

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance for the company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our workforce is committed towards the protection of the interest of the stakeholder's viz. shareholders, creditors, investors, customers, employees, etc. Our policies consistently undergo improvements keeping in mind our goal of maximisation of value of all the stakeholders.

The goal is achieved through:

- Infusion of best expertise in the Board
- Consistent monitoring and improvement of the human and physical resources
- Introducing regular checks and audits and continuous improvements in already welldefined systems and procedures.
- Board / Committee meetings at short intervals to keep the Board informed of the recent happenings.

2. BOARD OF DIRECTORS

The Company functions under the supervision and control of the Board of Directors ('the Board'). The Board formulates the overall strategy and periodically reviews the implementation of the same. The Board comprises of a fair number of independent, professionally competent and acclaimed non-executive Directors.

2.1 CONSTITUTION OF THE BOARD AS ON 31ST MARCH 2011 AND THE RELATED INFORMATION

| Name of Director | Category | No. of Board Meeting Attended | Attendance at last AGM |
|------------------------------|--------------------------------------|-------------------------------|------------------------|
| Mr. Sanjay Agrawal | Managing Director & Chairman | 8 | YES |
| Mr. Vijay Prasad Pappu | Whole Time Director | 8 | YES |
| Mr. Shanti Lal Badera | Non-Executive & Independent Director | 5 | YES |
| Mr. Chakradhar Bharat Chhaya | Non-Executive & Independent Director | 5 | YES |
| Mr. Sunil Kumar Maheshwari | Non-Executive & Independent Director | 3 | NO |
| *Mr. Rajesh Selot | Non-Executive & Independent Director | 3 | YES |

*Mr. Rajesh Selot has resigned from the office of Directorship w.e.f 12th November 2010.

None of the Directors on the Board hold the office of Director in more than 15 Companies or Memberships of the Committees of the Board in more than 10 Companies or Chairmanship of than 5 Committees across all companies.

2.2 BOARD MEETINGS HELD DURING THE YEAR :

Eight Board Meeting were held during the year 2010-11, on 27th April, 2010, 10th August 2010, 20th August 2010, 04th October 2010, 12th November 2010, 16th December 2010, 12th February 2011 and 28th February 2011.

The last Annual General Meeting of the Company held on September 25, 2010 was attended by all the members of the Board of Directors as on that date.

2.3 REMUNERATION TO EXECUTIVE DIRECTORS:

During the year 2010-11 Mr. Sanjay Agrawal, Managing Director got Rs. 45.66 Lacs as salary and allowance and Mr. Vijay Prasad Pappu, Whole time director got Rs. 13.04 Lacs.

Notes:

There was no scheme of 'Employee Stock Options' during the year.

In all the cases, the service contract is for a period of five years from the date of appointment.

Performance is evaluated by the Remuneration Committee. The recommendations of the Committee are further considered by the Board and a collective decision taken without participation of interested directors.

2.4 REMUNERATION TO NON-EXECUTIVE DIRECTORS:

| No. | Name of Non Executive Directors | Sitting fees (Rs.) | Commission (Rs.) | Total |
|-----|---------------------------------|--------------------|------------------|-------|
| 1. | Mr. S. L. Badera | 80000 | Nil | 80000 |
| 2. | Mr. C.B. Chhaya | 80000 | Nil | 80000 |
| 3. | Mr. S.K Maheshwari | 45000 | Nil | 45000 |
| 4. | Mr. Rajesh Selot | 30000 | Nil | 30000 |

Sitting fees are uniform for all meetings of the Board and are paid to each nonexecutive Director for attending Board Meetings. During the year sitting fees was increased w.e.f. 4th October,2010

2.5 DETAILS OF OTHER DIRECTORSHIP AND COMMITTEE MEMBERSHIP

| No. | Name of Directors | Directorship in Public Companies | Other Companies | Committee positions held |
|-----|----------------------------|----------------------------------|-----------------|--------------------------|
| 1 | Mr. Sanjay Agrawal | 0 | 2 | 0 |
| 2 | Mr. Vijay Prasad Pappu | 0 | 0 | 0 |
| 3 | Mr. S.L. Badera | 0 | 0 | 0 |
| 4 | Mr. Sunil Kumar Maheshwari | 0 | 0 | 0 |
| 5 | Mr. C.B. Chhaya | 3 | 1 | 3 |

In accordance with Clause 49 of the listing agreement with the stock exchanges, memberships/ chairmanships of only the Audit Committee and Shareholders'/ Investors' Grievance Committee of all public Limited Companies (excluding those of the company) have been considered.

