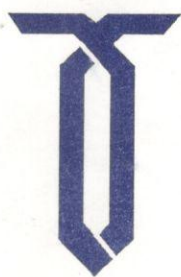


**26th  
ANNUAL REPORT  
2014-2015**



**TEXEL  
INDUSTRIES  
LIMITED**

CIN : L29100GJ1989PLC012576

# BOARD OF DIRECTORS

Mr. Shailesh R. Mehta	:	Managing Director DIN No. : 01457666
Mr. Naresh R. Mehta	:	Director DIN No. : 02888018
Mr. Kirit Mehta	:	Non Executive Independent Director DIN No. : 00444837
Dr. Christy Fernandez Leon	:	Non Executive Independent Director DIN No. : 00090752
Ms. Jasmin Nahidakhtar Vhora	:	Non Executive Independent Director DIN No. : 07173838

## COMPANY SECRETARY

Mr. Umesh A. Vyas

## AUDITORS

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

## BANKERS

Union Bank of India  
Industrial Finance Branch,  
Ahmedabad

## REGISTERED OFFICE & WORKS

Block No. 2106,  
Santej-Khatraj Road,  
Village Santej,  
Taluka : Kalol,  
Dist. Gandhinagar - 382 721  
Gujarat  
INDIA

## REGISTRAR & SHARE TRANSFER AGENT

Sharepro Services India Private Limited  
416-420, Devnandan Mega Mall,  
4th Floor, Ellisbridge,  
Ahmedabad 380 006  
Phone +91(79) 26582381/82/83



# NOTICE OF THE OF THE 26<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of Texel Industries Limited will be held on 30<sup>th</sup> November, 2015, Monday, at 11.00 a.m. at the Registered Office of the Company at Block No. 2106, Santej - Khatraj Road, Nr. Shah Alloys Ltd., Vill: Santej, Tal: Kalol (N.G) 382 721, Dist: Gandhinagar, Gujarat. to transact the following business :

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the Financial Year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint M/s. A.L. Thakker & Co. , Chartered Accountants, Ahmedabad (Firm Registration No. 120116) as Auditors of the Company for a period of two years from the conclusion of this Annual General Meeting to hold office until the conclusion of Twenty Eighth Annual General Meeting, and to fix their remuneration.
3. To appoint a Director in place of Mr. Naresh Mehta (DIN: 02888018) who retires by rotation and being eligible, offers himself for reappointment.

## SPECIAL BUSINESS

### 4. To consider and, if thought fit, to pass the following resolution as s Special Resolution :

#### Appointment of Ms. Jasmin Nahdakhtar Vhora as an Independent Director of the Company :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, Ms. Jasmin Nahidakhtar Vhora (DIN : 07173838), who was appointed as an Additional Director of the Company with effect from 13th February, 2015 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, for five years from the date of appointment"

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

#### Ratification of remuneration of Cost Auditors for 2014-15 :

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to M/s. KVM & Co, Cost Accountants (Firm Registration No. 000458), appointed by the Board of Directors as Cost Auditors to audit cost records of the Company for the financial year ending 31st March, 2015, at the remuneration amounting to Rs.32,500/-. (Rupees Thirty Two Thousand Five Hundred only) be and is hereby ratified and confirmed."

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

#### Reclassification of the Share Capital of the Company :

"RESOLVED THAT pursuant to the provisions of Sections 13 and 61 and all other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the Authorised Share Capital of the Company amounting to Rs. 8,50,00,000 /- (Rupees Eight Crores Fifty Lakhs Only) comprising of 80,00,000 (Eighty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten ) each aggregating to Rs. 8,00,00,000/- (Rupees Eight Crores only) and 5,00,000 (Five Lakhs) Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 50,00,000/- (Rupees Fifty Lakhs only) be and is hereby reclassified into 55,00,000 (Fifty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 5,50,00,000 (Rupees Five Crores Fifty Lakhs only) and 30,00,000 (Thirty Lakhs) Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only) both aggregating to Rs. 8,50,00,000/- (Rupees Eight Crores and Fifty Lakhs Only) and accordingly, the Memorandum of Association of the Company be and is hereby altered as follows:

#### Clause V of the Memorandum of Association be and is hereby altered and substituted as follows:

- V. The Authorised Share Capital of the Company is Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lakhs Only) divided into 55,00,000 (Fifty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 5,50,00,000 (Rupees Five Crores Fifty Thousand only) and 30,00,000 (Thirty Lakhs) Preference Shares of Rs.10/- (Rupees Ten) each aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only) (and such Preference Shares may be either cumulative or non-cumulative and may carry such dividend and such other rights as may be decided by the Directors, from time to time) with the rights, privileges and conditions attached thereto as per the relevant provisions contained in that behalf in the



Articles of Association of the Company and with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes (being those specified in the Companies Act, 2013) and to attach thereto respectively such preferential, cumulative, convertible, qualified or special rights, privileges, conditions or restrictions as may be determined by or in accordance with the provisions of the Articles of Association of the Company for the time being in force, and to vary, modify, enlarge or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or provided by the Articles of Association of the Company or the legislative provisions for the time being in force.'

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution."

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

**Taking note of Scheme of Rehabilitation as sanctioned by BIFR:**

**"RESOLVED THAT** Company do take note of the 'Sanctioned Scheme' (SS), as placed before the meeting and initialed by the Chairperson for the purpose of identification, for revival of the Company and which SS was duly approved by Honorable Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 31.08.2015

**RESOLVED FURTHER THAT** the Company do implement the 'SS' in consultation with the Union Bank of India being the Monitoring Agency and the BIFR being the approving authority and all other stakeholders and in accordance with all other applicable laws, rules and regulations.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors (which term shall include any duly constituted and authorized Committee and/or duly authorized Director/s for the purpose of this resolution) of the Company be and is hereby authorized to take all such acts, deeds, matters and things as may be necessary and to settle all questions, doubt or difficulty which may arise in this regard in implementation of the SS."

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

**Conversion of Existing Preference Shares Capital into Equity Share Capital :**

**"RESOLVED THAT** as per applicable provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 and pursuant to Para 11.4 (a) of the "Sanctioned Scheme" (SS), as approved by Honorable Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 31.08.2015 and as per applicable provisions, if any and to the extent applicable, of the Companies Act, 2013 and Rules made thereunder/ SEBI or other applicable Guidelines or laws (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), consent of the Company be and is hereby accorded for conversion of 5,00,000 18% Redeemable Preference Shares of Rs. 10/- each aggregating to Rs.50,00,000/-(Rupees Fifty Lacs Only) into 5,00,000 Equity Shares of Rs.10/- each aggregating to Rs.50,00,000/-(Rupees Fifty Lacs Only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of directors (which term shall include any duly constituted and authorized Committee and/or duly authorized Director/s for the purpose of this resolution) of the Company, be and is hereby authorised to take all such acts, deeds, matters and things as may be found necessary for effective implementation of this resolution and also to settle any question, doubt or difficulty which may arise in this regard for such conversion."

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

**Simultaneous Reduction and Consolidation of Equity Shares Capital of the Company (excluding 8,00,000 Equity shares held by Standard Chartered Bank and including 5,00,000 Equity shares arising upon conversion of Preference shares as per Item No. 8):**

**"RESOLVED THAT** as per applicable provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 and pursuant to Para 11.4 (a) read with Para 16 of the "Sanctioned Scheme" (SS), as approved by Honorable Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 31.08.2015 and as per Section 100 of the Companies Act, 1956 and other applicable provisions, if any and to the extent applicable, of the Companies Act, 2013 and Rules made thereunder/ SEBI or other applicable Guidelines or laws (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and subject to such of the approval, consent, permission and/or sanction, as may be required from the High Court/National Company Law Tribunal, Stock Exchange and any other appropriate authority, Institution



or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction and which is accepted by the Board of Directors of the Company, out of the existing paid-up equity capital of Rs. 6,64,58,420/- divided into 66,45,842 Equity share of Rs. 10/- each of the company, the paid up share capital to the extent of Rs. 5,84,58,420/- - dividend into 58,45,842 Equity shares of Rs. 10/- each (after considering the effect of conversion of 5,00,000 Preference shares of Rs. 10/- each into 5,00,000 Equity shares of Rs. 10/- each as per Item No. 8 of this Notice and after excluding 8,00,000 Equity shares of Rs. 10/- each aggregating to Rs. 80,00,000/- held by Standard Chartered Bank as per Para 16 of the SS), be reduced to the extent of 50% by reducing the paid up value of the equity shares from Rs. 10/- per Equity share to Rs. 5/- per Equity share (Thus, 58,45,842 Equity share of Rs. 10/- each aggregating to Rs. 5,84,58,420/- will be reduced to 58,45,842 Equity shares of Rs. 5/- each aggregating to Rs. 2,92,29,210/-) and that simultaneously with such reduction, each of the Two Equity shares of Rs. 5/- each, be consolidated into One Equity shares of Rs. 10/- each (Thus, 58,45,842 Equity shares of Rs. 5/- each aggregating to Rs. 2,92,29,210/- will be consolidated into 29,22,921 Equity shares of Rs. 10/- each aggregating to Rs. 2,92,29,210/-)

**RESOLVED FURTHER THAT** after such simultaneous reductions and consolidation of the share capital, the paid up share capital of the Company will be Rs. 3,72,29,210 comprising of 37,22,921 Equity shares of Rs. 10/- each (including 8,00,000 Equity shares of Rs. 10/- each held by Standard Chartered Bank).

**RESOLVED FURTHER THAT** in case the ratio in which such new equity shares are to be issued and allotted to the holders of the said equity shares results in issuance of fractional shares, no fractional shares or coupons shall be issued in respect of such fractional shares but the shares represented by the total number of fractional shares shall be allotted to such person(s) as may be appointed in that behalf by the Board of directors (including one or more of themselves and/or one or more of the officers of the Company), who shall hold the shares so allotted as trustees for and on behalf of the share holders who would have been entitled to the fractional shares if they had been issued and that the said person(s) shall as soon as practicable sell the same (the terms and conditions, time and price of such sale to be conclusive and binding on all such shares holders) and after payment of all the reasonable expenses of sale, distribute the net proceeds to the share holders entitled thereto in proportion to their respective fractional entitlements.

**RESOLVED FURTHER THAT** consequential amendments be made in the capital clause of the Company after such reduction and consolidation becomes operative and effective.

**RESOLVED FURTHER THAT** on such further reduction and consolidation becoming operative and effective, fresh share Certificate in lieu of existing share certificate will be issued to each share holder of the company and on issue of such fresh certificate, existing share certificates stands cancelled in respect of shares held in physical form by the respective shareholders and that necessary corporate action be executed with the Depositories in respect of shares held in Demat mode on the date of allotment.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of directors (which term shall include any duly constituted and authorized Committee and/or duly authorized Director/s for the purpose of this resolution) of the Company, be and is hereby authorized to take all such acts, deeds, matters and things as may be found necessary for effective implementation of this resolution and also to settle any question, doubt or difficulty which may arise in this regard to implement Para 11.4 (a) read with Para 16 of the 'SS' for such reduction and consolidation of the Equity share capital of the Company.

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

**Conversion of Loan into Share Capital of the Company:**

**"RESOLVED THAT** as per applicable provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 and pursuant to Para 11.2 of the "Sanctioned Scheme" (SS), as approved by Honorable Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 31.08.2015 and as per the provisions of Sections 42 and section 62 (1) (c) and all other applicable provisions if any, and to the extent applicable, of the Companies Act, 2013 and Rules made thereunder/ SEBI or other applicable Guidelines or laws including the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed, and subject to such of the approval, consent, permission and/or sanction, as may be required from Stock Exchange and any other appropriate authority, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval,



consent, permission and/or sanction and which is accepted by the Board of Directors of the Company and as a part of the terms of One Time Settlement (OTS) with M/s. Sky Point Technical Textile Pvt. Ltd.(STTPL), for conversion of part outstanding OTS dues Rs. 3,50,00,000/- into Share Capital of the Company, the Consent of the Company, be and is hereby given to the Board of Directors (which term shall include any duly constituted and authorized Committee thereof for the purpose of this resolution) of the Company to create, offer, issue, and allot up to 5,00,000 Equity Shares of Rs.10 each at par aggregating to Rs. 50,00,000/- (Rupees Fifty Lakhs only) and 30,00,000 4% Cumulative, Redeemable (at the end of 7 years from the date of allotment) Preference shares of Rs.10/- each aggregating to Rs. 3,00,00,000/- (Rupees Three Crores only) both aggregating to Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakhs only) to M/s. Sky Point Technical Textile Pvt. Ltd. (STTPL) (CIN: U17120MH1992PTC067845 being the secured creditors of the Company.

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted shall rank pari passu with the existing Equity Shares of the Company in all respects.'

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of directors (which term shall include any duly constituted and authorized Committee for the purpose of this resolution) of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be found necessary for effective implementation of this resolution and also to settle any question, doubt or difficulty which may arise in this regard to offer, issue, allotment of the said equity shares and also to seek the listing of such equity shares in one or more stock exchanges in India.

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

**Issue of 10,00,000 Equity Shares Rs. 10/- each at par to Promoter/Promoter Group**

**"RESOLVED THAT** as per applicable provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 and pursuant to Para 17 of the "Sanctioned Scheme" (SS), as approved by Honorable Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 31.08.2015 and as per the provisions of Sections 42 and section 62 and all other applicable provisions if any, and to the extent applicable, of the Companies Act, 2013 and Rules made thereunder/ SEBI or other applicable Guidelines or laws including the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed, and subject to such of the approval, consent, permission and/or sanction, as may be required from Stock Exchange and any other appropriate authority, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction and which is accepted by the Board of Directors of the Company, the Consent of the Company, be and is hereby given to the Board of Directors (which term shall include any duly constituted and authorized Committee thereof for the purpose of this resolution) of the Company to create, offer, issue, and allot up to 10,00,000 (Ten Lakhs ) Equity Shares of Rs.10/-(Ten) each at par to any one or more of the Promoter/s and/or Person/Entities belonging to Promoter Group.

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted shall rank pari passu with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of directors (which term shall include any duly constituted and authorized Committee for the purpose of this resolution) of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be found necessary for effective implementation of this resolution and also to settle any question, doubt or difficulty which may arise in this regard to offer, issue, allotment of the said equity shares and also to seek the listing of such equity shares in one or more stock exchanges in India.

By Order of the Board of Directors

Date: 10th October, 2015

Place: Santej

Umesh Vyas  
Company Secretary

**Registered Office:**

Block No.2106, Santej Khatraj Road,  
Near Shah Alloys Ltd., Village-Santej-382721,  
Tal. Kalol, (N.G.), Dist. Gandhinagar, Gujarat, India  
Tel : +91(2764)(286329) E Mail : invrelations@geotexelin.com  
CIN : L29100GJ1989PLC012576



**Notes :**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
- 2 **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF 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 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 rights 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. A 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.

3. 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.
4. Relevant documents referred to in the notice and the accompanying the statement are open for inspection by the members at the registered office of the company on all working days, except Saturday, during business hours up to the date of the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> November, 2015 (Monday) to 30<sup>th</sup> November, 2015 (Monday) (both days inclusive).

As per the requirement of clause 49 of listing agreement on Corporate Governance, detail including the profile of Director seeking appointment or reappointment due to retirement by rotation, of Director being appointed as Independent Director who is being reappointed, are as given below.

Name of Director	Mr. Naresh Ramniklal Mehta
Director Identification Number (DIN)	02888018
Date of Birth	06/12/1961
Date of Appointment	02/08/1989
Qualifications	B.S., M.S. (U.S.A) (Plastic Engineering)
Expertise in specific functional areas	Technical Matter, Process, R&D
Directorship held in other companies	Nil
Membership/Chairpersonship of Audit and Stakeholder's Relationship Committee across Public Companies.	Nil
No. of Shares held in the Company	199603 Equity Shares
Relationships, if any between Directors	Brother of Managing Director

Name of Director	Ms. Jasmin Nahidakhtar Vhora
Director Identification Number (DIN)	07173838
Date of Birth	28/07/1988
Date of Appointment	13/02/2015
Qualifications	Company Secretary-(Professional Exam Pass)
Expertise in specific functional areas	Company Law
Directorship held in other companies	Nil
Membership/Chairpersonship of Audit and Stakeholder's Relationship Committee across Public Companies.	Nil
No. of Shares held in the Company	Nil
Relationships, if any between Directors	Nil

6. Pursuant to Section 72 of the Companies Act, 2013, members who holds shares in single name are advised to make nomination by filing prescribed Form SH -13 with the Registrar and Share Transfer Agent of the Company.



