

Texmo/Sec/2017-18/58

February 13, 2018

To,
Manager (Listing)
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Bandra kulra Complex, Bandra (E)
Mumbai 400051

To,
The Corporate Relationship Department
Bombay Stock Exchange Ltd,
1st Floor, New Trading Ring,
P.J.Tower, Dalal Street,
Mumbai-400001

**REF: Texmo Pipes and Products Limited (ISIN – INE141K01013), BSE Code- 533164,
NSE Symbol – TEXMOPIPES**

Sub: Outcome of the Board Meeting of the company held on 13th February, 2018.

Dear Sir / Madam,

This is to inform you that the Board of Directors of the Company at its Meeting held on 13th February, 2018 at 4.30 P.M. and Concluded at 5.35 P.M. at the registered office of the Company have considered and approved Un-audited Financial Results for the quarter ended on 31st December, 2017, along with other Agenda items.

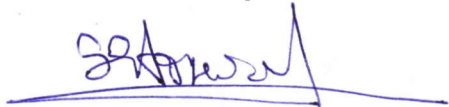
Pursuant to Regulation 33 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby submit the Un-audited Financial Results for the Third quarter ended on 31st December, 2017 along with Limited Review Report.

The aforesaid documents are also placed on the website of the Company at www.texmopipe.com

Kindly take the same on your records.

Thanking you.

For: **Texmo Pipes and Products Limited**



Shyam Sunder Agrawal
Company Secretary cum Compliance Officer



TEXMO PIPES AND PRODUCTS LIMITED

CIN: L25200MP2008PLC020852

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

Phone :07325-255122, Fax: 07325-253273 Email: texmopipe@texmopipe.com Website:www.texmopipe.com

Statement of Standalone Unaudited Financial Results

For The Quarter and Nine months ended 31st December, 2017

Sl. No.	Particulars	Quarter Ended			9 Months Ended		
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2016
		Unaudited					
1	INCOME						
	(i) Revenue from Operations	6840.56	4244.54	6689.90	19097.29		20147.41
	(ii) Other Income	164.84	97.13	1.87	360.64		152.73
	TOTAL REVENUE (i+ii)	7005.40	4341.67	6691.77	19457.93		20300.14
2	Expenses						
	a) Cost of Materials Consumed	4438.30	3597.78	4097.85	12526.42		12453.20
	b) Purchase of stock-in-trade	569.44	301.80	452.01	1814.21		1920.47
	c) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	523.26	-831.84	38.69	120.61		-390.60
	d) Excise Duty	0.00	0.00	655.70	703.43		1814.33
	e) Employee benefits expense	315.77	289.51	356.78	963.26		1016.94
	f) Finance Cost	285.05	283.39	261.31	836.14		861.26
	g) Depreciation and Amortisation Expenses	178.60	183.27	168.83	527.80		489.72
	h) Other Expenses	693.88	539.33	718.30	1921.87		2169.69
	TOTAL EXPENSES	7004.29	4363.25	6749.46	19413.74		20335.01
3	Profit / (Loss) before tax (1-2)	1.11	(21.58)	(57.69)	44.19		(34.87)
4	Exceptional Items	0.00	0.00	0.00	0.00		0.00
5	Profit / (Loss) from before exceptional items and tax (3-4)	1.11	(21.58)	(57.69)	44.19		(34.87)
6	Exceptional Items	0.00	0.00	0.00	0.00		0.00
7	Profit / (Loss) before tax (5-6)	1.11	(21.58)	(57.69)	44.19		(34.87)
8	Tax Expenses						
	(i) Current Tax	19.89	7.18	7.00	56.72		41.36
	(ii) Deferred Tax	14.37	-16.55	-7.17	-15.00		-21.40
	Total Tax Expenses (i+ii)	34.27	(9.37)	(0.17)	41.72		19.96
9	Profit/(Loss) for the period (7-8)	(33.16)	(12.21)	(57.52)	2.47		(54.83)