2.6 INFORMATION PLACED BEFORE THE BOARD OF DIRECTORS:

The information placed before the board of Directors is as follows:

- a) Annual operating plans and budgets, revisions and updates, if any.
- b) Capital budgets with revisions and updates if any.
- c) Quarterly (including periodic) results of the company and its operating divisions/ business segments.
- d) Minutes of the meetings of Audit and other committees of the Board.
- e) The information on recruitment and remuneration of senior officers below the board level, including appointment or cessation of office by CFO and Company Secretary.
- f) Show cause, demand and prosecution notices which are materially important.
- g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- h) Details of any joint venture or collaboration agreement.
- i) Industrial relationship issues of material nature and proposed remedial actions. All significant development in Human Resources/ industrial relations.
- j) Transactions of material nature of buying and selling of investments, or undertaking/ assets, which are not in normal course of business.
- k) Status on compliance with all regulatory, statutory and material contract requirements.
- l) Details of delegation of authorities to executives and power of attorney.

BOARD SUPPORT

The Company Secretary of the company attends all the meetings of Board and advises / assures the Board on Compliance and Governance principles.

BOARD INDEPENDENCE

Our definition of independence of Directors is derived from Clause 49 of the Listing Agreement with Stock Exchanges. Based on the confirmation / disclosures from the Directors and on evaluation of relationships disclosed, all Non-Executive Directors are independent in terms of Clause 49 of the Listing Agreement.

2.7. DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT

During the year, Shri Sunil Kumar Maheshwari was appointed as Additional Director of the Company w.e.f. 22th November, 2010.

Mr. Chakradhar Bharat Chhaya, retire by rotation and being eligible, has offered himself for re-appointment.

Brief profile of directors seeking Appointment / Re-appointment:

Mr. Sunil Kumar Maheshwari

Mr. Sunil Kumar Maheshwari, aged 47 year is Non Executive Independent Director of the company and has more than 23 years experience in the field of Audit and Direct Tax. He completed his Bachelor of Commerce from Doctor Harisingh Gour Vishwavidyalaya Sagar, Madhya Pradesh in the year 1984. He is a Fellow member of Institute of Chartered Accountants of India.

He began his career in the year 1988 as practicing Chartered Accountant at Burhanpur. He is mainly practice in Direct tax and management consultancy. He also has specialisation in fund management and investment planning.

He is a member of Audit Committee, Remuneration Committee and Shareholder' / Investors' Grievance Handling Committee of the Company.

Directorship / Committee membership in other public companies (excluding foreign companies and section 25 companies): Nil

Mr. Maheshwari does not hold any share of the company.

Mr. Chakradhar Bharat Chhaya

Mr. Chakradhar Bharat Chhaya, aged 67 years is Non Executive Independent Director of the company and has more than 44 years experience in the field of Banking and Finance. He completed his Bachelor of Commerce from University of Bombay in the year 1963. He is Fellow of Institute of Cost and Work Accountants of India. He is also a CAIIB (Certified Associate of Banker).

He began his career in the year 1964 with Bank of Baroda. He worked at various positions before retiring as Managing Director of BOBCARDS Limited, a subsidiary of Bank of Baroda in 2003. At present, he is practising Cost Accountant and undertakes cooperates and NBFC advisory assignment.

He is a member of Audit Committee, Remuneration Committee and Shareholder' / Investors' Grievance Handling Committee of the Company. Directorship / Committee membership in other public companies (excluding foreign companies and section 25 companies) : Directorship : 3 Committee membership : 3
Mr. Chhaya does not hold any share of the company.