7. Members/Proxies are requested to bring the attendance slip, duly filled in for and submit them at the Registration Counter at the AGM.
8. Members/proxies attending the meeting are requested to bring their copy of Annual report for reference at the 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 are requested to submit the PAN detail to the Company in the format provided in this report on the page updation of Shareholder's Information.

10. Members desiring any information s regards the Accounts and Operation of the Company are requested to address their questions to the Company at least seven days prior to the Company so as to enable the management to keep the information ready at the meeting.

#### VOTING THROUGH ELECTRONIC MEANS:

- A. Pursuant to the provisions of section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means.
- B. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, 23.11.2015, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- C. The e-voting period will commence at 10.00 a.m. on Friday, 27th November, 2015 and will end at 5.00 p.m. on Sunday, 29th November, 2015.
- D. The Company has appointed M/s. D.A. Rupawala & Associates, Practicing Chartered Accountants , to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
- E. 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 favour or against, if any, forthwith to the Chairman of the Company.

#### The instructions for shareholders voting electronically are as under:

- (i) The voting period begins at 10.00 a.m. on 27th November, 2015 and ends at 5.00 p.m. on 29th November, 2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd November, 2015 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](http://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](http://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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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 as TXL 590</li> <li>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.</li> </ul>

- (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 Texel Industries Ltd. 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 same 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) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

#### Appointment of Ms. Jasmin Nahidakhtar Vhora as Independent Director of the Company:

The Board of Directors of the Company had appointed Ms. Jasmin Nahidakhtar Vhora as an Additional Director of the Company with effect from 13th February, 2015. In accordance with the provisions of Section 161 of Companies Act, 2013, Ms. Jasmin Nahidakhtar Vhora shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director whose appointment for the tenure of five years from the date of her appointment.

The Company has received notice under Section 160 of the Companies Act, 2013 from Ms. Jasmin Nahidakhtar Vhora signifying her candidature as a Director of the Company.

The Company has received a declaration of independence from Ms. Jasmin Nahidakhtar Vhora. In the opinion of the Board, Ms. Jasmin Nahidakhtar Vhora fulfils the conditions specified in the Companies Act, 2013 and the Equity Listing Agreement, for appointment as an Independent Director of the Company.

None of the Directors or Key Managerial Personnel and their relatives, except Ms. Jasmin Nahidakhtar Vhora, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 4 for approval of the Members.

### Item No. 5

#### Ratification of remuneration of Cost Auditors for 2014-15 :

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. KVM & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2015. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration of Rs. 32,500/- payable to the Cost Auditors for the year 2014-15.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item no. 5 for the approval of Members.

### Item No.6

#### Reclassification of Authorised Share Capital of the Company :

The Company have received Sanctioned Scheme (SS) from the Honorable Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 31.08.2015. Para 11.2 (Payment of secured creditors) of the SS inter alia provides for issue of 5,00,000 Equity Shares of Rs.10 each at par (In aggregate Rupees Fifty Lakh only) and 30,00,000 '4% Cumulative, Seven years Redeemable Preference shares of Rs.10/- each at par (In aggregate Rupees Three Crore Only), both aggregating to Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakh Only) to one secured creditor viz. M/s. Sky Point Technical Textile Pvt. Ltd., against its outstanding dues with the Company in terms of One Time Settlement Scheme. Moreover, as per Para 17 of the SS, the Company is required to issue 10,00,000 Equity share of Rs. 10/- for cash at par to Promoter/s and/or Promoter Group.



Presently, the Authorised Share Capital of the Company is Rs. 8,50,00,000/- comprising of 80,00,000 Equity Shares of Rs. 10/- each (Rupees Ten each) and 5,00,000 (Five Lakh) Preference Shares of Rupees 10 each.

To enable the Company to issue Equity shares and Preference shares to M/s. Sky Point Technical Textile Pvt. Ltd and also for the issuance of Equity shares to Promoter/Promoter Group as per Sanctioned Scheme as described above, it is required to re-classify its present Authorised Share Capital of Rs. 8,50,00,000/- into 55,00,000 (Fifty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 5,50,00,000 (Rupees Five Crore Fifty Lakhs only) and 30,00,000 (Thirty Lakhs) Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only) total aggregating to Rs. 8,50,00,000/- (Rupees Eight Crore and Fifty Lakhs Only) and in tune with the above, Clause V of the Memorandum of Association of the Company is required to be altered accordingly.

Approval of the reclassification of share Capital under section 61 of the Companies Act., 2013 and Alteration of Memorandum of Association of the Company under Section 13 of the Companies Act., 2013 is sought from members of the company by way of Special Resolution as set out in Item No.6 of the Notice.

The Board commends Special Resolution set out at the Item No.6 of the Notice for approval by the Members.

None of Directors, key Managerial Personnel or their relatives are, in any way, concerned or interested, (financially or otherwise) in the resolution set out at the Item No.6 to re-classify the Authorised share capital of the Company.

#### Item No. 7

#### **Taking note of order of BIFR approving the Rehabilitation Scheme for revival of the Company :**

As the members are aware, due to erosion of the entire network, the Company became a Sick Company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985, a reference was made to Board for Industrial and Financial Reconstruction (BIFR). Later on, the Draft Rehabilitation Scheme (DRS) was placed for the approval of the BIFR by the Union Bank of India – Operating Agency, which was under consideration by the BIFR.

Honorable Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 31.08.2015 gave its kind approval to the Scheme of rehabilitation for revival of the Company.

The revival scheme submitted by the Operating Agency and as prepared by the BIFR was circulated to all concerned for consent as required under Section 19(2) read with Section 19(1) of the SICA for the hearing objections/ suggestions on 12.01.2015, was sanctioned by BIFR except stated below:

BIFR has deleted benefits to the company from CBDT and DGFT under head 'From Central Government' at the clause 15 of the DRS and provisions namely 'to exempt the unit of the company from power cut for a period of 5 years from cut off date as reflected at sub clause (4) under the heading "From the State Government of Gujarat" incorporated at the clause 15 of the DRS be deleted.

There are certain Para/observation in the BIFR order and/or SS which are not acceptable to the Company. Based on advise received, the Company may take up appropriate proceedings before the BIFR/AAIFR or any other Court/Tribunal/Authority.

Honorable Board for Industrial and Financial Reconstruction (BIFR) has sanctioned the scheme vide its order dated 31.08.2015 which is now called as Sanctioned Scheme. The sanctioned scheme is to come into force with immediate effect. The Cut Off Date of the Scheme (COD) was taken as 31.03.2013.

Copy of the order of the BIFR and the Sanctioned Rehabilitation Scheme and other connected documents and papers are open for inspection of the members of the Company on all working days during normal business hours of the Company.

Although there is no statutory requirement to place the order of the BIFR or to seek the approval of the members of the Company for such 'SS', the Company as good practice and for better corporate disclosures, seek the approval of the members to take note of such 'SS' and order of the BIFR. Consequently, necessary authority is proposed to be obtained in favour of Board of Directors/Committee/Director/s of the Company to implement the 'SS' as approved by BIFR.

The Board recommends Special Resolution set out at the Item No.7 of the Notice for approval by the Members.

None of Directors, key Managerial Personnel or their relatives are, in any way, concerned or interested, (financially or otherwise) in this resolution.



**Item No. 8**

**Conversion of Existing Preference Shares Capital into Equity Share Capital of the Company :**

Para 11.4 (a) (Any other strategy) read with Para 16 (Sacrifice from existing shareholders) of the Sanctioned Scheme (SS) as approved by the BIFR, inter alia makes provision for conversion of the existing Preference shares into equity shares.

Accordingly the Company has to convert its 5,00,000 18% redeemable preference shares of Rs. 10/- each, aggregating to Rupees 50,00,000 into 5,00,000 Equity Shares of Rs.10/- each aggregating to Rs.50,00,000/-(Rupees Fifty Lacs Only)

As per Section 32 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), the provisions of SICA and of any rules or schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law except the provisions of the Foreign Exchange Regulation Act, 1973 (46 of 1973), and the Urban Land (Ceiling and Regulation) Act, 1976 (33 of 1976), for the time being in force or in the Memorandum or Articles of Association of an industrial company or in another instrument having effect by virtue of any law other than the SICA. Therefore, there is no statutory need to obtain approval of members of the Company to implement various clauses of the 'SS'.

However, as a good practice, approval of the members of the Company is sought by Special resolution for such conversion of Preference shares into Equity shares. Consequently, necessary authority is proposed to be obtained in favour of Board of Directors/Committee/Director/s of the Company to implement such Para of the 'SS' and also to seek any other approval, permission, sanction as may be required to be obtained under the Companies Act, 1956/Companies Act, 2013, SEBI or other application Law, Guideline, Rules or Regulations etc.

The Board commends the Special Resolution set out at the Item No.8 of the Notice for approval by the Members.

None of Directors, key Managerial Personnel or their relatives are, in any way, concerned or interested, (financially or otherwise) in this resolution.

**Item No. 9**

**Simultaneous Reduction and Consolidation of Equity Shares Capital of the Company (excluding 800000 Equity shares held by Standard Chartered Bank and including 500000 Equity shares arising upon conversion of Preference shares as per Item No. 7) :**

Para 11.4 (a) (Any other strategy) read with Para 16 (Sacrifice from existing shareholders) of the 'Sanctioned Scheme' (SS) as approved by the BIFR inter alia provides that after conversion of preference shares into equity shares, existing 53,45,842 equity shares of the company alongwith 5,00,000 preference shares converted in to equity shares, in aggregate 58,45,842, Equity shares of Rs. 10/- each (In aggregate Rupees Five Crore Eighty Four Lakhs Fifty eight Thousand Four Hundred Twenty), (this does not include 8,00,000 equity shares of Rs. 10/- each issued to and held by the Standard Chartered Bank), will be reduced by 50%, as a sacrifice on behalf of the shareholders of the company, to reduce accumulated losses

Consequently, it is proposed that the portion of paid-up equity capital of the company, amounts of Rupees 5,84,58,420 (Rupees Five Crore Eighty Four Lakhs Fifty Eight Thousand Four Hundred Twenty Only), divided into 58,45,842 Equity Shares of Rs. 10 each, shall be reduced to Rupees 2,92,29,210/- (Rupees Two Crore Ninety Two Lakhs Twenty Nine Thousand Two Hundred Ten Only) divided into 58,45,842 Equity Shares of Rs. 10 each by reduction of sum of Rupees 5 (Five ) per share.

Para 11.4 (a) of the SS inter alia further provides that, after reduction of these equity shares by 50%, every two equity shares of Re. 5/- each shall be consolidated into one equity share of Rs. 10/- each, therefore, it is proposed that on such reduction, the said 58,42,842 equity shares of Rs.5 each be consolidated and divided into 29,22,921 equity shares of Rs.10 each fully paid-up by consolidating two equity shares of Rs.5 each into one equity share of 10 each fully paid-up by issuing shares of Rs. 10 each to the shareholders.

It is further proposed that, on consolidation of shares as above, in case the ratio in which such new equity shares are to be issued and allotted to the holders of the said equity shares results in issuance of fractional shares, no fractional shares or coupons shall be issued in respect of such fractional shares but the shares represented by the total number of fractional shares shall be allotted to such person(s) as may be appointed in that behalf by the Board of directors (including one or more of themselves and/or one or more of the officers of the Company), who shall hold the shares so allotted as trustees



for and on behalf of the share holders and that the said person(s) shall as soon as practicable sell the same and after payment of all the reasonable expenses of sale, distribute the net proceeds to the share holders entitled thereto in proportion to their respective fractional entitlements

It is further proposed that consequential amendments be made in the capital clause of the Company after such reduction and consolidation becomes operative and effective.

It is proposed that on such reduction and consolidation becoming operative and effective, fresh share Certificate in lieu of existing share certificate will be issue to each share holder of the company and on issue of such fresh certificate, existing share certificates stands cancelled. It is proposed for the shareholders in demat mode to execute necessary corporate action with the respective depositories viz. NSDL & CDSL.

As per Section 32 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), the provisions of SICA and of any rules or schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law except the provisions of the Foreign Exchange Regulation Act, 1973 (46 of 1973), and the Urban Land (Ceiling and Regulation) Act, 1976 (33 of 1976), for the time being in force or in the Memorandum or Articles of Association of an industrial company or in another instrument having effect by virtue of any law other than the SICA. Hence, the 'SS' as approved by BIFR is to be implemented without any other approval or formalities. Therefore, there is no statutory need to obtain approval of members of the Company to implement various clauses of the 'SS'.

However, as a good practice, approval of the members of the Company is sought by Special resolution for such conversion of Preference shares into Equity shares. Consequently, necessary authority is proposed to be obtained in favour of Board of Directors/Committee/Director/s of the Company to implement such Para of the 'SS' and also to seek any other approval, permission, sanction as may be required to be obtained under the Companies Act, 1956/the Companies Act, 2013, SEBI or other application Law, Guideline, Rules or Regulations etc., if and to the extent required, the Company shall obtain requisite approval of High court/National Company Law Tribunal or any other authority.

The Board commends the Special Resolution set out at the Item No.9 of the Notice for approval by the Members.

None of Directors, key Managerial Personnel or their relatives are, in any way, concerned or interested, (financially or otherwise) in this resolution.

#### Item No. 10 & 11 :

##### **Issue of Preference Shares and equity shares to the secured creditor and Promoter/Promoter Group :**

Para No. 11.2 (Payment to Secured Creditors) of the of the 'Sanctioned Scheme' (SS) as approved by the BIFR inter alia provides for issue of 5,00,000 Equity Shares of Rs.10 each at par (In aggregate Rupees Fifty Lakh only) and also 30,00,000 4% Cumulative, Seven years Redeemable Preference shares of Rs.10/- each at par (In aggregate Rupees Three Crore Only), both aggregating to Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakh Only) to the secured creditor viz. M/s. Sky Point Technical Textile Pvt. Ltd., against its outstanding dues with the Company in terms of One Time Settlement Scheme, (OTS) arrived at with them.

Para No. 17 (Sacrifice/Obligations of the Promoters) of the of the 'Sanctioned Scheme' (SS) as approved by the BIFR inter alia required the Promoters:

- 1) To bring in additional funds of Rs. 100.00 Lakhs by way of equity share capital at par to meet the cost of the scheme. The promoters /associates shall be entitled to bring the above funds in the form of equity.
- 2) To undertake to bring in further funds in the form of equity / interest free unsecured loans to finance any shortfall in cash generation to meet the repayment obligation of creditors.

In view of this, the Company is required to issue and allot 10,00,000 Equity share of Rs. 10/- each at par to the Promoter/s and/or Promoter Group.



**SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER GIVING EFFECT OF SANCTIONED SCHEME (PREFERENCE SHARES):**

Type of Preference Shares

4% Cumulative Redeemable Preference shares of Rs. 10/- (redeemable after 7 years from the date of allotment)

Name of Preference Shareholder	Shareholding Number	before allotment %	Shareholding Number	after allotment %
Sky Point Technical Pvt. Ltd.	Nil	Nil	30,00,000	100%
Total	Nil	Nil	30,00,000	100%

**SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER GIVING EFFECT OF SANCTIONED SCHEME (EQUITY SHARES):**

Category of Equity holders	Shareholding Number	before allotment %	Shareholding Number	after allotment %
Promoters	1577508	25.67	1788754\$	34.25
Financial Institutions	1000000	16.27	1150000	22.02
Private Corporate Bodies	378390	6.16	689195*	13.20
NRI Holding	454400	7.39	227200	4.35
Indian Public	2735544	44.51	1367772	26.19
Total	6145842	100.00	5222921	100.00

\$ This includes 1000000 Equity shares to be allotted to Promoter/s/Persons belonging to Promoter Group under this allotment.

\* This includes 500000 Equity shares to be allotted to STTPL under this allotment

**LOCK IN OF SHARES :**

As required by Regulation 70 of the SEBI (Issue of capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations), the provisions pertaining to the Preferential allotment shall not apply where the preferential issue of equity shares is made in terms of the rehabilitation scheme approved by the Board of Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985. However, the proviso to Regulation 70 further provides that the lock-in provisions shall apply to preferential issue of equity shares.