10	Other Comprehensive Income								
a	Items that will not be reclassified to Profit and Loss								
i	Remeasurements of defined benefit plans	0.23	0.22	0.23	0.70	0.69			
b	Items that will be classified to Profit and Loss								
i	Fair Value Changes in Investments classified through OCI								
11	Total comprehensive Income for the Period (9+10)	(32.93)	(11.99)	(57.29)	3.16	(54.14)			
12	Paid-up Equity Share Capital (Face Value Rs.10 per share)	2502	2382	2382	2502	2382			
13	Earning per share (of Rs.10/- each) (not annualised)								
	(a) Basic	(0.13)	(0.05)	(0.24)	0.01	(0.23)			
	(b) Diluted	(0.13)	(0.05)	(0.24)	0.01	(0.23)			

Notes :

1	The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors in it's meeting held on 13th February, 2018.																																									
2	Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard-18 on "Revenue" and Schedule III to the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue from Operations. Accordingly, the figures for the periods up to 30th June, 2017 are not strictly relatable to those thereafter. Thus, revenue for the quarter ended 31st December 2017 are net of GST. However revenue for the quarter ended 30th June 2017 and nine months ended 31st December 2016 are inclusive of excise duties. The following additional information is being provided to facilitate such understanding:																																									
	<table><tr><th rowspan="2">Particulars</th><th colspan="3">Quarter Ended</th><th colspan="3">9 Months Ended</th></tr><tr><th>31.12.2017</th><th>30.09.2017</th><th>31.12.2016</th><th>31.12.2017</th><th>31.12.2016</th><th>31.12.2016</th></tr><tr><td>Revenue from operations</td><td>8,074.48</td><td>5,022.90</td><td>6,689.90</td><td>21,109.57</td><td>20,147.41</td><td></td></tr><tr><td>GST Recovered</td><td>1,233.92</td><td>778.36</td><td>-</td><td>2,012.28</td><td>-</td><td></td></tr><tr><td>Excise duty on sale</td><td>-</td><td>-</td><td>655.70</td><td>703.43</td><td>1,814.33</td><td></td></tr><tr><td>Revenue from operations excluding GST/Excise duty</td><td>6,840.56</td><td>4,244.54</td><td>6,034.20</td><td>18,393.86</td><td>18,333.08</td><td></td></tr></table>	Particulars	Quarter Ended			9 Months Ended			31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2016	Revenue from operations	8,074.48	5,022.90	6,689.90	21,109.57	20,147.41		GST Recovered	1,233.92	778.36	-	2,012.28	-		Excise duty on sale	-	-	655.70	703.43	1,814.33		Revenue from operations excluding GST/Excise duty	6,840.56	4,244.54	6,034.20	18,393.86	18,333.08	
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3 The Statutory Auditors of the Company have carried out a Limited Review of the Result for the quarter and nine months ended on 31st December 2017. The figures relating to quarter and nine months ended 31st December 2016, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind-AS, have not been subjected to limited review or audit. The Management has exercised necessary due diligence to ensure that such financial results provide a true & fair view of the affairs of the Company.

4 The Company has adopted Indian Accounting Standard ("IND-AS") From 1st April, 2017 and accordingly these financial results have been prepared in accordance with the IND-AS prescribed under Section 133 of the companies Act 2013. Consequently, the results for the quarter and the nine months ended on 31st December 2016 have been restated to comply with IND-AS. Reconciliation of Net Profit reported under previous IGAAP and restated now under IND-AS is as under.