2.8. CEO/CFO CERTIFICATE

As required under clause 49 V of the Listing Agreement with the Stock Exchanges, the Shri Sanjay Agrawal, Managing Director Cum Chief Executive Officer of the Company have certified to the Board regarding financial statements for the year ended 31st March, 2011.

2.9. CODE OF CONDUCT

All the directors and senior management personnel have affirmed compliance with the code of conduct/ethics as approved and adopted by the Board of Directors and a declaration to that effect signed by Managing Director is attached and form part of this report. These codes have been posted on the company's website www.texmopipe.com.

2.10. POLICY FOR PROHIBITION OF INSIDER TRADING

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the company has adopted a policy for prohibition of insider trading for Directors and specified employees of the company, relating to dealing in the shares of the company. This policy also provides for periodical disclosures from designated employees as well as pre-clearance of transactions by such persons.

3. AUDIT COMMITTEE:

The Audit Committee formed in pursuance of Clause 49 of the Listing agreement and Section 292A of the Companies Act, 1956 is instrumental in overseeing the financial reporting besides reviewing the quarterly, half yearly, annual financial results of the company; it reviews company's financial and risk management policies and the internal control systems, internal audit systems, etc. through discussions with internal and external auditors and the following matters:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Appointment, removal and terms of remuneration of internal auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act 1956;
 2. Changes, if any, in accounting policies and practices and reasons for the same;
 3. Major accounting entries involving estimates based on the exercise of judgment by management;
 4. Significant adjustments made in the financial statements arising out of audit findings;
 5. Compliance with listing and other legal requirements relating to the financial statements;
 6. Disclosure of any related party transactions;
 7. Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Monitoring the use of the proceeds of the proposed initial public offering of the Company.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing internal audit reports and adequacy of the internal control systems.
- Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism, when the same is adopted by the Company and is existing.
- Carrying out any other function as may be statutorily required to be carried out by the Audit Committee.

During the year 2010-2011 Four Meetings of the committee were held i.e. on 27th April 2010, 10th August 2010, 12th November 2010 and 12th February 2011. The attendance in the committee is as under:

| Name of director | Position held in Committee | No of meetings attended |
|---|-----------------------------------|--------------------------------|
| Mr. Sunil Kumar Maheshwari (with effect from 22.11.2010) | Chairman | 1 |
| Mr. Shanti Lal Badera | Member | 4 |
| Mr. Chakradhar Bharat Chhaya | Member | 4 |
| Mr. Vijay Prasad Pappu | Member | 1 |
| Mr. Rajesh Selot (Up to 12.11.2010) | Ex-Chairman | 2 |

Mr. Rajesh Selot has resigned from the office of Directorship w.e.f 12th November 2010.

Mr. Rishabh Kumar Jain, Company Secretary and Compliance Officer acts as the secretary to the committee.

Mr. Rishabh Kumar Jain has resigned from the post of Company Secretary and Compliance Officer w.e.f 15th May 2011 and Mr. Akhilesh Gupta has been appointed as Company Secretary with effect from 10th June 2011 and Compliance officer with effect from 30th June 2011.

4. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The company attends to investor grievances/correspondence expeditiously and usually reply is sent within a period of 07 days of receipt, except in the cases that are constrained by disputes or legal impediments. All the complaints have been redressed to the satisfaction of the complainants. During the year 2010-2011 Four Meetings of the committee were held i.e. on 27th April 2010, 10th August 2010, 12th November 2010 and 12th February 2011. The attendance in the committee is as under:

| Name of Director | Position Held | No. of meetings attended |
|------------------------------|---------------|--------------------------|
| Mr. Chakradhar Bharat Chhaya | Chairman | 4 |
| Mr. Shanti Lal Badera | Member | 4 |
| Mr. Sanjay Agrawal | Member | 4 |

Mr. Rishabh Kumar Jain, Company Secretary and Compliance Officer acts as the secretary to the committee.

Mr. Rishabh Kumar Jain has resigned from the post of Company Secretary and Compliance Officer w.e.f 15th May 2011 and Mr. Akhilesh Gupta has been appointed as Company Secretary with effect from 10th June 2011 and Compliance officer with effect from 30th June 2011.

NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mr. Akhilesh Gupta

Company Secretary & Compliance Officer
Texmo Pipes and Products Limited
98, Bahadarpur Road, Burhanpur (M.P.)
Phone- 07325-255122
Email- akhilesh.gupta@texmopipe.com

5. REMUNERATION COMMITTEE

The Remuneration Committee which was formed in August, 2008 presently comprises of three independent non executive directors, namely Mr. S.K. Maheshwari, Mr. S.L. Badera and Mr. C.B. Chhaya. During the year 2010-2011 Four Meetings of the committee were held i.e. on 27th April 2010, 10th August 2010, 12th November 2010 and 12th February 2011. The attendance in the committee is as under:

| Name of Director | Position Held in committee | No. of meetings attended |
|-------------------------------------|----------------------------|--------------------------|
| Mr. Chakradhar Bharat Chhaya | Chairman | 4 |
| Mr. Shanti Lal Badera | Member | 4 |
| Mr. Sunil Kumar Maheshwari | Member | 1 |
| Mr. Rajesh Selot (Up to 12.11.2010) | Ex- Chairman | 2 |

The Remuneration Committee recommends remunerations, promotions, increments etc. for the Managing Director and Executive Director to the Board for approval.

Mr. Rajesh Selot has resigned from the office of Directorship w.e.f 12th November 2010.

Details of Extra-ordinary General Meeting

During the year 2010-11 one Extra-ordinary meeting was held on 28th October 2010 at the Registered Office of the company.

6. SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to have an Independent Director of the Company on the Board of such subsidiary company.

7. DISCLOSURES

- a) Disclosure regarding materially significant related party transaction : For details please refer schedule 22 (Note No. 9) on notes forming part of the accounts.
- b) There were no instances of non compliance or penalty, strictures imposed on the company by the stock exchange or SEBI or any other statutory Authority on any matter related to capital markets during the last year.
- c) The company has complied with the mandatory requirements of corporate governance clause 49 of the Listing Agreements with the Stock Exchanges.
- d) The non mandatory requirements have not been adopted as a formal policy except for Remuneration committee as set out in item 5 above.
- e) During the year Registrar of Companies, Gwalior, Madhya Pradesh imposed penalty on Company, Directors and Company Secretary for the non compliance of certain provisions of the Companies Act.

Management discussion and analysis report shall form part of the Annual Report to the shareholders

Sent separately as an annexure to the Annual Report.

8. RISK MANAGEMENT

The Company has well laid down procedures to inform Board Members about the risk assessment and minimisation procedures.

9. MEANS OF COMMUNICATIONS

The Quarterly, Half yearly and The Annual Financial result are faxed to the Stock exchange at Mumbai in the prescribed format within 15 minutes of the conclusion of the Board Meeting at which the result are taken on record. The quarterly financial Result of the Company is also published in the Free Press and Choutha Sansar and Dainik Bhaskar. A report on the Limited Review of the financial result for all quarter were obtained from the Auditors of the company and filed with Stock Exchange. Annual Report is

circulated to members and others entitles thereto. However, there is no provision for dispatching half yearly Unaudited Financial Results to the shareholders as the result are published in news papers and posted on the website (<http://www.texmopipe.com>) of the company.

10. SHAREHOLDER INFORMATION

A. Details of last Annual General Meeting

| Financial year ended | Date and time | Venue | Special Resolution passed |
|------------------------------|--------------------------------|---------------------------------------|--|
| 31 st March, 2010 | September 25, 2010 12.30 PM | 98, Bahadarpur Road, Burhanpur (M.P.) | Special Resolution was passed at this meeting. |

B. Financial Calendar:

01st April to 31st March

C. Annual General Meeting 2011

| | |
|-------------------------------------|---|
| Date | Wednesday, 28 September, 2011 |
| Venue | 98, Bahadarpur Road, Burhanpur (M.P.) |
| Time | 11.30 A.M. |
| Book closure date | Saturday, 24 th September, 2011 to Wednesday, 28 th September, 2011 (both days inclusive) |
| Last date of receipt of Proxy forms | Thursday, 26 th September, 2011 before 11.30 A.M. at the Registered Office of the company. |

The Annual Report includes financial statements, key financial data and detailed information in the management discussion and analysis and shareholders' information sections.