Hence, in respect of Equity shares allotted to the Promoter/s and/or Promoter Group as well as the Secured creditors and the pre preferential allotment shares held by the person belonging to Promoter/Promoter Group to whom Equity shares are allotted under this allotment will be locked in as per Regulation 78 of the ICDR Regulations. It is clarified that the lock in requirement shall not apply to the Preference shares.

**OBJECTS OF THE ISSUE :**

As noted hereinabove, the issue of new Equity shares and Preference shares is made pursuant to the order of the Hon'ble BIFR as per the Sanctioned Scheme as one of the measures for the revival of the Company.

**PRICE:**

As per the Sanctioned Scheme, the Equity shares and Preference shares are proposed to be issued at par i.e. @ Rs. 10/- per share.



**PROPOSED TIME LIMIT:**

The allotment is proposed to be completed within the maximum permissible time as provided in the sanctioned scheme for bringing the funds by the Promoter/Promoter Group.

**NO CHANGE IN CONTROL:**

There is no change in control envisaged due to such the proposed allotment of Equity and Preference shares to the proposed allottees under the Sanctioned Scheme.

**OTHERS:**

As per Section 32 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), the provisions of SICA and of any rules or schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law except the provisions of the Foreign Exchange Regulation Act, 1973 (46 of 1973), and the Urban Land (Ceiling and Regulation) Act, 1976 (33 of 1976), for the time being in force or in the Memorandum or Articles of Association of an industrial company or in another instrument having effect by virtue of any law other than the SICA. Hence, the 'SS' as approved by BIFR is to be implemented without any other approval or formalities. Therefore, there is no statutory need to obtain approval of members of the Company to implement various clauses of the 'SS'.

However, as a good practice, approval of the members of the Company is sought by Special resolution for such allotment of further shares to Secured Creditors and the Promoters/Person belonging to Promoter Group. Consequently, necessary authority is proposed to be obtained in favour of Board of Directors/Committee/Director/s of the Company to implement such Para of the SRS and also to seek any other approval, permission, sanction as may be required to be obtained under the Companies Act, 1956/the Companies Act, 2013, SEBI or other applicable Law, Guideline, Rules or Regulations etc. if and to the extent required.

Copy of the order of the BIFR and the Sanctioned Rehabilitation Scheme and other connected documents and papers are open for inspection of the members of the Company on all working days during normal business hours of the Company.

The Board commends the Special Resolution set out at the Item No.10 & 11 of the Notice for approval by the Members.

None of Directors, key Managerial Personnel or their relatives are, in any way, concerned or interested, (financially or otherwise) in this resolution.

**By Order of the Board of Directors**

**Umesh Vyas**  
Company Secretary

**Date: 10th October, 2015**

**Place: Santej**

**Registered Office:**

Block No.2106,  
Santej Khatraj Road,  
Near Shah Alloys Ltd., Village-Santej-382721,  
Tal. Kalol, (N.G.), Dist. Gandhinagar,  
Gujarat, India  
Tel : +91(2764)(286329)  
E Mail : invrelations@geotexelin.com  
CIN : L29100GJ1989PLC012576



# **BOARD'S REPORT**

To,  
The Members,  
Your Directors have pleasure in presenting their 26th Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31st, 2015.

## **FINANCIAL RESULTS**

The financial performance of your Company for the year ended 31st March, 2014 is summarised below :

Rs. In Lacs.

PARTICULARS	2014-15	2013-2014
Total income	6405.53	7059.61
Profit before Finance Costs, Depreciation, Amortisation Expenses, exceptional items , Extraordinary Items & Tax Expenses	255.12	247.51
Less: Finance Cost	110.02	130.66
Profit before Extraordinary Items, exceptional items and Tax Expenses	145.10	116.85
Less: Depreciation & Amortisation Expenses	50.38	61.63
Profit before Extraordinary Items and Tax Expenses	94.72	55.22
Add: Exceptional Items	*1348.67	0
Less: Adjustment for Previous Years	(4.91)	(0.42)
Profit Before Tax	1438.48	
Current Tax	45.88	0
Income tax Previous Year	0	0
Add/ Less: Deferred Tax Assets/Liability	0	0
Profit/(Loss) after Tax	1392.60	54.80
Profit/(Loss) brought forward from previous year	(1503.13)	(1557.93)
Excess Depreciation Adjusted	(1.27)	0
Balance Carried Forward to the Balance Sheet	(111.80)	(1503.13)

\*(Interest payable in earlier years Rs.1323.90 Lacs and Principal amt. Rs.24.77 Lacs written back as per sanctioned scheme vide order of BIFR dated 31-08-2015.

## **DECLARED AS SICK COMPANY**

The company was declared Sick industrial company in terms of the Act vide order dated 24.05.02 of BIFR, New Delhi. The draft rehabilitation scheme has been submitted to BIFR, which has been sanctioned by BIFR for implementation by all concerned vide order dt.31.08.2015 of BIFR, New Delhi. The Company has started implementation of the "Sanctioned Scheme" (SS).

## **DIVIDEND**

In view of carried forward losses, your directors have not recommended any dividend for the period under review.

## **TRANSFER TO RESERVES**

In view of carried forward losses, no amount is appropriated from Profit and Loss Account and transferred to any Reserve Account.

## **OPERATING RESULTS AND PROFITS**

Your company is on continued path of improvement. During the financial year, your Company has performed with 3347.67 M.T. Production , registering a good performance with capacity utilisation of 74%. There was positive growth in sales volumes



in the first two quarters of the financial year, but in the 3rd quarter, poor demand hurt our volumes, though it improved in the 4th quarter in comparison with 3rd quarter.

The Company has recorded sales turnover of Rs.6387.53 Lacs (Previous year Rs.7009.04 Lacs) and EBITDA Rs.255.1 Lacs (Previous Year Rs.247.51Lacs) due to external factors like reduction in cost of raw material which due to lower prices and internal factors like cost efficiency in the Company.

Company has achieved profit before tax Rs.94.72 Lacs (Previous Year Rs.55.22 Lacs) before previous year items and extraordinary items.

#### **MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Pursuance to order of Honorable Board for Industrial and Financial Restructuring (BIFR), the Company have given partial impact of Sanctioned Scheme (SS) approved by the Board, on financial result of F.Y.2014-15 consequently, profit of the Company increased by Rs.1348.67 Lacs for the year.

Apart from the above, there are no material changes affecting the financial position of the Company subsequent to the close of Fiscal 2015 till the date of this report.

#### **SHARE CAPITAL**

The total paid up Share Capital as on March 31, 2015 was 664.58 Lacs.

During the year under review, the Company has not issued any shares nor granted stock options or sweat equity.

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

Order of Honorable Board for Industrial and Financial Restructuring (BIFR) for approval of Draft Rehabilitation Scheme (Now "Sanctioned Scheme" (SS)) for the Company is received, on partial implement of the same, Profit of the Company increased by Rs.1348.67 Lacs.

#### **RISK MANAGEMENT**

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 adopted a Risk Management Policy in accordance with the provisions of the Companies Act, 2013 (hereinafter referred to as the Act) and Clause 49 of the Listing Agreement. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. The Board takes responsibility for the overall process of risk management in the organisation. Through Enterprise Risk Management program, Business Units and Corporate functions address opportunities and the attendant risks through an institutionalized approach aligned to the Company's objectives. This is facilitated by internal audit. The business risk is managed through cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the senior management. Prior to constituting the RMC, the Audit Committee was reviewing business risk areas covering operational, financial, strategic and regulatory risks.

The Company has identified in all Market Risks, Strategic Risks, Operational Risks & Regulatory Risks. Key Strategic Risk include concentration of its manufacturing capacity, fluctuation in crude oil prices, business continuity & succession planning. Key Operating Risks include labour volatility, raw material supply risk, customers credit risk, customers concentration & fluctuation on foreign exchange rates. Regulatory Risks include Government Policies with respect to the product of the Company & Regulatory compliances. The company has documented all the risks along with risk mitigation measures which shall be reviewed by Risk Management Committee.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has retained external audit firm to review its existing internal control system with a view of tighten the same and introduce system of self certification by all the process owners to ensure that internal controls over all the key business processes are operative. The Senior Management monitors and evaluates the efficacy and adequacy of internal controls.



system in the Company, its compliance with operating systems, accounting procedures and policies in the all departments of the Company. corrective action in their respective areas and thereby strengthen the controls.

## HUMAN RESOURCES

### Safety & Health – Performance & Initiatives

Safety & Health – Performance & Initiatives As part of Company's Work Safe Mission which aims to achieve ultimate Goal of Zero Injuries to its employees and all stakeholders associated with the Company's operations, Company provides a safe and healthy workplace focusing on creating right Safety Culture across the organization. Company aims to attain Zero Injury at all Levels, Governance, Robust Safety Processes and Improving Safe Behaviors. There were no fatalities during the year.

### Prevention of Sexual Harassment

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, colour, 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 Fiscal 2015, the Company has received Nil complaints on sexual harassments, One awareness program was carried out against sexual harassment.

### FIXED DEPOSITS

The Company has not accepted any deposits during the year.

### EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as **Annexure-I**.

### ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Act, read along with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure-III**.

### CORPORATE GOVERNANCE

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Practicing Company Secretary confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is included in the Annual Report.

### DIRECTORS

#### Changes in Directors and Key Managerial Personnel

Pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, your Directors appointed Ms. Jasmin Nahidakhtar Vhora as an Additional Director as a Woman Director of the Company with effect from 13th February, 2015, subject to approval by the members in the ensuing Annual General Meeting as an Independent Director to hold office for five years from the date of appointment.

Details of the proposal for appointment of Ms. Jasmin Nahidakhtar Vhora are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the ensuing Annual General Meeting.

#### Key Managerial Personnel

During the year under review, besides the Managing Director, the Company has not designated any personnel as KMPs as per the definition under Section 2(51) and Section 203 of the Act.



### **Declaration by an Independent Director(s) and reappointment, if any**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

### **Board Evaluation**

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI under Clause 49 of the Equity Listing Agreement, the Board of Directors ("Board") has carried out an annual evaluation of its own performance, and that of its Committees and individual Directors. The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members. The Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors. A separate meeting of Independent Directors was also held to review the Non-Independent Directors; performance of 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. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition the Chairperson was also evaluated on the key aspects of his role.

### **Nomination and Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### **Number of Meetings of the Board of Directors and Audit Committee**

During the year 5 Board Meetings and 1 Independent Directors' meeting and 4 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure VI and form an integral part of this Report.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is presently not covered under provisions relating to Corporate Social Responsibility under Section 135 of the Companies Act., 2013.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186**

No such Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 is made by the Company.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Agreement. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions were entered with prior approval of the Board of Directors of the Company.



There have been no materially significant related party transactions between the Company and Directors, the management, subsidiaries or relatives. During the year 2014-15, there are no material transactions between the Company and the related parties as defined under Clause 49 of the Listing Agreement. Further, all transactions with related parties have been conducted at an arm's length basis and are in ordinary course of business. Accordingly Form AOC-2 is attached herewith as per **Annexure II**.

#### AUDIT

M/s. A. L. Thakker & Co., Chartered Accountants have been appointed Statutory Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting, and proposed to appoint for a period of two years, subject to ratification of appointment of Statutory Auditors will be sought from the Members of the Company every year in the AGM. Further, A.L. Thakker & Co., have, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment. Further, the report of the Statutory Auditors alongwith notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

#### COST AUDIT

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. KVM & Co. having Firm Registration No.000458 as the Cost Auditors of the Company to conduct cost audits pertaining to relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time for the year ending March 31, 2015, at a remuneration of Rs.32,500/-

M/s. KVM & Co., have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the past several years under the provisions of the erstwhile Companies Act, 1956.

#### SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kadambari Dave & Associates, a firm of Company Secretary in practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **Annexure-VII**. The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the statutory, cost and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15. Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (b) they have 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) they have 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) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were generally operating effectively \*; and



- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Please refer to the Section "Internal Control Systems and their Adequacy in the Management Discussion and Analysis.

## 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.

The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

On behalf of the Board of Directors

**Shailesh R. Mehta**  
Managing Director

Date : 10th October, 2015

Place : Santej



**ANNEXURE I  
FORM No. MGT 9**

**Extract of Annual Return as on the Financial Year ended 31<sup>st</sup> March, 2015**

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

**I REGISTRATION AND OTHER DETAILS :**

CIN	L29100GJ1989PLC012576
Registration Date	02-08-1989
Name of the Company	Texel Industries Ltd.
Category/Sub-category of the Company	Public Company Limited by Shares
Address of the Registered Office & Contact details	Block No. 2106, Santej Khatraj Road, Nr. Shah Alloys Ltd. Village – Santej, 382721, Tal. : Kalol (N.G.), Dist. : Gandhinagar Tel (02764) 286329, 286334, Email Id : <a href="mailto:invrelations@geotexelin.com">invrelations@geotexelin.com</a> Website : <a href="http://www.geotexelin.com">www.geotexelin.com</a>
Whether Listed Company	Yes
Name, Address & Contact details of the Registrar & Transfer Agent, if any	Sharepro Services India Pvt. Ltd. 416-420, Devnandan Mega Hall, 4 <sup>th</sup> Floor, Ellisbridge, Ahmedabad 380 006 Phone +91(79) 26582381/82/83

**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 Paroducts/Services	NIC Code of the product/service	% of total turnover of the company
1	Tarpaulin and Geomembrane	17215	100.00

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr No	Name & Address of the Company	CIN No.	Holding/ Subsidiary/ Associate	% of Share s Held	Applica ble Section
1	NIL	NIL	NIL	NIL	NIL



IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A PROMOTERS</b>									
Indian									
Individuals/HUF	--	1008045	1008045	16.40	--	1008045	1008045	16.40	--
Cent. Govt. or State Govt.	--	--	--	--	--	--	--	--	--
Bodies Corporate	--	--	--	--	--	--	--	--	--
Bank/FI	--	--	--	--	--	--	--	--	--
Any other	--	--	--	--	--	--	--	--	--
Sub Total (A)(1)	--	1008045	1008045	16.40	--	1008045	1008045	16.40	
<b>B FOREIGN</b>									
NRI-Individuals (Non Resident)	--	569463	569463	9.27	--	569463	569463	9.27	--
Other Individuals	--	--	--	--	--	--	--	--	--
Bodies Corporate	--	--	--	--	--	--	--	--	--
Banks/FI	--	--	--	--	--	--	--	--	--
Any other	--	--	--	--	--	--	--	--	--
Sub Total (A)(2)	--	569463	569463	9.27	--	569463	569463	9.27	--
<b>Total Shareholding of Promoters (A)(1)+(A)(2)</b>	--	1577508	1577508	25.67	--	1577508	1577508	25.67	--
<b>B PUBLIC SHAREHOLDING</b>									
Institutions	--	--	--	--	--	--	--	--	--
Mutual Funds /UTI	--	--	--	--	--	--	--	--	--
Financial Institutions/Banks	--	1000000	1000000	16.27	--	1000000	1000000	16.27	--
Central Govt./State Govt.	--	--	--	--	--	--	--	--	--
Venture Capital Fund	--	--	--	--	--	--	--	--	--
Insurance Companies	--	--	--	--	--	--	--	--	--
Foreign Institutional Investors	--	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
Qualified Institutional Investors	--	--	--	--	--	--	--	--	--
Any Other (Specify)	--	--	--	--	--	--	--	--	--
Sub Total (B)(1)	--	1000000	1000000	16.27	--	1000000	1000000	16.27	--
<b>Non Institutions</b>									
Bodies Corporates	--	378390	378390	6.16	--	378390	378390	6.16	--
Individuals	--	--	--	--	--	--	--	--	--
Upto Rs.1 lac	--	1840281	1840281	29.94	--	1840281	1840281	29.94	--
More than Rs 1 Lac	--	1349663	1349663	21.96	--	1349663	1349663	21.96	--
Any Other (Specify)	--	--	--	--	--	--	--	--	--
Non Resident Repatriates	--	--	--	--	--	--	--	--	--
Non Resident Non Repatriates	--	--	--	--	--	--	--	--	--
Sub Total (B)(2)	--	3568334	3568334	58.06	0	3568334	3568334	58.06	--
<b>Total Public Shareholding(B)=(B)(1)+(B)(2)</b>	--	4568334	4568334	74.33	--	4568334	4568334	74.33	--
<b>TOTAL (A)+(B)</b>	--	6145842	6145842	100.00	--	6145842	6145842	100.00	
(C) Shares held by Custodian and against which Depository Receipts have been issued	--	--	--	--	--	--	--	--	--
Promoter & Promoter Group	--	--	--	--	--	--	--	--	--
Public	--	--	--	--	--	--	--	--	--
<b>GRAND TOTAL (A)+(B)+(C)</b>	-	6145842	6145842	100.00	--	6145842	6145842	100.00	