Particulars	(Rs. In Lakhs)	
	Quarter Ended on	Nine Months Ended on
	31-12-2016	31-12-2016
Profit after tax (PAT) as per previous IGAAP	1.60	46.21
Remeasurement of Defined Benefit Plans recognised in Other Comprehensive Income	(0.23)	(0.69)
Effect of accounting for loans at amortised cost	1.57	(0.12)
Effect of accounting for Deferred Tax Expenses as per Ind AS 12	0.95	2.86
Increase in Depreciation on account of component accounting in respect of PPE	(17.73)	(53.18)
Effect of accounting for loans on debt component of compound financial instruments	(8.86)	(26.59)
Effect of Interest charged on Loans to Subsidiary	5.75	17.25
Effect of reversal of profit on sale of land	(40.57)	(40.57)
Profit after tax (PAT) as per Ind-AS	(57.52)	(54.83)
Other Comprehensive Income		
Actuarial gain (loss) net of Remeasurement of Defined Benefit Plan recognised in Other Comprehensive Income (Net of Taxes)	0.23	0.69
Fair Value Changes in Investments classified through OCI		
Total comprehensive Income as reported Under Ind-AS	(57.29)	(54.14)

4.1 Under the Ind AS, the actuarial gains and losses are classified as part of the Other Comprehensive Income under the head Items that are not reclassified to Profit and Loss. There is no impact on the Total Comprehensive Income.

4.2 The transaction cost paid for the term loans borrowed has been amortised over the period of the loan, as the loans are required to be carried at amortised cost as per Ind AS 109. Accordingly, there is an increase in the Finance Cost.

4.3 Under the Ind AS, the Deferred Tax is calculated on the basis of the Balance Sheet approach and not the Income Approach. As a result the net Deferred Tax for the FY 2016-17 is lower by Rs 2.41 lakhs. Consequently, the impact for the nine months ended and quarter ended 31st December 2016 is lower by Rs 2.86 lakhs and Rs. 0.95 lakhs respectively.



4.4	Under the Ind AS, significant components of Plant and Equipment which have different useful life are depreciated based on their specific useful lives. Consequently, the amount of Depreciation charged for the quarter and the nine months ended 31st December 2016 has increased by Rs. 17.73 Lakhs and Rs. 53.18 Lakhs.
4.5	The company has borrowed interest free unsecured loans from promoters/directors. Such loans have been classified as compound financial instruments and bifurcated as debt and equity in accordance with Ind AS 32 "Financial Instruments: Presentation". The interest on debt component have been recognised in accordance with Ind AS 109 "Financial Instruments". Accordingly, there is an increase in Finance Cost.
5	The Company is primarily engaged in business of plastic products which constitute a single reportable segment in accordance with IND AS 108 "Segment reporting."
6	As regard the Insurance Claim Receivable of Rs 7.14 Crores (P.Y. Rs 7.14 crores) due from the Insurance Company against loss by fire at the Main Raw Material Godown of the company in March, 2011, the Management filed lawsuit against the Insurance Company. The Management is confident of realizing the amount due from the Insurance Company and accordingly no adjustments are made to the financial results of the company in this regard.
7	The previous period figures have been regrouped/ reclassified where ever necessary to make them comparable with the current periods' figures.
Place : Burhanpur Date : 13.02.2018 For and on behalf of Board of Director of For Texmo Pipes and Products Ltd.  Sanjay Kumar Agrawal Managing Director DIN 00316249 	

Independent Auditors' Review Report on Review of Interim Financial results

To,
The Board of Directors,
Texmo Pipes and Products Limited
Burhanpur (M.P)

- 1) We have reviewed the accompanying statement of unaudited standalone financial results of **Texmo Pipes and Products Limited** ("the Company") for the quarter and half year ended 31st December 2017 ("the Statement") being submitted by company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the Regulation and Measurement Principles laid down in Indian Accounting standards 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
- 2) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3) *Based on our review conducted as stated above and subject to matters discussed in Note 6 regarding uncertainty related to the outcome of the lawsuit filed against the Insurance Company as further explained in the said note,* nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards ("IND AS") and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatements.
- 4) We have not reviewed the financial results and other financial information for the quarter and period ended 31st December 2017, which have presented solely based on the financial information compiled by the management.



For Pankaj Somaiya and Associates LLP
Chartered Accountants
Firm Registration Number 010081C/C400001

[Signature]

CA Pankaj Somaiya
Partner
M.No. 079918

Place: Burhanpur (MP)
Date: 13th February 2018