D. Listing Details

| Name of the stock Exchange | Stock Code |
|--|--------------|
| Bombay Stock Exchange Limited | 533164 |
| National Stock Exchange of India Limited | TEXMOPIPES |
| ISIN | INE141K01013 |
| Luxembourg Stock Exchange | TEXMO-LX |

GDR issued by the Company has been listed at Luxembourg Stock Exchange w.e.f. 12th April 2011.

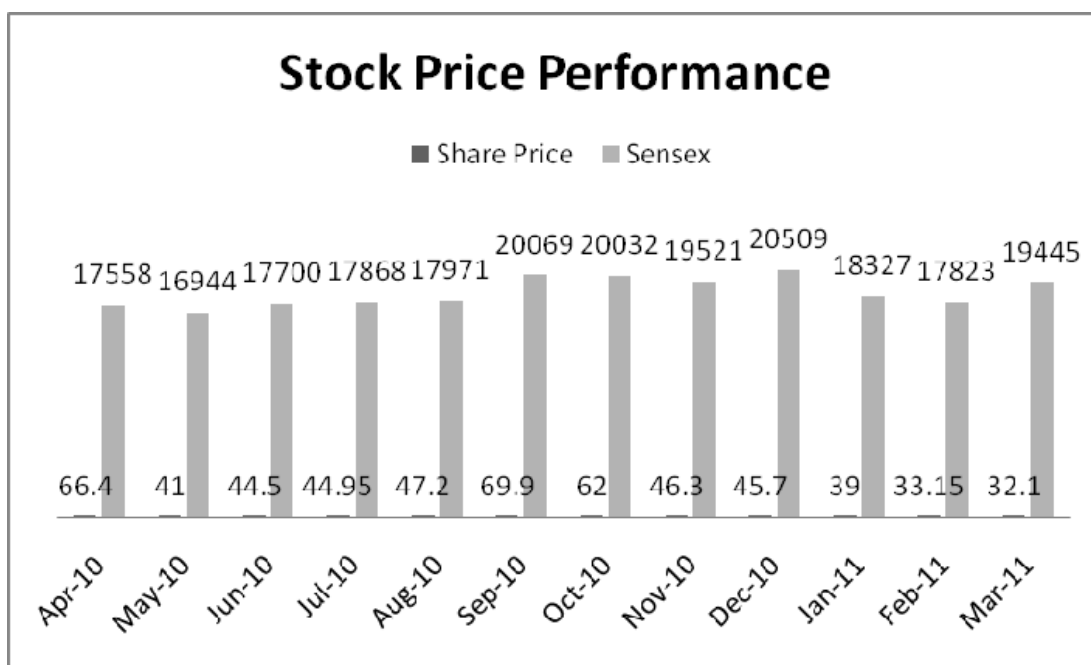
The listing fees for the financial year ended 31st March, 2011 has been paid to the above stock exchanges.

E. Share price data

Our company had listed on stock exchanges on 10th March, 2010. The details of high and low prices of shares of the company at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2011 are as under:

Period – from 01st April, 2010 to 31st March, 2011

| Months | BSE | | NSE | |
|----------------|------------|----------|------------|----------|
| | High (Rs.) | Low(Rs.) | High (Rs.) | Low(Rs.) |
| April 2010 | 94.8 | 66.05 | 93.75 | 66.05 |
| May 2010 | 66.95 | 39.00 | 66.95 | 39.80 |
| June 2010 | 49.4 | 39.30 | 50.00 | 39.25 |
| July 2010 | 53.35 | 43.50 | 52.85 | 43.65 |
| August 2010 | 53.20 | 44.45 | 53.40 | 44.55 |
| September 2010 | 72.40 | 47.50 | 72.40 | 47.60 |
| October 2010 | 73.00 | 60.00 | 72.90 | 61.10 |
| November 2010 | 66.30 | 43.10 | 66.25 | 42.10 |
| December 2010 | 54.60 | 40.10 | 53.90 | 40.85 |
| January 2011 | 47.50 | 36.55 | 48.00 | 35.20 |
| February 2011 | 39.95 | 31.15 | 40.45 | 31.00 |
| March 2011 | 36.00 | 30.00 | 35.65 | 27.10 |