(ii) Shareholding of Promoters

Sr No	Name of Shareholder	Shareholding at the beginning of the year 01-04-2014			Shareholding at the end of the year 31-03-2015			
		No of Shares	% of Total Shares of the Company	% of Shares Pledged /encumbered to total shares	No of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Bhupendra Ramniklal Mehta	213383	3.47	--	213383	3.47	--	--
2	Naresh Ramniklal Mehta	199603	3.25	--	199603	3.25	--	--
3	Shailesh Ramniklal Mehta	149451	2.43	--	149451	2.43	--	--
4	Ms. Avani Shailesh Mehta	154391	2.51	--	154391	2.51	--	--
5	Muktaben Ramniklal Mehta	130552	2.13	--	130552	2.13	--	--
6	Sujata Naresh Mehta	38300	0.62	--	38300	0.62	--	--
7	Ramniklal Vrajilal Mehta	56143	0.91	--	56143	0.91	--	--
8	Sonal Bhupendra Mehta	18920	0.26	--	18920	0.26	--	--
9	Harsha Shah	20320	0.33	--	20320	0.33	--	--
10	Shailesh Dwarkesh Shah	5562	0.09	--	5562	0.09	--	--
11	Riddhi Bhupendra Mehta	4200	0.07	--	4200	0.07	--	--
12	Rishita Bhupendra Mehta	4200	0.07	--	4200	0.07	--	--
13	Dilipbhai Bhikhabhai Bhakta	3400	0.06	--	3400	0.06	--	--
14	Krishnakant Vakharia	4720	0.08	--	4720	0.08	--	--
15	Leela Vakharia	3400	0.06	--	3400	0.06	--	--
16	Sunil Shah	1100	0.02	--	1100	0.02	--	--
17	Aman Mehta	400	0.01	--	400	0.01	--	--
18	Rajendra Bhakta	465296	7.57	--	465296	7.57	--	--
19	Mahendra Bhakta	104167	1.69	--	104167	1.69	--	--
	<b>TOTAL</b>	<b>1577508</b>	<b>25.67</b>	<b>--</b>	<b>1577508</b>	<b>25.67</b>	<b>--</b>	<b>--</b>

(iii) Change in Promoters Shareholding : (Please specify, if there is no change)

Note : There is no change in the holding of the promoter and promoters group during the financial year 2014-15



**(iv) Shareholding Pattern of top 10 Shareholders (Other than Directors, Promoters, and Holders of GDRs & ADRs)**

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2014		Shareholding at the end of the year 31-03-2015	
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1.	Standard Chartered Bank	800000	13.02	800000	13.02
2.	Union Bank of India	200000	3.25	200000	3.25
3.	Khushrooh Pheroz Byramjee	90000	1.46	90000	1.46
4.	D D Shah Fragrances Pvt Ltd	83350	1.36	83350	1.36
5.	Ramnik K Kapadia	66900	1.09	66900	1.09
6.	Mukesh Chimanlal Patani	107700	1.75	107700	1.75
7.	Indian Flavours & Fragrances Pvt Ltd	47700	0.78	47700	0.78
8.	Urjita J Master	40800	0.66	40800	0.66
9.	Canara Bank	39200	0.64	39200	0.64

**(v) Shareholding of Directors & Key Managerial Personnel**

Sr. No.	Name of the Director/KMP	Shareholding at the beginning of the year 01-04-2014		Shareholding at the end of the year 31-03-2015	
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
(a)	<b>Directors</b>				
1.	Mr. Kirit N. Mehta	10200	0.17	10200	0.17
2.	Mr. Naresh R Mehta	199603	3.25	199603	3.25
(b)	<b>Key Managerial Personnel (KMP)</b>				
3	Mr Shailesh R Mehta (Managing Director)	149451	2.43	149451	2.43



# V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (In Rs.)				
Principal Amount	45007353	1336140	10500000	58843493
Interest due but not paid	--	--	--	--
Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	45007353	1336140	10500000	58843493
Change in Indebtedness during the financial year				
Additions	--	--	5000000	5000000
Reduction	--	--	6000000	6000000
Net Change	--	--	1000000	1000000
Indebtedness at the end of the Financial Year	--	--	--	--
Principal Amount	38826523	3336140	9500000	51662663
Interest due but not paid	--	--	--	--
Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	38826523	3336140	9500000	51662663

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A Remuneration to Managing Director, Whole Time Director and/ or Manager

Sr No	Particulars of Remuneration	Mr. Shailesh R Mehta (Managing Director)	Total
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	24,00,000	24,00,000
	(b) Value of perquisites U/s 17(2) of the Income Tax Act, 1961	1,07,523	1,07,523
	(c) Profits in lieu of salary U/s 17(3) of the Income Tax Act, 1961	--	--
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission	--	--
	As % of profit	--	--
	Others (Specify)	--	--
5	Others, please specify	--	--
	Total (A)	25,07,523	25,07,523
	Ceiling as per the Act-Schedule of the Companies Act		42,00,000
	The above remuneration is as per Income Tax Act 1961		



**B. Remuneration to other Directors**

Sr	Particulars of Remuneration	Mr. Kirit N Mehta	Dr. Christy Fernandez	Ms. Jasmin Nahidakhtar	Mr. Naresh R Mehta	Total Amount
<b>1</b>	<b>Independent Directors</b>					
	(a) Fee for attending Board/Committee Meetings	10,000	10,000	--	--	20,000
	(b) Commission	--	--	--	--	--
	(c) Others, please specify	--	--	--	--	--
	<b>Total (1)</b>	<b>10,000</b>	<b>10,000</b>	--	<b>NA</b>	<b>20,000</b>
<b>2</b>	<b>Other Non Executive Directors</b>					
	(a) Fee for attending Board/Committee Meetings	NA	NA	NA	--	--
	(b) Commission	--	--	--	--	--
	(c) Others, please specify	--	--	--	--	--
	<b>Total (2)</b>	--	--	--	--	--
	<b>Total (B) =(1+2)</b>	<b>10,000</b>	<b>10,000</b>	--	--	<b>20,000</b>
	Total Managerial Remuneration					
	Ceiling as per the Act	Not applicable as only sitting fees paid				

**C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : NIL**

Sr No.	Particulars of Remuneration	Key Managerial Personnel	Total
<b>1.</b>	<b>Gross Salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	--	--
--	(b) Value of perquisites U/s 17(2) of the Income Tax Act, 1961	--	--
	(c) Profits in lieu of salary U/s 17(3) of the Income Tax Act, 1961	--	--
<b>2</b>	<b>Stock Option</b>	--	--
<b>3</b>	<b>Sweat Equity</b>	--	--
<b>4</b>	<b>Commission</b>		
	As % of profit	--	--
	Others, specify	--	--
<b>5</b>	<b>Others, please specify</b>		
	NPS, PF, Gratuity and Super Annuation	--	--
	<b>Total</b>	--	--



# VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

There were no penalties/prosecutions/compounding of offences for breach of any section of the Companies Act against the Company or its Directors or other officers in default, in any during the year.

Date : 10<sup>th</sup> October, 2015

Place : Santej

On behalf of the Board of Directors

Shailesh Mehta  
Managing Director



ANNEXURE II

FORM AOC - 2

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

Form for Disclosure of particulars of entered into by the with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	N.A.
	Nature of contracts/arrangements/transaction	N.A.
	Duration of the contracts/arrangements/transaction	N.A.
	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
	Justification for entering into such contracts or arrangements or transactions	N.A.
	Date of approval by the Board	N.A.
	Amount paid as advances, if any	N.A.
	Date on which the special resolution was passed in	
	General meeting as required under first proviso to section 188	N.A.

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	M/s. Moneeto Plasti-Fab Pvt. Ltd. (Relative of KMP)
	Nature of contracts/arrangements/transaction	Sales of Finished Goods
	Duration of the contracts/arrangements/transaction	2014-15
	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Goods at Arms length price
	Justification for entering into such contracts or arrangements or transactions	
	Date of approval by the Board	30-04-2014 (AGM not required)
	Amount paid as advances, if any	Nil

For Texel Industries Ltd.

Date : 10th October, 2015  
Place : Santej

Shailesh Mehta  
Managing Director



ANNEXURE III

**(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 in Consumption of Energy :-**

The Company has made investment in energy saving equipment during the previous financial year which resulted in efficient electricity consumption during the year. During the year, the Company has stalled high efficiency lighting fixtures and old high power consumption light fittings have been replaced by low power consumption light fittings .

**(c) Impact of Measures at (A) & (B) above for Reduction of the Energy Consumption and Consequent Impact on Cost of Production :-**

**(d) Total Energy Consumption and Energy Consumption per unit of Production:-**

		2014-15	2013-14
<b>Electricity</b>			
(1)	Purchase		
	(Quantity) Units	30,56,416	31,68,208
	Total Amt. (Rs.)	2,17,16,920	2,16,19,204
	Average Rate (Rs.)	07.11	06.82
(2)	Own Generation		
	Unit (KHz)	759	622
	Unit/Litres of Diesel oil	3.05	3.05
	Cost/Unit	20.14	18.43

**(B) TECHNOLOGY ABSORPTION :- No new technology is adopted during the financial year 2015**

- i) Research & Development (R&D) : Nil During the year
- ii) Technology Absorption : Nil

**(C) FOREIGN EXCHANGE EARNINGS AND OUT GO**

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. on going basis.

**TOTAL FOREIGN EXCHANGE USED AND EARNED**

(Rs. in Lacs)

Sr. No.	Particulars	2014-15	2013-14
1.	Total Foreign Exchange used	28.24	8.45



2.	Total Foreign Exchange earned	32.68	32.75
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# ANNEXURE-IV

## Criteria for Determining Qualifications, Positive Attributes and Independence of a Director

### 1. Definition of Independence

A director will be considered as an "independent director" if the person meets with the criteria for 'independent director' as laid down in the Act and Clause 49 (as may be applicable).

The definition of Independence as provided in the Act and Clause 49 is as follows:

"An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) who, neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non profit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;
  - (v) is a material supplier, service provider or customer or a lessor or lessee of the company; (additional provision as per Clause 49);
- (f) who is not less than 21 years of age (additional provision as per Clause 49)"



Current and ex-employees of the company may be considered as independent only if he / she has or had no pecuniary relationship with the Company (due to employment / holding consultant or advisor positions) during the two immediately preceding financial years or during the current financial year.

## 2. Qualifications of Directors

Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.

It is expected that boards have an appropriate blend of functional and industry expertise.

While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ("NRC") consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.

Independent Directors ("ID") ideally should be thought/ practice leaders in their respective functions/ domains.

## 3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

- 1) "Act in accordance with the articles of the company.
- 2) Act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- 3) Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
- 4) Not be involved in a situation in which he may have a direct or indirect interest that conflicts s, or possibly may conflicts, with the interest of the company.
- 5) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
- 6) Not assign his office."

Additionally, the Directors on the Board of the Company re also expected to high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgment.

IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to section 149(8) of the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

"An independent director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bona fide manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;



- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices."

On behalf of the Board of Directors

Shailesh Mehta  
Managing Director

Date : 10th October, 2015

Place : Santej



# ANNEXURE-V

## Remuneration policy for Directors, Key Managerial Personnel and other employees

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of TEXEL INDUSTRIES LIMITED ("the company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(IV)(B)(1) of the Equity Listing Agreement ("Listing Agreement"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- "(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

Key principles governing this remuneration policy are as follows :

## Remuneration for independent directors and non-independent non-executive directors

Independent directors ("ID") and non-independent nonexecutive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.

Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).

Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.

Overall remuneration practices should be consistent with recognized best practices.

Quantum of sitting fees may be subject to review on a periodic basis, as required.

The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meeting.

In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.



# **Remuneration for Managing Director ("MD")/ Executive Directors ("ED")/ KMP/ rest of the employees<sup>1</sup>**

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent),

Driven by the role played by the individual,

Reflective of size of the company, complexity of the sector / industry / company's operations and the company's capacity to pay,

Consistent with recognized best practices and

Aligned to any regulatory requirements.

In terms of remuneration mix or composition,

- The remuneration mix for the MD / EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
- Basic / fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic / fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits)

The company provides retirement benefits as applicable.

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

**On behalf of the Board of Directors**

**Shallesh Mehta**  
Managing Director

**Date : 10th October, 2015**

**Place : Santej**



# ANNEXURE -VI

## Details pertaining to 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

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 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 FY 2014-15 Rs.	% increase in remuneration during the year	Ratio to Median Remuneration	Comparison of the Remuneration of the KMP against the performance of the company
1	Mr. Shailesh R Mehta	25,07,523	NIL	11.94	-

On behalf of the Board of Directors

Shailesh Mehta  
Managing Director

Date : 10th October, 2015

Place : Santej



ANNEXURE VII

Form No. MR 3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To,  
The Members,  
Texel Industries Limited

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Texel Industries Limited. (Hereinafter called the company) Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Texel Industries Limited (Name of the company's) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>ST</sup> MARCH, 2015 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/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>ST</sup> MARCH, 2015 according to the provisions of:

- (I) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (III) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (IV) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (V) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing Of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client ;



(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(VI) The Company has identified the following various other laws applicable to the company as below ;

1. Income Tax Act,
2. Excise Act,
3. Service Tax Act.
4. Vat/CST Act.
5. Professional Tax Act.
6. The Factories Act, 1948
7. Employment Exchange Act.
8. Apprentice Act.
9. Pollution Control Act.
10. Custom Act.
11. Weights and Measure Act.
12. Laws relating to Employees, Contract Labour, Child Labour, Wages, Gratuity, Provident Fund, Bonus, Compensation, Employees State Insurance etc.
13. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Rederessal) Act, 2013
14. Competition Act, 2002
15. Laws relating to Trade Marks, Copyright, Design etc.
16. Land Revenue Laws of respective states

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Mumbai Stock Exchange(s), if applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. of acts specified under clauses (I) to (V) mentioned above subject to the following observations:

1. The company has not appointed Key managerial Personnel during the year under review viz. Company Secretary and CFO.
2. The company has not filed charge related documents and non update register of charges. Now they are required to apply to regional director for registration of charges and satisfaction of charges.
3. The Company has not taken NSDL/CDSL connectivity due pendency of its case in BIFR and hence the equity share are in physical form.
4. Audit Committee of the Company was not constituted as per requirement of Clause 49 of the Listing Agreement from 11-04-2014 to 05-11-2014 due to sudden death of one Independent Director.
5. Composition of the Board of Directors was not as per requirement of Clause 49 of the Listing Agreement from 11-04-2014 to 05-11-2014 due to sudden death of one Independent Director.
6. Company has not published date of Board meeting in news paper as required by listing agreement.
7. Company has not sent to stock Exchange copies of news paper for publication of unaudited financial results.
8. Company has not published audited financial results for the year ended on 31.03.2015 in news paper
9. Company has not intimated Voting Results within 48 hours of conclusion of AGM to stock exchange as required by listing agreement.
10. Company has not faxed financial results within 15 minutes of closure of Board Meeting as required by listing agreement.



11. The company has obtained certificate of Practising Company Secretary (PCS) for transfer, dispatch of share certificates. etc. [Clause 47(c)] but not sent within 24 hours of signing by PCS for the half year ended on 31-03-2015.
12. The Company has not developed its website till the end of the year under review, hence the Company was not able to comply with related compliances as required by the Listing Agreement.
13. The Company has not published Statement of Assets and Liabilities with Unaudited Financial Results for Quarter ended on 31-03-2015.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations ibid under clause (VI).

I/we further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors by the end of financial year under review. 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 along with 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 except for one Board meeting held on 13.02.2015.

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

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

I/we further report that during the audit period the company has

- (i) appointed Dr.Christy Fernandez as an Independent Director and Ms. Jasmin Nahidakthar Vhora as a Woman Director/ Independent Director.

