXY	

Notes:

- You are requested to sign and hand over this at the entrance. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy form must be deposited at the Registered Office at Block No.2106, Santej Khatraj Road, Near Shah Alloys, Village Santej, Tal. Kalol, Dist. Gandhinagar, Gujarat not less than 48 hours before the time for holding the meeting.
- If you are attending the meeting in person or by proxy, you/your proxy for reference at the meeting may please bring your copy of the Balance Sheet.

TEXEL INDUSTRIES LIMITED

(CIN:- L29100GJ1989PLC012576)

Registered office:- Block No.2106, Santej Khatraj Road, Near Shah Alloys, Village Santej, Tal. Kalol, Dist. Gandhinagar, Gujarat

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the 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

Name : _____ Address: _____

E-mail Id: _____ Signature _____ or failing him

Name : _____ Address: _____

E-mail Id: _____ Signature _____ or failing him

Name : _____ Address: _____

E-mail Id: _____ Signature _____

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on the Saturday, 19th day of August, 2017 at 11:00 A.M. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution	Type of Resolution	For	Against
1	To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2017 including audited balance sheet, statement of profit and loss account and Cash Flow Statement together with the notes for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.	Ordinary		
2	To appoint a Director in place of Mr. Naresh Mehta (DIN: 02888018) who retires by rotation and being eligible, offers himself for reappointment.	Ordinary		
3	Appointment of Statutory Auditors	Ordinary		
4	To appoint Mr. Shailesh R. Mehta, as the Managing Director of the Company.	Ordinary		
5	To authorise to keep Register of Members and copies of Annual Reports at a place other than the Registered Office of the Company	Special		
6	To consider and approve increase in the borrowing limit u/s. 180(1)(c)	Special		
7	To consider and approve the increase in limit for creating mortgage or hypothecation charge on the assets of the Company u/s. 180(1)(a)	Special		
8	To consider and approve early redemption of Preference Shares	Special		

Signed this ____ day of ____ 2017

Signature of Shareholder _____ Signature of First Proxy _____ Signature of Second Proxy _____ Signature of Third Proxy _____

Affix
Rupee 1
Revenue
Stamps

NOTE:

- This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For resolutions, explanatory statement and notes please refer the notice of the Annual General Meeting
- It is optional to put a tick mark (3) in the appropriate column against the resolution indicated in the box. If you leave the 'FOR' or 'AGAINST' column blank against the resolutions, your proxy will be entitled to vote in the manner he/she thinks appropriate.
- Please fill all the details including details of member(s) in above box before submission.

ROUTE MAP





CONSERVE WATER,
CONSERVE LIFE



Block- 2106, Santej Khatraj Road,
Village: Santej, Tal.: Kalol,
Dist. Gandhinagar - 382721
Gujarat, India
CIN: L29100GJ1989PLC012576

PHONE +91 8980026110, 8980026220
TELE/FAX +91-2764- 286334
E-MAIL info@geotexelin.com
URL www.geotexelin.com