F. Investor Services

Web based query redressal system

Members may utilise the new facility extended by the Registrar & Transfer Agents for redressal of their queries. Please visit <http://karisma.karvy.com> and click on “INVESTOR” option for query registration through free identity registration. Investor can submit their query in the “QUERIES” option provided on the website, which would give the grievance registration number. For accessing the status/ response to your query the same number can be used at the option “VIEW REPLY” after 24 hours. The investor can continue to put an additional query relating to the case till they get satisfactory reply.

The status on the total number of complaints received during the FY 2010-11, is as follows:-

| Particulars | No. of Complaints |
|--|-------------------|
| Investor Complaint received during the year | 50 |
| Investor Complaint disposed off during the year | 50 |
| Investor Complaint lying unresolved at the end of year | 0 |

G. Email Address

Ministry of Corporate Affairs (MCA) has permitted the delivery of documents viz. notices of meetings, annual reports etc. to the Shareholders through electronic mode vide its Circular No.17/2011 dated 21 April 2011. The shareholders holding shares in physical form are requested to register their email address with the Company/Registrar & Share Transfer Agent (With Depository Participants in case of shares held in dematerialised form). This paperless compliance is a part of Green Initiative in the Corporate Governance as introduced by MCA.

11. REGISTRAR AND TRANSFER AGENTS:

Share transfer, dividend payment and all other shareholders’ correspondence are attended to and processed by our Registrar and Transfer Agents, i.e. Karvy Computershare Private Limited having their office at:

Karvy Computershare Private Limited

Karvy House, 46, Avenue 4,
 Street No. 1, Banjara Hills,
 Hyderabad – 500 034
 Tel: +91-40-2342 0815-28
 Fax: +91-40-2331 1551

12. SHARE TRANSFER SYSTEM:

The company's shares are covered under the compulsory dematerialisation list and are transferable through the depository system. Shares sent for transfer in physical form are registered and returned within a period of thirty days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

13. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2011

| No. Of equity shares held | Shareholders | | Equity shares held | |
|---------------------------|---------------------|------------|--------------------|----------|
| | No. Of shareholders | % of total | Amount | % amount |
| 001 - 5000 | 11348 | 88.07 | 15436160.00 | 13.70 |
| 5001-10000 | 842 | 6.53 | 6766490.00 | 6.00 |
| 10001-20000 | 391 | 3.03 | 5915850.00 | 5.25 |
| 20001-30000 | 103 | 0.80 | 2641400.00 | 2.34 |
| 30001-40000 | 50 | 0.39 | 1821960.00 | 1.62 |
| 40001-50000 | 47 | 0.36 | 2226430.00 | 1.98 |
| 50001-100000 | 57 | 0.44 | 4307100.00 | 3.82 |
| 100001 & above | 47 | 0.36 | 75584610.00 | 65.29 |
| Total | 12885 | 100.00 | 112700000.00 | 100.00 |

14. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2011

| Category | No. Of shareholders | No. Of share held | % of equity |
|---|---------------------|-------------------|-------------|
| Promoters holding | 9 | 6162469 | 54.68 |
| Public shareholdings | | | |
| Clearing member | 50 | 23491 | 0.21 |
| Indian Financial Institutional Investor | 1 | 5580 | 0.05 |
| HUF | 183 | 113306 | 1.01 |
| Body Corporate | 467 | 1393311 | 12.36 |
| Non Resident Indians | 90 | 70582 | 0.63 |
| Resident Individual | 12085 | 3501261 | 31.06 |
| Total | 12885 | 11270000 | 100.00 |

15. DEMATERIALIZATION OF SHARES AND LIQUIDITY

97.73 % of the total equity share capital of the company is held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2011. The market lot is one share as the trading in equity shares of the company is permitted only in dematerialized form. The stock is highly liquid.

16. PLANT LOCATIONS

The company's plant is located at registered office, i.e. 98, Bahadarpur Road, Burhanpur (M.P.).