#### For Kadambari Dave & Associates

Date: 10th October, 2015  
Place: Ahmedabad

Kadambari Dave  
(Proprietor)  
C.P. No. : 5854



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Disclaimer**

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. The company undertakes no obligations to publicly update or revised any forward looking statements, whether as a result of new information, future events, or otherwise, Actual results, performance or achievements, risks and opportunities could differ materially from those expressed or implied in these forward looking statements.

### **Overview**

The Indian Economy has been observing reduction in growth, high inflation and a high current account deficit and high fiscal deficit.

These all macro factors which may impact growth in the coming years.

The management has also evaluated the impact of these factors on the Indian Economy and in turn on the performance of the company.

The management due to its persistent efforts has managed to change slowly the product mix and concentrate the company's focus more on value added products.

### **Opportunities, Threats, Risks, Concern& Future Outlook**

There is considerable scope for growth of Tarpaulin and Geomembrane industry because of increased usage of the same in various segment of economy. However competition from importers and unorganized sector has been increasing day by day and increase in raw material price due to depreciation of Indian Rupee. Therefore the Indian industry will have to really strive hard to sustain against global competition as well as competition from unorganized markets. The steep competition has led to an impact on profitability.

### **Segment Wise Performance**

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

### **Financial Performance**

The sales for the year ended 31<sup>st</sup> March 2015 were Rs.6387.53 Lacs as compared to Rs.7009.04 Lacs for the previous year. The Profit after Depreciation & Taxation was Rs.94.72 Lacs and after exceptional and extraordinary items Rs.1438.48 Lacs (P.Y. Rs.54.80 Lacs) which is due to written back of interest Rs.1348.67 Lacs payable provided in the books of accounts of previous years, in the year under review according to Draft Rehabilitation Scheme approved by BIFR vide its order dated 31.08.2014, treatment of the same is given according to Accounting Standard 4, Event after balance sheet date and extra ordinary items.

### **Internal Control Systems and Their Adequacy**

The Company has adequate Internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, safety, procurements, finance and accounts and reducing and detecting error.

The Company also has appointed an external firm of Chartered Accountants to supplement the Internal Audit.

### **Risk Management**

The Company has adopted and implemented Risk Management Policy during the year under review into its all business processes and operations to drive consistent, effective and accountable action, decision making and management practice.

### **Material Development 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. The Industrial Relations were cordial throughout the year with no incidence of strike or lockouts.



# ANNEXURE 'B'

## CORPORATE GOVERNANCE

### INTRODUCTION

Company's philosophy on corporate governance

**TEXEL INDUSTRIES LIMITED** believes in adopting the best global practices in the areas of Corporate Governance and follows the principles of fair representation and full disclosure of all its dealing and communication thereby protecting rights and interest of all its shareholders. The Securities and Exchange Board of India has introduced a code of Corporate Governance for implementation by Listed Companies. The report for the year 2014-2015 is as follows.

### BOARD OF DIRECTORS

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management, legal and marketing. The composition of the Board of Directors with reference to number of Executive and Non – Executive Directors, meets with the requirements of Clause 49(I) (A) of the Listing Agreement.

The present strength of the Board of Directors is five, whose composition is given below:

One Executive Director

One Non Executive Director

Three Independent Directors (Including one Woman Director)

None of the Directors on the Board is a member of more than ten committees and Chairman of more than five committees across all companies in which they are Directors.

The composition of the Board of Directors, the number of other Directorship and committee position held by the Director, of which the Director is a Member / Chairman, are as under :

#### A The constitution of the Board as on 31-03-2015

Name of Directors	Category	Category Executive/	No of Directorship As on 31-03-2015
Shri Shailesh R Mehta	Managing Director	Executive Director Promoter	Nil
Shri Naresh R. Mehta	Director	Non-Executive Promoter Director	Nil
Shri Kirit Mehta	Director	Non Executive Promoter Director	2
Dr. Christy Fernandez	Director	Non Executive Independent	Nil
Ms. Jasmin Nahidakthar	Director	Non Executive Independent	Nil

\*Dr. Christy Fernandez was appointed on the Board of Directors on 01.10.2014.

\*Ms. Jasmin Nahidakthar Vhora was appointed on the Board of Directors on 13.02.2015

### BOARD PROCEDURE

The Board meets at least once a quarter to review the quarterly performance and the financial results. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items on the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/ business plans, financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases, the same is tabled at the meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.



The information as specified in Annexure IIA to clause 49 of the Listing Agreement is regularly made available to the Board.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting, on the overall performance of the Company, with presentations by Functional heads. Senior Management is invited to attend the Board Meetings so as to provide additional inputs to the items being discussed by the Board.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, details of joint ventures, sale of business unit/ division, compliance with statutory/ regulatory requirements, major accounting provision and write-offs are considered by the Board.

The Minutes of the Board Meetings are circulated to all Directors and confirmed at subsequent Meeting. The Minutes of Audit Committee and other committees of the Board are regularly placed before the Board.

**B. Attendance of each director at the Board Meetings and the last Annual General Meeting is as under:**

Name of Director	No of Board Meetings Held	Attended	Last Annual General Meeting Attended
Shri Shailesh R Mehta	5	5	Yes
Shri Naresh R Mehta	5	2	No
Shri Kirit Mehta	5	5	Yes
Dr. Christy Fernandez	5	2	No
Ms. Jasmin Nahidakthar Vhora	5	0	No

**C. Number of Board Meetings were held and the dates on which such meeting were held.**

Five Board Meetings were held during the 12 months accounting period ended 31-3-2015. The date of such Board Meeting are 30.4.2014, 04.08.2014, 06.11.2014, 27.01.2015 and 13.02.2015.

**D. Code of Conduct**

The Company has adopted Code of Conduct for every employees, officers and directors .

This code of Conduct establishes the principles that guide our daily actions. Whether we are working with customers, vendors, business partners or neighbors, it is essential that we always act with integrity.

**E. Prevention of Insider Trading Code**

Company has adopted Code of Conduct for Prohibition of Insider Trading under SEBI (Prohibition of Insider Trading) Regulations, 2015, which will be applicable from relisting of shares of the Company.

**AUDIT COMMITTEE:**

The Board of the company has constituted the audit Committee comprising of independent Non Executive Directors and One Executive Director.

(1)Mr. Kirit N. Mehta-Chairman

(2) Mr. Shailesh R. Mehta -Member

(3) Dr. Christy Fernandez—Member

They have considered the quarterly annual accounts and internal Audit report. During the year Audit Committee held four Meetings.



Attendance during the Accounting period ended 31.03.2015. is as under.

Members	Category	No. of Meetings	Meetings Attended
(1) Mr. Kirit Mehta	Chairman	4	4
(2) Mr. Shailesh R. Mehta	Member	4	4
(3) Dr. Christy Fernandez	Member	4	1
(4) Mr. Naresh Mehta	Member	4	1

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

STAKEHOLDERS RELATIONSHIP COMMITTEE deals with matters relating to

- (1) Transfer of Shares
- (2) Issue of duplicate / new sub-divided and consolidated share certificates.
- (3) Shareholders / Investors Grievance and its redressed.

During the year Stakeholders Relationship Committee held 2 Meetings.

Attendance during the Accounting period ended 31.03.2015 is as under.

Members	Category	No. of Meetings	Meetings Attended
(1) Mr. Kirit Mehta	Chairman	2	1
(2) Mr. Shailesh Mehta	Member	2	2
(3) Dr. Christy Fernandez	Member	2	—
(4) Mr. Naresh R Mehta	Member	2	1

Name of the Compliance Officer: Mr. Shailesh R. Mehta

Designation : Managing director

Number of Shareholders complaints received during the year : Nil

Number of complaints not resolved to the satisfaction of Shareholders : Nil

Number of pending Share Transfer : Nil

#### Nomination and Remuneration committee

The Board has set up a Nomination and Remuneration committee for the Company to

- 1 Guide the Board in relation to appointment and removal of Directors , Key Managerial Personnel and Senior Management personnel
- 2 To recommend to the Board the remuneration payable to Directors , Key Managerial Personnel and Senior Management personnel
- 3 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.



The Committee comprises of

	No. of Meetings held	No. of Meetings attended
Mr. Kirit Mehta –Chairman	01	01
Mr. Shailesh R. Mehta -Member	01	01
Dr. Christy Fernandez-Member	01	01
Mr. Naresh Mehta-Member	01	01

All the members are Non-Executive and independent directors except Mr. Shailesh Mehta.

### Remuneration Policy

Remuneration for independent directors and non independent non- executive directors Independent ("ID") and non-independent nonexecutive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and within regulatory limits.

### Risk Management Committee

The Committee comprises of

Mr. Kirit Mehta -Chairman

Mr. Shailesh R. Mehta -Member

Dr. Christy Fernandez-Member

Meeting of the Risk Management Committee was held on 27.01.2015..

### Directors Remuneration

Directors Remuneration during the Accounting year ended 31.03.2015

Name of Director	Sitting Fees	Salary & Perks	Total Rs.
Mr. Shailesh R Mehta	—	25,07,523	25,07,523
Mr. Naresh R Mehta	—	—	—
Mr. Kirit Mehta	10,000	—	10,000
Dr. Christy Fernandez	10,000	—	10,000
Ms. Jasmin Nahidakthar Vhora	—	—	—

Sitting fees constitutes fees paid to Non-Executive Directors for attending the Board and Committee meetings.

### NOTES ON DIRECTORS REAPPOINTMENT

Mr. Naresh N. Mehta retires by rotation at the ensuring Annual General Meeting and being eligible offers himself for reappointment. Details of other directorship: Nil



## SHAREHOLDERS INFORMATION

(a) Location and time where the last 3 AGM – EGM were held.

Year	AGM/EGM	Location	Date & Time
2013-14	AGM	Block No. 2106, Santej Khatrej Road, Village : Santej, Tal. : Kalol, Pin 382721	29-09-2014 9.30 A.M.
2012-13	AGM	Block No. 2106, Santej Khatrej Road, Village : Santej, Tal. : Kalol, Pin 382721	30-09-2013 9.30 A.M.
2011-12	AGM	Block No. 2106, Santej Khatrej Road, Village : Santej, Tal. : Kalol, Pin 382721	29-09-2012 9.30 A.M.

(b) Whether the Special Resolution was put through last Year, details of voting pattern.

Special Resolution regarding appointment of Independent Director Dr. Christy Fernandez and Shri Kirit Mehta., Special resolution regarding authority to Board of Directors for Borrowing fund up to Rs.1500 lacs ,Special Resolution regarding empowering the Board for mortgage of Company's assets in favour of lender of the fund/loan up to Rs.1500, special resolution for conferring power on the Board for partial modification of resolution concerning appointment and remuneration of Mr. Shailesh R. Mehta were put through last year.

## DISCLOSURE

### RELATED PARTY TRANSACTIONS

The company has entered into related party transactions as set out in notes on financial statements which are not likely to have conflict with the interest of the company at large.

### ACCOUNTING TREATMENT

The company has complied with the applicable accounting standards issued by the Institute of Chartered Accountants of India(ICAI) in preparation of financial statements.

### DETAILS OF NON COMPLIANCE

Details on Non-compliance by the company, penalties, strictures, imposed on the Company by Stock Exchange or SEBI or any statutory authority, or any matter related to capital markets, during the last three years are as follows.

The trading in equity shares of the company has been suspended by stock exchanges due to certain inevitable non compliances. However no penalties and strictures are imposed on the company.

### MEANS OF COMMUNICATION

The Board of Directors / Committee of Directors of the Company approved and takes on record the Unaudited Quarterly Financial Results and audited results in performa prescribed by the Stock Exchange and announces forthwith the results to all the Stock Exchange where the share of the Company are listed. The company is regular in submitting quarterly results to the stock exchanges and they are published in News Papers.

### INTERNAL CONTROL SYSTEMS

The Company has got adequate Internal Control System and procedures relating to the purchase of various raw-materials, stores and other consumables. The plant are sending regular and timely reports to the managing director and other management executives and corrective actions as and when, required are being taken by the management.

### SUBSIDIARY COMPANIES

The company does not have a subsidiary company.

### MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis report forms part of the Annual Report and includes discussions on various matters specified under clause 49 of the listing agreement.

### STATUTORY RELATIONS

Managing Director of the Company is the Compliance Officer; Moreover the Company has retained services of a consulting Company Secretary for making of all provisions of Companies Act, Securities Control and Regulation Act, SEBI Act, etc.



# INDUSTRIAL RELATIONS

The Company has been maintaining cordial industrial relations and the labours are Co-operative. Productivity Measures are being taken to reduce wastage and improving the sales.

## GENRAL SHAREHOLDERS INFORMATION

### (A) ANNUAL GENERAL MEETING

Date & Time : 30.11.2015 , 11.00 A.M.  
Block No. 2106, Santej – Khatraj Road,  
Village: Santej, Tal: Kalol, Pin: 382721

### (B) FINANCIAL CALENDER:

Particulars Financial Reporting For	Date
Quarter ended June 30, 2015	2nd Week of August '2015
Quarter ended September 30, 2015	2nd Week of November '2015
Quarter ended December 31, 2015	2nd Week of February '2016
Quarter ended March 31, 2016	4th Week of May '2016
Book closure Date	23.11.2015 to 30.11.2015 (Both Days Inclusive)
Dividend payment date	N.A.

### Listing of Equity Shares On the stock Exchange

- (1) The Stock Exchange, Ahmedabad  
Kamdhenu Complex, Near Panjrapole,  
Ambavadi, Ahmedabad 380 015.
- (2) The Stock Exchange Mumbai,  
Phirozjeebhoj Tower,  
Dalal Street, Mumbai.

### LISTING FEES

The Company has paid annual Listing Fees to the above Stock Exchange for the year 2014- 2015. except Ahmedabad Stock Exchange.

### (C) STOCK CODE:

#### Name of Stock Exchange

#### Stock Code

The Stock Exchange Ahmedabad Kamdhenu complex  
Nr. Panjrapole, Ambavadi Ahmedabad-380 015

60449

The Stock Exchange Mumbai, Phirozjeebhoj tower,  
Dalal Street Mumbai

526638

### DEMAT :

ISNI NUMBERS for Equity shares: - The Company is in process of obtaining Demat Facilities as CDSL do not enroll BIFR registered company.

STOCK MARKET DATA: - The Shares are not traded during the year 2014-2015



# REGISTRAR & SHARE TRANSFER AGENTS

**For physical mode** The Company has appointed M/s Sharepro Services (India) Private Limited, 416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Elisbridge, Ahmedabad-380006 to handle physical transfer of shares and maintenance of shareholders register.

**For electronic mode:** The Company is not able to obtain connectivity with NSDL & CDSL due to registration of Company with BIFR.

## SHARE TRANSFER SYSTEMS

Share sent for transfer in physical form are registered by the company and returned Between 15 to 30 days from the date of receipt, if documents are in order in all respects, shares under objections are returned within 2 weeks.

## DISTRIBUTION OF SHAREHOLDING AS ON 31-03-2015

Shareholding From Nos.	To Nos	Shareholders Numbers	% Total Nos.	Shares Amount in Rs.	% of Total Nos.
Upto -	5000	5062	98.03	2,16,57,830	35.24%
5001 -	10000	46	0.89	35,18,620	5.72%
10001 -	20000	28	0.54	45,02,200	7.33 %
20001 -	30000	8	0.15	18,92,000	3.08%
30001 -	40000	4	0.08	14,69,430	2.39 %
40001 -	50000	3	0.06	13,39,000	2.18%
50001 -	100000	4	0.08	30,25,500	4.92 %
100001 -	and above	9	0.17	2,40,53,840	39.14 %
<b>Total</b>		<b>5164</b>	<b>100.00</b>	<b>6,14,58,420</b>	<b>100.00 %</b>

## CATEGORIES OF SHAREHOLDING AS ON 31-03-2015

Category	No. of shares held	Percentage
Promoters	15,77,508	25.67 %
Financial Institutions	10,00,000	16.27 %
Private Corporate Bodies	3,78,390	6.16 %
NRI holding	4,54,400	7.39%
Indian Public	27,35,544	44.51 %
<b>Total</b>	<b>61,45,842</b>	<b>100.00 %</b>

## DEMATERIALISATION OF SHARES AND LIQUIDITY:

None of the Equity Capital held in dematerialised form with NSDL and CDSL as on date 31-03-2015 Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f 01.04.2003 as per notification issued by the Securities and Exchange Board of India (SEBI). The Company is in process of obtaining D-mat Facilities.

**Plant location** : Block No. 2106 Santej – Khatraj road,  
Village : Sanjtej, Tal : Kalol, Pin : 382 721

**Address of Correspondence** : Block No. 2106 Santej – Khatraj road,  
Village : Sanjtej, Tal : Kalol, Pin : 382 721

- (1) Investor correspondence for Transfer / Dematerialisation of shares and any other query relating to the shares of the Company.
- (2) For Shares held in Physical Form .
- (3) Any Query on Annual Report.

## Exclusive e-mail ID for Redressal of investor's complaints.

The company has designated e-mail ID [invrelations@geotexelin.com](mailto:invrelations@geotexelin.com) exclusively for the purpose of registering complaints by investors.



**DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT**

In accordance with Clause 49 sub-clause II(E) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2015.

**For TEXEL INDUSTRIES LTD.**

**Shailesh Mehta**  
Managing Director

Date : **10th October, 2015**  
Place : **Santej**

**PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of Texel Industries Limited.

We have examined the compliance of conditions of Corporate Governance by Texel Industries Limited ('the Company') for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement except following ;

1. Audit committee of the Company was not constituted as per requirement of clause 49 of the listing agreement from 11.04.2014 to 05.11.2014 due to sudden death of one independent director.
2. Composition of Board of Director was not as per requirement of Clause 49 of the listing agreement for the period from 11.04.2014 to 01.10.2014 due to sudden death of one independent director.

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

**For Kadambari Dave & Associates**  
Company Secretaries

**Kadambari Dave**  
Proprietor  
FCS 7545 CP No. 5854

Date : **10th October, 2015**  
Place : **Ahmedabad**



**CERTIFICATION BY CEO UNDER CLAUSE 49 V OF THE LISTING AGREEMENT**

The Board of Directors,  
Texel Industries Limited.  
Santej, Ta. Kalol,  
Dist. Gandhinagar.

Re: Financial Statements for the year 2014-15-Certification by CEO.

I Shailesh R Mehta, Managing Director of Texel Industries Limited, on the basis of review of the financial statements and the Cash Flow Statements for the financial year ending 31<sup>st</sup> March, 2015 and to the best of my knowledge and belief, I hereby certify that:

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. 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.
3. There are, to the best of my knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2015 which is fraudulent, illegal or violate of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in design or operation of the internal control systems and that I have taken required steps to rectify these deficiencies.
5. I further certify that:
  - a. there have been no significant changes in internal control during this year.
  - b. there have been no significant changes in accounting policies during the year.
  - c. 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.

Date: 10th October, 2015  
Place : Santej

Shailesh R. Mehta  
Managing Director



## INDEPENDENT AUDITOR'S REPORT

### To The Members

#### TEXEL INDUSTRIES LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **TEXEL INDUSTRIES LIMITED**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, 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 of these standalone Financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and 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 standalone 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 provision 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 standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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<sup>st</sup> March, 2015 and its profit/loss and its cash flows for the year ended on that date.

#### Report on Other legal and Regulatory Requirements

1. As required by Companies (Auditor's Report) Order, 2015 issued by the Ministry of Corporate Affairs in terms of Section 143(11) of the Act, we annex hereto a statement on the matters specified in paragraph 3 of the said 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 of the Company.
- d) In our opinion, the aforesaid standalone 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 written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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 does not have any pending litigations which would impact its financial position.
  - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For A. L. THAKKAR & CO**  
**Chartered Accountants**

**Aseem L. Thakkar**  
Partner

Place : **Ahmedabad**  
Date : **10th October, 2015**

Membership No.041313  
Firm Reg. No. 120116W



**ANNEXURE REFERRED TO IN THE AUDITORS REPORT TO THE MEMBERS OF TEXEL INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2015**

- i. The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets. The management has certified the physical verification of the fixed assets at reasonable intervals. No significant discrepancy was noticed on such verification.
- ii. As informed to us by the management, the stock of goods has been physically verified during the year by the management. In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. In our opinion, the Company is maintaining a proper record of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- iii. The Company has not granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure on the part of the Company to correct major weaknesses in internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of section 73 to 76 and other relevant provisions of the Act.
- vi. The provisions of the maintenance of cost records under sub section (1) of section 148 of the Act are applicable to the Company.
- vii. To the best of our knowledge and according to the information and explanations given to us, the Company has been regular in depositing the undisputed statutory dues consisting of Provident fund, Employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and professional tax, with the appropriate authorities. According to the information and explanation given to us, the following undisputed amounts payable in respect of the aforesaid dues were outstanding as on 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.

Name of the statute	Nature of dues	Amt. Rs.
E. P. F. Act	Interest & Damages	2,71,931
E.S.I. Act	E.S.I.	63,917

The disputed statutory due aggregating to Rs.57.05 Lacs that have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Amt. Rs.
Excise Act	Excise duty	Dy. Com. Excise	6,47,971
Custom Act	Custom duty	D.G.F.T New Delhi	39,53,898
E. P. F. Act.	Interest & Damages	Provident Fund Commissioner	11,03,437

- viii. The accumulated losses of the company have not exceeded fifty percent of its net worth as on 31<sup>st</sup> March, 2015. The Company has not incurred cash loss in the current financial year or the immediately preceding financial year.



- ix. The Company has defaulted in repayment of dues to financial institutions or banks .
- x. The Company has not given any guarantee for loans taken by others from the banks or financial institutions.
- xi. In our opinion, term loans were applied for the purpose for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For A. L. THAKKAR & CO**  
**Chartered Accountants**

**Aseem Thakkar**  
**Partner**

**Place: Ahmedabad**  
**Date : 10th October, 2015**

**Membership No. 041313**  
**Firm Regn. No. 120116W**

Name of the statute	Nature of dues	Am't Rs.
E.P.F. Act	Interest & Damages	2,71,921
E.S.I. Act	E.S.I.	82,917

The disputed statutory dues aggregating to Rs.35.08 Lacs that have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Am't Rs.
Excise Act	Excise duty	Dy. Com. Excise	8,47,971
Custom Act	Custom duty	D.G.T New Delhi	39,23,298
E.P.F. Act	Interest & Damages	Provident Fund Commissioner	11,03,437

viii. The accumulated losses of the company have not exceeded fifty percent of its net worth as on 31<sup>st</sup> March 2015. The Company has not incurred cash loss in the current financial year or the immediately preceding financial year.



BALANCE SHEET AS ON 31ST MARCH 2015

Particulars	Note No.	As At 31-3-2015 (Amount Rs.)	As At 31-3-2014 (Amount Rs.)
<b>A EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2.1	6,64,58,420	6,64,58,420
(b) Reserves & Surplus	2.2	1,66,53,018	-12,23,69,612
(c) Money received against share warrants		0	0
		<u>8,31,11,438</u>	<u>-5,59,11,192</u>
<b>2. Share Application Money Pending Allotment</b>		0	0
<b>3. Non-current Liabilities</b>			
(a) Long-term borrowings	2.3	5,16,62,663	5,88,43,433
(b) Deferred tax liabilities (net)		0	0
(c) Other long-term liabilities	2.4	93,03,884	80,94,824
(d) Long-term provisions	2.5	0	13,23,90,258
		<u>6,09,66,547</u>	<u>19,93,28,575</u>
<b>4. Current Liabilities</b>			
(a) Short-term borrowings		0	0
(b) Trade payables	2.6	12,72,47,892	11,80,62,671
(c) Other current liabilities	2.7	1,54,50,724	1,41,82,713
(d) Short-term provisions	2.8	42,67,317	2,36,454
		<u>14,69,65,933</u>	<u>13,24,81,838</u>
<b>Total</b>		<u><u>29,10,43,918</u></u>	<u><u>27,58,99,221</u></u>
<b>B ASSETS</b>			
<b>1. Non-current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	2.9	5,07,62,696	4,71,56,145
(ii) Intangible Assets		21,000	0
(iii) Capital Work-in-progress		0	0
(iv) Intangible Assets under development		0	0
(v) Fixed Assets held for sale		0	0
		<u>5,07,83,696</u>	<u>4,71,56,145</u>
(b) Non-current Investments		0	0
(c) Deferred Tax Assets (net)		0	0
(d) Long-term loans and advances	2.10	3,41,52,327	3,49,78,844
(e) Other non-current Assets	2.11	0	0
		<u>3,41,52,327</u>	<u>3,49,78,844</u>
<b>2. Current Assets</b>			
(a) Current Investments		0	0
(b) Inventories	2.12	8,59,55,899	6,62,26,628
(c) Trade receivables	2.13	10,11,74,709	10,85,88,398
(d) Cash and cash equivalents	2.14	77,10,723	94,01,161
(e) Short-term Loans and Advances	2.15	1,12,66,564	95,48,045
(f) Other current assets		0	0
		<u>20,61,07,895</u>	<u>19,37,64,232</u>
<b>Total</b>		<u><u>29,10,43,918</u></u>	<u><u>27,58,99,221</u></u>
<b>Significant Accounting Policies and Notes on Accounts</b>	1&2		

In terms of our report attached

For, A. L. Thakkar & Company

Chartered Accountants

(FRN : 120116W)

Aseem L. Thakkar

Partner

Mem. No. : 41313

Date : 10th October, 2015

Place : Ahmedabad

For and on behalf of the Board of Directors

**Umesh Vyas**  
Company Secretary & C.F.O.

**Shailesh R. Mehta**  
Managing Director

**Kirit N. Mehta**  
Director

Date : 10th October, 2015

Place : Santej



STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No.	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>A CONTINUING OPERATIONS</b>			
1. Revenue from operations (Gross)	2.16	72,22,33,628	78,67,03,242
Less : Excise Duty	2.16	8,34,80,235	8,57,98,871
Revenue from operations (Net)		63,87,53,393	70,09,04,371
2. Other Income	2.17	17,99,703	50,56,167
3. Total Revenue (1+2)		64,05,53,096	70,59,60,538
4. Expenses			
(a) Cost of Materials consumed	2.18a	41,07,43,342	48,54,49,495
(b) Purchases of Stock-in-Trade	2.18b	12,09,92,929	10,70,04,649
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	2.18c	-15,12,696	-39,60,517
(d) Employees benefits expenses	2.19	1,68,71,878	1,34,67,968
(e) Finance Costs	2.20	1,10,02,518	1,30,65,796
(f) Depreciation and amortisation expenses	2.9A	50,38,062	61,63,089
(g) Other expenses	2.21	6,79,45,504	7,92,48,060
Total Expenses		63,10,81,537	70,04,38,540
5. Profit/(Loss) before exceptional and extraordinary items and tax (3-4)		94,71,559	55,21,998
6. Exceptional Items			
Skypint Technical Textile Pvt. Ltd. - Principal Amount Written Off		24,77,313	0
Interest provision written back		13,23,90,258	0
7. Profit/(Loss) before extraordinary items and tax (5 + 6)		14,43,39,130	55,21,998
8. Extraordinary items - Prior Period Expenses		4,91,393	41,438
9. Profit/(Loss) before tax (7 + 8)		14,38,47,737	54,80,560
10. Tax Expenses			
(a) Current Tax expense for current year		45,87,989	0
(b) (Less) MAT Credit (where applicable)		0	0
(c) Current Tax expense relating to prior years		0	0
(d) Net current tax expense		45,87,989	0
(e) Deferred Tax		0	0
11. Profit/(Loss) after tax from continuing operations (9 + 10)		13,92,59,748	54,80,560
12.i. Earnings per Share (of Rs.10/- each)			
From continuing operations			
Basic	2.22	1.54	0.90
Diluted	2.22	1.54	0.90
12. ii Earnings per share of Rs.10/- each (excluding extraordinary items)			
From continuing operations			
Basic	2.22	22.66	0.89
Diluted	2.22	22.66	0.89
Significant Accounting Policies and Notes on Accounts	1&2		
In terms of our report attached For, A. L. Thakkar & Company Chartered Accountants (FRN : 120116W) Aseem L. Thakkar Partner Mem. No. : 41313 Date : 10th October, 2015 Place : Ahmedabad		For and on behalf of the Board of Directors	
Umesh Vyas Company Secretary & C.F.O.		Shailesh R. Mehta Managing Director	Kirit N. Mehta Director
Date : 10th October, 2015 Place : Ahmedabad		Date : 10th October, 2015 Place : Santej	



Cash Flow Statement for the year ended 31st March, 2015

Particulars	For the Year ended 31-03-2015	For the Year ended 31-03-2014
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	94,71,559	55,21,932
<u>Adjustments for:</u>		
Depreciation and amortisation	50,38,062	61,63,089
(Profit) / loss on sale / write off of assets	0	-57,240
Finance costs	1,10,02,518	1,30,65,796
Interest income	-17,99,703	-36,60,008
Other non-cash charges-Income of earlier year	0	0
	<b>1,42,40,877</b>	<b>1,55,11,637</b>
Operating profit / (loss) before working capital changes	<b>2,37,12,436</b>	<b>2,10,33,569</b>
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	1,97,29,271	88,64,424
Trade receivables	-74,13,689	3,93,25,925
Short-term loans and advances	17,18,519	44,21,107
Long-term loans and advances	-8,26,517	5,03,590
Other current assets	0	0
Other non-current assets	0	0
	<b>1,32,07,584</b>	<b>-2,18,73,884</b>
	<b>1,05,04,852</b>	<b>-1,02,07,593</b>
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	91,85,221	3,54,09,076
Other current liabilities	12,68,011	13,30,671
Other long-term liabilities	12,09,060	-99,751
Short-term provisions	40,30,863	33,996
Long-term provisions	-13,23,90,258	0
	<b>-11,66,97,103</b>	<b>3,66,73,992</b>
	<b>-10,61,92,251</b>	<b>2,64,66,399</b>
Cash flow from extraordinary items	0	0
Cash generated from operations	<b>-10,61,92,251</b>	<b>2,64,66,399</b>
Net income tax (paid) / refunds	<b>45,87,989</b>	<b>0</b>
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>-11,07,80,240</b>	<b>2,64,66,399</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	-89,02,731	-1,01,11,879
Proceeds from sale of fixed assets	0	6,72,458
Inter-corporate deposits (net)	0	0
Bank balances not considered as Cash and cash equivalents		
- Placed	0	0
- Matured	0	0
Interest received		
- Others	17,99,703	36,60,008
	<b>-71,03,028</b>	<b>-57,79,413</b>
Cash flow from extraordinary items	<b>13,48,67,571</b>	<b>0</b>
Net income tax (paid) / refunds	<b>0</b>	<b>0</b>
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>12,77,64,543</b>	<b>-57,79,413</b>



**Cash Flow Statement for the year ended 31st March, 2015 (contd.)**

Particulars	For the Year ended 31-03-2015	For the Year ended 31-03-2014
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-71,80,830	-38,36,270
Repayment of long-term borrowings	0	0
Net increase / (decrease) in working capital borrowings	0	0
Proceeds from other short-term borrowings	0	0
Repayment of other short-term borrowings	0	0
Finance cost	-1,10,02,518	-1,30,65,796
	<b>-1,81,83,348</b>	<b>-1,69,02,066</b>
Cash flow from extraordinary items-prior yr exps	<b>-4,91,393</b>	<b>-41,438</b>
	<b>-1,86,74,741</b>	<b>-1,69,43,504</b>
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>-1,86,74,741</b>	<b>-1,69,43,504</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>-16,90,438</b>	<b>37,43,482</b>
Cash and cash equivalents at the beginning of the year	<b>94,01,161</b>	<b>56,57,679</b>
Effect of exchange differences on restatement of foreign currency	<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>77,10,723</b>	<b>94,01,161</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 2.14)	<b>77,10,723</b>	<b>94,01,161</b>
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)	<b>0</b>	<b>0</b>
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 14	<b>77,10,723</b>	<b>94,01,161</b>
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments)	<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>77,10,723</b>	<b>94,01,161</b>
Comprises:		
(a) Cash on hand	<b>28,55,043</b>	<b>24,18,240</b>
(b) Cheques, drafts on hand	<b>0</b>	<b>22,10,003</b>
(c) Balances with banks		
(i) In current accounts	<b>14,16,506</b>	<b>4,91,144</b>
(ii) In deposit accounts with original maturity of more than 12 months	<b>34,39,174</b>	<b>42,81,774</b>
(d) Others	<b>0</b>	<b>0</b>
	<b>77,10,723</b>	<b>94,01,161</b>