17. ADDRESS FOR CORRESPONDENCE

Shareholder's correspondence: Shareholders may correspond with:

1. Registrar & Transfer Agents for all matters relating to transfer / dematerialization of shares, payment of dividend, IPO refunds / demat credits at:

Karvy Computershare Private Limited
 Karvy House, 46, Avenue 4,
 Street No. 1, Banjara Hills,
 Hyderabad – 500 034
 Tel: +91-40-2342 0815-28
 Fax: +91-40-2331 1551

2. Shareholder may also contact:
Mr. Akhilesh Gupta
Company Secretary & Compliance Officer
Texmo Pipes and Products Limited
98, Bahadarpur Road, Burhanpur (M.P.)
Tel. No. 07325-255122
Email id- akhilesh.gupta@texmopipe.com

18. DETAILS OF SHARES HELD IN SUSPENSE ACCOUNT:

The disclosure under clause 5A of the Listing Agreement is as under:

| Sr. No. | Particulars | No. Of shareholder | No. Of shares |
|---------|---|--------------------|---------------|
| 01 | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year. | 04 | 377 |
| 02 | Number of shareholders who approached the company for transfer of share from suspense account during the year. | 02 | 227 |
| 03 | Number of shareholders to whom shares were transferred from suspense account during the year. | 02 | 227 |
| 04 | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year | 02 | 150 |
| 05 | The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. | | |

19. COMPLIANCE WITH THE CORPORATE GOVERNANCE – VOLUNTARY GUIDELINES, 2009

In December, 2009, the Government of India, Ministry of Corporate Affairs (“MCA”) has issued Corporate Governance Voluntary Guidelines 2009. MCA has clarified that the Guidelines were prepared and disseminated for consideration and adoption by corporate and may be voluntarily adopted by public companies with the objective to enhance not only the enterprise and set a global benchmark for good corporate governance. MCA after taking into account the experience of adoption of these guidelines by corporate and after consideration of the feedback received from them would review these guidelines for further improvements after a period of one year.

The company has been a strong believes in good corporate governance and has been adopting the best practices that have evolved over the years.

The company is in substantial compliance with the voluntary guidelines and it will always be the company’s endeavour to attain the best practices in corporate governance.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

As required by clause 49 I (D) (ii) of the Listing Agreement, this is to confirm that the company has adopted a code of conduct for all Board Members and Senior Management of the company. The code is available on the company's web site.

I confirm that the company has in respect of the financial year ended 31st March, 2011, received from the senior management team of the company and the members of the Board, a declaration of compliance with the code of conduct as applicable to them.

For the purpose of this declaration, senior management team comprises of employees in the Key Managerial Personnel cadre as on 31st March, 2011 of the company.

Date: 11th August, 2011
Place: Burhanpur

For Texmo Pipes and Products Limited
Sanjay Agrawal
(Managing Director)

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To
The Board of Directors
Texmo Pipes and Products Limited

I the undersigned, in our respective capacities as Managing Director & Chief Executive Officer (CEO) of Texmo Pipes and Products Limited, ("the Company") to the best of my knowledge and belief certify that:

- a) I have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2011 and based on my knowledge and belief, I state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) I further state that to the best of my knowledge and belief, there are no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
- c) I hereby declare that all the members of the Board of Directors and senior management have confirmed compliance with the code of conduct as adopted by the company.
- d) I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps have been taken or proposed to be taken to rectify these deficiencies.
- e) I have indicated, based on my most recent evaluation, whether applicable, to the Auditors and Audit Committee:
 - i. Significant changes, if any, in the internal control over financial reporting during the year;
 - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

Burhanpur
August 11, 2011

Sanjay Agrawal
Managing Director

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The members of
Texmo Pipes and Products Limited
Burhanpur (M.P.)

We have examined the compliance of corporate governance by Texmo Pipes and Products Limited for the year ended on 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the company with the stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement 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 the above mentioned Listing agreements.

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

For and on behalf of
Pankaj Somaiya & Associates
Chartered Accountants
Firm Regn. No. 010081C
CA Pankaj Somaiya
Partner
Membership No. 79918