**Notes : (i)** 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 & Company**  
Chartered Accountants  
(FRN : 120116W)  
**Aseem L. Thakkar**  
Partner  
Mem. No. : 41313  
Date : 10th October, 2015  
Place : Ahmedabad

For and on behalf of the Board of Directors

**Umesh Vyas**  
Company Secretary & C.F.O.

**Shailesh R. Mehta**  
Managing Director

**Kirit N. Mehta**  
Director

Date : 10th October, 2015  
Place : Santej



NOTES FORMING PART OF THE ACCOUNTS as at March 31st, 2015

Particulars	As at March 31st 2015		As at March 31st 2014	
	Number	Amount	Number	Amount

NOTE : 2.1

a. Equity Share Capital

Authorised Share Capital

80,00,000 (P.Y. 80,00,000) Equity Shares of Rs. 10/- each	80,00,000	8,00,00,000	80,00,000	8,00,00,000
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Issued, Subscribed & Paid-up Capital

61,45,842 (P.Y. 61,45,842) Equity Shares of Rs.10/- each	61,45,842	6,14,58,420	61,45,842	6,14,58,420
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b. Preference Share Capital

Authorised Share Capital

5,00,000 (P.Y. 5,00,000) Preference Shares of Rs. 10/- each	5,00,000	50,00,000	5,00,000	50,00,000
---	----------	-----------	----------	-----------

Issued, Subscribed & Paid-up Capital

5,00,000 (P.Y. 5,00,000) Preference Shares of Rs.10/- each	5,00,000	50,00,000	5,00,000	50,00,000
--	----------	-----------	----------	-----------

Total	66,45,842	6,64,58,420	66,45,842	6,64,58,420
-------	-----------	-------------	-----------	-------------

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

Particulars	As at March 31st 2015		As at March 31st, 2014	
	Number	Amount	Number	Amount

I. Equity Share Capital

Shares outstanding at the beginning of

1. the year	61,45,842	6,14,58,420	61,45,842	6,14,58,420
2. Shares issued during the year	0	0	0	0
3. Shares bought back during the year	0	0	0	0
4. Shares outstanding at the end of the year	61,45,842	6,14,58,420	61,45,842	6,14,58,420

II. Preference Share Capital

Shares outstanding at the beginning of

1. the year	5,00,000	50,00,000	5,00,000	50,00,000
2. Shares issued during the year	0	0	0	0
3. Shares bought back during the year	0	0	0	0
4. Shares outstanding at the end of the year	5,00,000	50,00,000	5,00,000	50,00,000

c. Shareholding(s) holding more than 5% of shares

Particulars	As at March 31st 2015		As at March 31st, 2014	
	Number of shares held	% of holding	Number of shares held	% of holding

I. Equity Share Capital

1. Standard Chartered Bank	8,00,000	13.02%	8,00,000	13.02%
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II. Preference Share Capital

1. National Insurance Company Ltd.	2,50,000	50%	2,50,000	50%
2. The New India Assurance Company Ltd.	2,50,000	50%	2,50,000	50%

**Note :** The 18% Cumulative Redeemable Preference Shares amounting to Rs.50.00 lacs were due for redemption during the year 1999-00. However in view of the carried forward loss, the Company couldnot have transferred required amount to Capital Redemption Reserve, hence the same could not have been redeemed so far.



Particulars	As at 31-03-2015	As at 31-03-2014
<b>Note 2.2 Reserves and Surplus</b>		
(a) Capital redemption reserve As per last Balancesheet	33,33,332	33,33,332
(b) Securities premium account As per last Balancesheet	1,94,99,668	1,94,99,668
(c) Revaluation reserve		
Opening balance	1,10,133	2,27,169
Add: Addition on revaluations during the year	0	0
Less: Utilised for set off against depreciation	1,10,133	
Written back / other utilisations during the year (Refer Note 9.C)		1,17,036
Closing balance	0	1,10,133
(d) General reserve As per last Balancesheet	50,00,000	50,00,000
(e) Profit and loss account		
Opening balance	-15,03,12,745	-15,57,93,305
Add: Profit / (Loss) for the year	13,92,59,748	54,80,560
Less : Utilised for set off against Depreciation	-1,26,985	0
Closing balance	-1,11,79,982	-15,03,12,745
<b>Total</b>	<b>1,66,53,018</b>	<b>-12,23,69,612</b>

**Note 2.3 Long-term borrowings**

Particulars	As at 31-03-2015	As at 31-03-2014
<b>(a) Term loans</b>		
<b>From banks</b>		
<b>Secured</b>		
<b>The Saraswati Co Op Bank Limited</b>	<b>7,29,105</b>	<b>7,29,105</b>
(Under higher purchase scheme secured by cars)		
(The Company is not Paying Installment & Interest accrued there on since Long. The Interest accrued on the above Loan of Rs.41,65,103/- as on 31 March, 2015 (Previous year bal. Rs.34,98,216/-) which is not provided in the Books of Account)		
<b>From others</b>		
<b>Secured</b>		
<b>Sky Point Technical Textile Pvt. Ltd.</b>	<b>3,80,82,992</b>	<b>4,41,84,175</b>
(Secured by equitable mortgage of Land and Building Hypothecation of Plant & Machinery and Hypothecation of immovable and movable properties subject to the prior charge on current assets for securing working capital borrowings) (Refer Note N0.2.34)		



Particulars	As at 31-03-2015	As at 31-03-2014
<b>Gujarat Lease Finance Limited</b>	<b>14,426</b>	<b>14,426</b>
(Under higher purchase scheme secured by car)		
(The Company is not Paying Installment & Interest accrued there on since Long. The Interest accrued on the above Loan of Rs.23,08,478/- as on 31st March, 2015 (Previous year bal. Rs.18,58,884/-) which is not provided in the Books of Account)		
<b>Gujarat State Financial Services Ltd</b>	<b>0</b>	<b>79,647</b>
<b>(b) Deposits</b>		
Unsecured		
Intercompany deposit	<b>95,00,000</b>	<b>1,05,00,000</b>
<b>(c) Loans and advances from parties</b>		
Unsecured		
From Related Parties	<b>15,66,562</b>	<b>15,66,562</b>
From Others	<b>17,69,578</b>	<b>17,69,578</b>
<b>Total</b>	<b>5,16,62,663</b>	<b>5,88,43,493</b>

**Note 2.4 Other long-term Liabilities**

Particulars	As at 31-03-2015	As at 31-03-2014
<b>(a) Trade Payables</b>		
(i) Acceptances	<b>53,80,113</b>	<b>58,84,519</b>
<b>(b) Others:</b>		
(i) Payables on purchase of fixed assets	<b>15,57,864</b>	<b>15,57,864</b>
(ii) Trade / security deposits received	<b>2,00,000</b>	<b>2,00,000</b>
(iii) Others (specify nature)		
Provident fund outstanding	<b>2,71,931</b>	<b>2,71,931</b>
ESI Payable	<b>63,916</b>	<b>63,916</b>
CST Payable	<b>1,926</b>	<b>1,00,451</b>
VAT Payable	<b>66,827</b>	<b>0</b>
Unpaid dividend	<b>16,143</b>	<b>16,143</b>
Advance from Customers	<b>17,45,164</b>	<b>0</b>
<b>Total</b>	<b>93,03,884</b>	<b>80,94,824</b>



Particulars	As at 31-03-2015	As at 31-03-2014
<b>Note 2.5 Long-term provisions</b>		
(i) Provision interest - Skypoint Technical Textile Pvt. Ltd.	0	13,23,90,258
<b>Total</b>	<b>0</b>	<b>13,23,90,258</b>
<b>Note 2.6 Trade payables</b>		
<b>Trade payables:</b>		
Acceptances	12,72,47,892	11,80,62,671
<b>Total</b>	<b>12,72,47,892</b>	<b>11,80,62,671</b>
<b>Note 2.7 Other Current Liabilities</b>		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	53,90,326	24,99,887
(ii) Advances from customers	1,00,60,398	1,16,82,826
<b>Total</b>	<b>1,54,50,724</b>	<b>1,41,82,713</b>
<b>Note 2.8 Short Term Provision</b>		
Provision for Bonus	3,29,789	2,36,454
Provision for Tax - MAT	39,37,528	0
<b>Total</b>	<b>42,67,317</b>	<b>2,36,454</b>
<b>Note 2.10 Long-term loans and advances</b>		
(a) Security deposits		
Unsecured, considered good )	49,54,941	45,16,335
(b) Advance income tax	4,11,054	4,82,802
(c) VAT credit receivable	0	37,632
(d) Services Credit receivable	0	89,601
(e) Others -advance against goods and services	2,87,86,332	2,98,52,474
Unsecured, considered good		
<b>Total</b>	<b>3,41,52,327</b>	<b>3,49,78,844</b>
<b>Note 2.11 Other Non-current Assets</b>		
Trade receivable	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Note 2.12 Inventories</b>		
(At lower of cost and net realisable value)		
(a) Raw materials	4,41,03,866	2,46,70,916
(b) Work-in-progress ( Tarpulin )	3,90,98,981	3,92,93,605
(c) Stores and spares	21,34,836	20,52,446
(d) Others -Waste	6,18,216	2,09,661
<b>Total</b>	<b>8,59,55,899</b>	<b>6,62,26,628</b>
<b>Note 2.13 Trade receivableS</b>		
Trade receivable (Unsecured considered good)	10,11,74,709	10,85,88,398
Less than six months Rs.6,65,45,131/- (Pr. Yr. Rs.7,16,07,764/-)		
More than six months Rs.3,46,29,578/- (Pr. Yr. Rs. 3,69,80,634/-)		
<b>Total</b>	<b>10,11,74,709</b>	<b>10,85,88,398</b>



## Notes forming part of the Financial Statements

## Note 2.9 Fixed Assets

Tangible Assets	GROSS BLOCK			ACCUMULATED DEPRECIATION AND IMPAIRMENT			NET BLOCK		
	Balance as at 01-04-14	Additions	Deduction/ Adjustment on	Balance as at 31-03-15	Balance as at 01-04-14	Depreciation/ Amortisation expenses for the year	Adjustment	Balance as at 31-03-14	Balance as at 31-03-15
(a) Land Freehold	2403616	0	0	2403616	0	0	0	2403616	2403616
(b) Buildings Own use	31539506	768565	0	32308071	15827185	919229	0	15712321	15561657
(c) Plant and Equipment Owned	100252010	7064486	0	107316496	74170657	3504116	0	26081353	29641723
(d) Furniture and Fixtures Owned	6597157	93040	0	6690197	6268049	46640	-348760	329108	724268
(e) Vehicles Owned	1516340	0	0	1516340	1470237	4717	-73335	46103	114721
(f) Office equipment Owned	3438407	345249	0	3783656	2324080	513979	121347	1114327	824250
(g) Others -Electric Installation - Owned	6973487	610392	0	7583879	5504170	159514	427734	1469317	1492461
Total	152720523	8881732	0	161602255	105564378	5148195	126986	47156145	50762696
Previous year	149732742	10111879	7124098	152720523	105793133	6280125	6508880	43939609	47156145
Intangible Assets									
(a) Brands?Trade Marks	0	21000	0	21000	0	0	0	0	21000
Total	0	21000	0	21000	0	0	0	0	21000
Previous Year	0	0	0	0	0	0	0	0	0



**Note 2.9A Fixed Assets (Contd.)**

**Depreciation and amortisation relating to continuing operations**

	For the year ended 31-03-2015	For the year ended 31-03-2014
Depreciation and amortisation for the year on tangible assets as per Note 2.9	5148195	6280125
Less: Utilised from revaluation reserve	110133	117036
Depreciation and amortisation relating to continuing operations	5038062	6163089

**Notes :** Details of amounts written off on reduction of capital or revaluation of assets or sums added to assets on revaluation during the preceding 5 years:

Particulars	31-03-2015	31-03-2014	31-03-2013	31-03-2012	31-03-2011	Prior Yr 2010
Opening balance	110133	227189	344205	461241	578277	695313
Written off on reduction of capital						
Date						
Amount						
Written off on revaluation						
Date	31-03-2015	31-3-2014	31-3-2013	31-3-2012	31-3-2011	31-03-2010
Amount	110133	117036	117036	117036	117036	117036
Added on revaluation						
Date						
Amount						
Balance as at 31 March	0	110133	227169	344205	461241	578277

**Note 2.3** The gross block includes Rs.24.64 lacs added on account of revaluation carried out by the approved valuer Mr.Mukesh M.Shah as at 31st March,1994 in respect of certain items of Plant and Machinery.Accordingly the said amount of Rs.24.64 lacs on account of revaluation was credited to revaluation reserve.Depreciation includes Rs.1.10 lacs against revaluation amount of Fixed Assets and equivalent amount has been charged to Profit and Loss Account.



Particulars	As at 31-03-2015	As at 31-03-2014
<b>Note 2.14 Cash and cash equivalents</b>		
(a) Cash on hand	28,55,043	24,18,240
(b) Cheques, drafts on hand	0	22,10,003
(c) Balances with banks		
(i) In current accounts	14,16,506	4,91,144
(ii) In deposit accounts	34,39,174	42,81,774
<b>Total</b>	<b>77,10,723</b>	<b>94,01,161</b>

**Note :** Balance with banks include deposit amounting to Rs.34,39,174/- (As at 31 March, 2014 Rs.42,81,774/-) which have original maturity of more than 12 Months.

**Note 2.15 Short-term loans and advances**

<b>(a) Loans and advances to related parties</b>		
Unsecured, considered good	0	0
<b>(b) Security deposits</b>		
Unsecured, considered good	2,88,200	1,55,000
<b>(d) Prepaid expenses</b>	38,490	44,082
<b>(e) Balances with government authorities</b>		
Unsecured, considered good		
(i) CENVAT credit receivable	30,97,302	5,03,879
(ii) Service Tax credit receivable	3,42,487	2,85,181
(iii) Income Tax Credit	0	3,85,056
<b>(g) Others -advance against goods and services</b>		
Unsecured, considered good	75,00,085	81,74,847
<b>Total</b>	<b>1,12,66,564</b>	<b>95,48,045</b>

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
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**Note 2.16 Revenue from operations**

(a) Sale of products (Refer Note (i) below)	71,34,79,970	77,29,13,934
(b) Sale of services (Refer Note (ii) below)	0	0
(c) Other operating revenues (Refer Note (iii) below)	87,53,658	1,37,89,308
<b>Total</b>	<b>72,22,33,628</b>	<b>78,67,03,242</b>
Less :		
(d) Excise duty	8,34,80,235	8,57,98,871
<b>Total</b>	<b>63,87,53,393</b>	<b>70,09,04,371</b>
<b>(i) Sale of products comprises</b>		
<b>Manufactured goods</b>		
Tarpaulin/Geomembrance	56,15,53,385	65,28,42,186
<b>Total - Sale of manufactured goods</b>	<b>56,15,53,385</b>	<b>65,28,42,186</b>
<b>Traded goods</b>		
Granuals	15,17,01,141	11,71,59,461
Fabric	2,25,444	29,12,287
<b>Total - Sale of traded goods</b>	<b>15,19,26,585</b>	<b>12,00,71,748</b>
<b>Total - Sale of products</b>	<b>71,34,79,970</b>	<b>77,29,13,934</b>



Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
(ii) Other operating revenues comprise:		
Sale of Waste	87,03,874	1,36,84,501
Duty drawback and other export incentives	49,784	1,04,807
<b>Total - Other operating revenues</b>	<b>87,53,658</b>	<b>1,37,89,308</b>

**Note 2.17 OTHER INCOME**

**Other Income**

**Interest Income**

Deposit Interest Income

6,32,963

5,40,583

Other Interest Income

11,66,740

31,19,425

**Non Operating Income**

Income of earlier year

0

0

Amount written off

0

13,38,919

Profit on sale of Assets

0

57,240

**Total**

17,99,703

50,56,167

**Note 2.18a Cost of Materials consumed including Packing Materials**

Opening stock

2,25,64,386

1,82,26,713

Add: Purchases

42,88,77,527

48,97,87,168

45,14,41,913

50,80,13,881

Less: Closing stock

4,06,98,571

2,25,64,386

**Cost of material consumed**

41,07,43,342

48,54,49,495

**Note 2.18b Purchase of Traded Goods**

Traded good : Granuals

12,09,92,929

10,40,92,362

Traded good : Fabric

0

29,12,287

**Total**

12,09,92,929

10,70,04,649

**Note 2.18c Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**

Inventories at the end of the year:

Finished goods

40,23,511

23,16,191

Work-in-progress

3,90,98,981

3,92,93,605

4,31,22,492

4,16,09,796

Inventories at the beginning of the year:

Finished Goods

23,16,191

21,78,499

Work-in-progress

3,92,93,605

3,54,70,780

4,16,09,796

3,76,49,279

**Net (increase) / decrease**

-15,12,696

-39,60,517



Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
<b>Note 2.19 Employee Benefits Expenses</b>		
Salaries and wages	1,55,88,281	1,24,46,482
Gratuity to Employee	2,48,355	61,030
Contributions to provident and other funds	4,02,335	3,33,566
Staff welfare expenses	6,32,907	6,26,890
<b>Total</b>	<b>1,68,71,878</b>	<b>1,34,67,968</b>
<b>Note 2.20 Finance Costs</b>		
(a) Interest expense on:		
(i) Borrowings	13,17,401	9,32,833
(ii) Trade payables	87,09,028	1,15,20,479
(iii) Others		
- Interest on Excise duty	99,851	66,849
- Interest on CST/Vat	6,24,746	3,22,807
- Interest on TDS	90,500	59,126
- Interest on Service Tax	25,280	76,260
- Interest on others	36,663	453
- Bank Charges & Commission	99,049	86,989
<b>Total</b>	<b>1,10,02,518</b>	<b>1,30,65,796</b>
<b>Note 2.21 Other Expenses</b>		
<b>Manufacturing Expenses</b>		
Consumption of stores and spare parts	48,02,238	45,61,860
Power and fuel	2,17,32,200	2,16,30,676
Repairs and maintenance - Buildings	2,92,193	2,16,544
Repairs and maintenance - Machinery	4,73,019	4,97,484
Repairs and maintenance - Others	66,772	35,474
Factory Expenses	3,44,945	3,47,242
Testing Expenses	5,19,528	4,11,218
Job Work Exp	60,60,342	1,47,78,350
Labour Job Charges	1,85,16,221	1,85,86,871
<b>Total</b>	<b>5,28,07,458</b>	<b>6,10,65,719</b>
<b>Rates and taxes</b>		
Municipal Tax	63,788	80,673
Vat Exp.	36,38,642	63,72,180
Gram panchayat	1,67,000	31,967
Professional Tax	2,500	2,500
Excise Duty	29,110	3,831
Income Tax	33,914	250
Service Tax	3,39,215	4,21,074
<b>Total</b>	<b>42,74,169</b>	<b>69,12,475</b>
<b>Others</b>		
<b>Advertisement Expenses</b>	<b>1,13,595</b>	<b>39,978</b>
Bad trade and other receivables, loans and advances written off	30,95,892	0
Business promotion	4,58,989	2,38,644
Computer Exp	89,313	1,45,550



Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Conveyance Exp.	3,52,484	3,52,133
Director Setting Fees	20,000	60,000
Donations and contributions	11,111	0
Freight and Forwarding	16,10,303	31,63,501
Insurance	1,44,543	2,08,347
Land Revenue	21,452	10,726
Legal and professional	22,66,489	24,55,675
Maintenance Expenses	5,400	5,400
<b>Office Expenses</b>	<b>1,29,033</b>	<b>1,29,077</b>
Payments to auditors	92,000	1,49,000
Penalty & Damages	26,910	21,522
Post & Telegram	1,61,866	1,57,218
Power Expenses (Ahmedabad Office)	32,695	28,890
Printing and stationery	2,95,474	2,87,212
Sales Commission	5,28,127	20,34,907
Sales Discount	-41	2,80,485
Security Charges	4,24,122	3,80,424
Telephone Expenses	1,70,847	2,20,825
Tender Fees	99,972	11,000
Training & Seminar	13,677	6,371
Travelling Expenses	5,10,344	6,71,739
Vehicle Expenses	1,85,230	2,11,242
<b>Web Site Expenses</b>	<b>4,050</b>	<b>0</b>
<b>Total</b>	<b>1,08,63,877</b>	<b>1,12,69,866</b>
<b>Total</b>	<b>6,79,45,504</b>	<b>7,92,48,060</b>

**Note 2.22 Reconciliations of Basic and Diluted Shares used in computing earnings per share**

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Number of Shares considered for basic and diluted E.P.S.	61,45,842	61,45,842

**Note 2.23 Related party transactions**

**Details of related parties:**

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Shailesh R Mehta Mr. Naresh R Mehta Mr. Kirit N Mehta Ms. Jasmin Nahidakhtar Vhora Dr. Cristy Fernandez
Relatives of KMP	Mrs. Muktaben R Mehta Mrs. Avani S. Mehta
Company in which KMP / Relatives of KMP can exercise significant influence	Crossland Finance & Construction Pvt. Ltd. Mehta & Dholabhai Moneeto Plasti-Fab Pvt. Ltd. Risha Infrastructures



**Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015 :**

Description of relationship	KMP	Relatives of KMP	Entities in which KMP/ relatives of KMP have significant influence	Total
<b>Balances outstanding at the end of the year</b>				
Receiving of services	4,81,666 (4,49,239)	0 (2,500)	0 (0)	4,81,666 (4,51,739)
Sundry Debtors	0 (0)	0 (0)	4,51,091 (7,47,152)	4,51,091 (7,47,152)
Loans and advances	0 (0)	0 (0)	16,15,209 (16,15,209)	16,15,209 (16,15,209)
Current Liabilities	0 0	0 (0)	16,37,392 (2,73,692)	16,37,392 (2,73,692)
Borrowings	13,66,562 (13,66,562)	2,00,000 (2,00,000)	0 (0)	15,66,562 (15,66,562)
<b>Paid during the Year</b>				
Salary and Other Benefits	25,27,523 (26,51,543)	0 (7,25,000)	0 (0)	25,27,523 (33,76,543)

Note: Figures in bracket relates to the previous year

- 2.24** Balance of Sundry creditors, debtors, loans and advances are subjects to confirmation.
- 2.25** In the opinion of the Board of Directors, Current Assets Loans and Advances are realisable in the ordinary course of business at the value at which they are stated.
- 2.26** We are unable to categories the dues to Small Scale Industries (SSI) separately due to lack of information regard to the status of the creditors for goods outstanding as on the Balance sheet date.
- 2.27** The audit has been carried out on the basis of the fresh computerised output reconciled.



**NOTE: 1.SIGNIFICANT ACCOUNTING POLICIES .**

**1.1 Historical Cost Basis:**

The financial statements are prepared under the historical cost convention on accrual basis and ongoing concern basis and in accordance with the generally accepted accounting principles, accounting standards issued by the Institute of Chartered Accountants of India as applicable and relevant presentation requirements of the Companies Act, 1956.

**1.2 Use of Estimates:**

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the balance of assets and liabilities and disclosures relating to the contingent liability as at the date of financial statement and reported amounts of income and expenses like provision of doubtful debts, allowances of slow and non moving inventories, useful lives of fixed assets, provision for taxation and provision of employee benefits etc, during the period. Management believes the estimates used in the preparation of financial statements are prudent and reasonable. Future results may vary from these estimates.

**1.3 Revenue Recognition:**

All known expenditure and income to the extent payable or receivable respectively and quantifiable till the date of finalisation of accounts are accounted on accrual basis.

**1.4 Fixed Assets and Depreciation**

(I) Fixed Assets are carried at cost of acquisition and construction including incidental expenses related to acquisition and installation on concerned assets, less accumulated depreciation and amortisation. Certain assets were re-valued for which proper disclosure is made in accounts.

**(II) Depreciation:**

Depreciation has been provided at cost on Straight Line Value method in accordance with the provision of schedule II of the Companies Act, 2013 on prorata basis with reference to the date of acquisition / installation.

**1.5 Valuation of Investments:**

Long-term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary in the opinion of the management.

**1.6 Valuation of Inventories:**

- i. Raw Materials, stores & spares and packing materials are valued at cost. Cost for this purpose includes interest on usance L/Cs opened for procurement of raw materials, L/C opening charges and other incidental charges directly related with procurement of raw materials.
- ii. Work in process is valued at cost. Cost for this purpose includes the cost of direct material, direct labour and other conversion cost incurred upto the respective stages of work in process.
- iii. Finished goods are valued at lower of cost or market value. Cost for this purpose includes cost of direct material, direct labour and factory and administration overheads.
- iv. Scrap is valued at net realisable value.

**1.7 Retirement Benefits:**

No provision for retirement's benefits for employees has been made. The company has adopted Pay- As-You-Go for the method for the payment of retirement benefits if any payable to the employees.

**1.8 Foreign currency transaction:**

Foreign currency transactions are accounted at the exchange rates ruling on the date of the transactions. Foreign currency monetary items at the Balance Sheet date are restated at the closing exchange rates. Exchange differences arising on actual payments/realisations and the year end restatements are dealt with in the profit and loss account.

**1.9 Provisions, Contingent Liabilities and Contingent Assets:**

- i) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation if,
  - a) The company has present obligation as a result of past event.
  - b) A probable outflow of resources is expected to settle the obligation and
  - c) The amount of obligation can be reliably estimated.



- ii) Contingent liability stated in case of:
- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - A possible obligation, unless the probability of outflow of resources is remote.
- iii) Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.
- iv) Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date in accordance with the Accounting Standard AS-29 on Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India.

#### 1.10 Accounting for Taxes of Income:

- i) Current Tax :  
Provision for current income tax is made in accordance with provisions of Income Tax Act 1961.
- ii) Deferred Tax :  
Provision for deferred tax is calculated at the current rate of Income Tax enacted or substantially enacted as at the balance sheet date and recognized on timing difference, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets, subject to the consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future income will be available against which such deferred tax assets can be set off.

#### 1.11 Impairment of Fixed Assets:

Factors giving rise to any indication of impairment of the carrying amounts of the company's assets are appraised at each Balance Sheet date to determine and provide/reverse an impairment loss. There is no impairment in carrying cost of the company's assets.

#### 2.28 SEGMENTATION REPORTING:

The company is dealing in a single segment i.e. Manufacturing of Tarpaulins and sales are entirely in the domestic market; hence the segmentation reporting in pursuance of accounting standard No 17 issued by the Institute of Chartered Accountants of India is not made.

2.29 We have verified the vouchers and documentary evidences wherever made available. Where no documentary evidence was available, we relied on the authentication given by the management.

2.30 Paise are rounded up to the nearest rupee.

2.31 Previous years figures are regrouped and rearranged wherever necessary.

#### 2.32 Contingent Liabilities

	(Rs in Lacs) 2014-15	(Rs in Lacs) 2013-14
1. Estimated amount of contract remaining to be executed on capital account	—Nil—	—Nil—
2. Contingent Liabilities not provided for in respect of:	—Nil—	—Nil—
a. Gujarat Sales tax in respect of which the company has filed an appeal	—Nil—	—Nil—
b. Excise duty in respect of which the company has filed an appeal	6.48	6.48
c. Dividend in respect of 18 % Redeemable Cumulative Preference Shares issued During the year 1996-97	53.51	53.51
d. Legal undertakings in favour of Customs	27.83	27.83
e. E.P.F. Interest & Damages	11.03	11.34



- 2.33** The company has been declared Sick industrial company in terms of the Act vide order- dated 24.05.02 of BIFR, New Delhi. The draft rehabilitation scheme has been submitted to BIFR, which has been sanctioned by BIFR for implementation by all concerned vide order dt.31.08.2015 of BIFR, New Delhi.
- 2.34** The company has entered in to a memorandum of settlement with Skypoint Technical Textile Private Limited on 15/11/2013. We have passed necessary entries as per the supplementary memorandum of settlement entered on 10/09/2015, except issuance of equity shares and preference shares which are to be allotted after the necessary formalities as per The Companies Act, 2013.

Signature to Note 1 to 2

As per our report of even date  
**For, A. L. Thakkar & Company**  
 Chartered Accountants  
 (FRN : 120116W)  
**Aseem L. Thakkar**  
 Partner  
**Mem. No. : 41313**  
**Date : 10th October, 2015**  
**Place : Ahmedabad**

**For and on behalf of the Board of Directors**

**Umesh Vyas**  
**Company Secretary & C.F.O.**

**Shailesh R. Mehta**  
 Managing Director

**Kirit N. Mehta**  
 Director

**Date : 10th October, 2015**  
**Place : Santej**



**TEXEL INDUSTRIES LIMITED**  
(CIN : L29100GJ1989PLC012576)

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

**ATTENDANCE SLIP**  
(To be presented at the entrance)

DP ID :

Folio No./Client ID :

**I/We hereby record my/our presence at the 26th 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**

**Signature of the Member/Proxy**

**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 , or failing him	

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on the 30th day of November, 2015 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 for the Financial Year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.	Ordinary		
2	To appoint auditors and fix their remuneration	Ordinary		
3	To appoint a Director in place of Mr. Naresh Mehta (DIN: 02888018) who retires by rotation and being eligible, offers himself for reappointment	Ordinary		
4	To appointment of Ms. Jasmin Nahidakhtar Vhora (DIN 07173838) as an Independent Director of the Company	Special		
5	Payment of Remuneration to the Cost Auditor	Special		
<b>Pursuant to the Order of Hon'ble BIFR , to pass following Resolutions</b>				
6	To Reclassify Share Capital of the Company and to alter Capital Clause (Clause V) of the Memorandum of Association	Special		
7	To Take note of Scheme of Rehabilitation as sanctioned by BIFR:	Special		
8	To Convert Existing Preference Shares Capital into Equity Share Capital:	Special		
9	Simultaneous to Reduce and Consolidate Equity Shares Capital of the Company	Special		
10	To Convert Loan into Share Capital of the Company	Special		
11	To Issue 10,00,000 Equity Shares Rs. 10/- each at par to Promoter/Promoter Group	Special		

Signed this .....day of .....2015

Signature of Shareholder.....

Affix Revenue Stamp

Signature of First Proxy

Signature of second Proxy

Signature of third Proxy



**TEXEL INDUSTRIES LIMITED**

(CIN : L29100GJ1989PLC012576)

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

**BALLOT FORM**  
(In Lieu of E-voting)

Name of the Member(s)

Registered Address

Registered Folio No./Client ID

DP ID

No. of Equity Shares 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 30th November, 2015 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (v) mark at the appropriate box below.

Resolution No.	Description of Resolution	No of Equity Shares	For	Against
1	<b>Ordinary Business</b> To receive, consider and adopt the audited financial statements for the Financial Year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.			
2	To appoint auditors and fix their remuneration			
3	To appoint a Director in place of Mr. Naresh Mehta (DIN: 02888018) who retires by rotation and being eligible, offers himself for reappointment			
4	<b>Special Business</b> To appoint Ms. Jasmin Nahidakhtar Vhora (DIN 07173838) as an Independent Director of the Company			
5	Payment of Remuneration to the Cost Auditor			
<b>Pursuant to the Order of Hon'ble BIFR, to pass following Resolutions</b>				
6	To Reclassify Share Capital of the Company and to alter Capital Clause (Clause V) of the Memorandum of Association			
7	To Take note of Scheme of Rehabilitation as sanctioned by BIFR:			
8	To Convert Existing Preference Shares Capital into Equity Share Capital:			
9	Simultaneous to Reduce and Consolidate Equity Shares Capital of the Company			
10	To Convert Loan into Share Capital of the Company			
11	To Issue 10,00,000 Equity Shares Rs. 10/- each at par to Promoter/Promoter Group			

Date :

Place :

Signature of Member or Authorised 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](mailto: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 Sunday, November 29, 2015 (5.00 p.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.
- 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 23 November, 2015 (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 (v) 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 30th November, 2015.



### UPDATION OF SHAREHOLDERS INFORMATION

To,  
**The Company Secretary,**  
**TEXEL INDUSTRIES LIMITED**  
 Block No.2106, Santej Khatraj Road,  
 Near Shah Alloys, 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:

Folio No.:	
Name of the first named Shareholder:	
Name of Joint 1 Shareholder	
Name of Joint 2 Shareholder	
PAN: *	
CIN / Registration No.: *(applicable to Corporate Shareholders)	
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