

25th Annual Report

2014 - 2015



FLEX FOODS LIMITED



FLEX FOODS LIMITED

(CIN L15133UR1990PLC023970)

TWENTY FIFTH ANNUAL REPORT 2014-2015

BOARD OF DIRECTORS

ASHOK CHATURVEDI

Chairman

T. N. PANDEY

G. N. GUPTA

M. G. GUPTA

R. K. JAIN

S. K. KAUSHIK

COMPANY SECRETARY

RAJESH DHEER

MANAGER

B.P. SHARMA

AUDITORS

Statutory Auditor

JAIN SINGHAL & ASSOCIATES

IIInd Floor, M-6, M Block Market, Greater Kailash-II
New Delhi-110 048

Internal Auditor

VIJAY SEHGAL & CO.

100, New Rajdhani Enclave
Delhi-110 092

Secretarial Auditor

MAHESH GUPTA & CO.

Wadhwa Complex, Chamber No. 110,
Ground Floor, D-288-299/10, Laxmi Nagar,
Delhi-110 092

BANKERS

CANARA BANK

ALLAHABAD BANK

REGISTERED OFFICE

Lal Tappar Industrial Area,

P.O. Resham Majri,

Haridwar Road,

Dehradun (Uttarakhand)

Phone: (0135) 2499234, (0135) 2499262

Fax: (0135) 2499235

SHARE DEPARTMENT

305, Third Floor, Bhanot Corner,

Pamposh Enclave,

Greater Kailash - I

New Delhi - 110048

Phone Nos. : 26440917, 26440925

Fax No. : 26216922

E-mail : flexsec@vsnl.net

REGISTRAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd

Beetal House, 3rd Floor

99, Madangiri, Beind Local Shopping Centre

Near Dada Harsnath Das Mandir

New Delhi

Phone Nos. : 011 29961281 - 83

Fax No. : 011 29961284

E-mail : beetal@beetalfinancial.com

WORKS

Lal Tappar Industrial Area,

P.O. Resham Majri,

Haridwar Road,

Dehradun

(Uttarakhand)

Chidderwala

Dehradun

(Uttarakhand)

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of FLEX FOODS LIMITED will be held on Saturday, the 22nd day of August, 2015 at 03:00 P.M. at the Registered Office of the Company at Lal Tappar Industrial Area, P.O. Resham Majri, Haridwar Road, Dehradun, Uttarakhand

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare the dividend for the year 2014-2015 on the equity shares of the Company.
3. To appoint a Director in place of Shri S. K. Kaushik (holding DIN 00027035), who retires by rotation and being eligible offers himself for re-appointment.
4. Ratification of Appointment of Statutory Auditors.

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Jain Singhal & Associates., Chartered Accountants (Firm Registration No. 005839N), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors."

By Order of the Board

Rajesh Dheer

Company Secretary
FCS No. 3060

Place : NOIDA
Date : 27.05.2015

Regd. Office:
Lal Tappar Industrial Area,
P.O. Resham Majri, Haridwar Road,
Dehradun, Uttarakhand

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 17.08.2015 to 22.08.2015 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

3. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
7. The Company has paid the Annual Listing Fees for the year 2015-2016 to the BSE Limited on which the Company's Securities are presently listed.
8. Unclaimed/Undelivered Share Certificates

As per the provisions of Clause 5A of the Listing Agreement, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. Accordingly unclaimed shares lying with the Company have been transferred and dematerialized in an 'Unclaimed Suspense Account' of the Company. This Account is being held by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said 'Unclaimed Suspense Account' and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares.

Shareholders, who have not yet claimed their shares are requested to immediately approach the Registrar & Transfer Agents of the Company by forwarding a request letter duly signed by all the shareholders furnishing their complete postal address along with PIN code, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account – Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the Suspense Account is given below:

Sl. No.	Particulars	No. of Share-holders	No. of equity shares held
1.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed suspense Account	143	14500
2	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account	Nil	Nil
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account	Nil	Nil
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on date	143	14500

9. Voting through electronic means

- In compliance with provisions of Clause 35 B of the Listing Agreement read with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, the Company is providing the shareholders facility to exercise their right to vote on Resolutions proposed to be considered at the forthcoming Annual General Meeting by electronic means and the business may be transacted through e-voting

platform provided by Central Depository Services (India) Limited (CDSL).

- That the facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
- That the Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again.

The process & manner for e-voting are as under :

- The voting period begins on **19th August, 2015 (9:00 AM)** and ends on **21st August, 2015 (5:00 PM)**. 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 **15th August, 2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders." Tab.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- 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"> 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. 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.



DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for **FLEX FOODS LIMITED** on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii) If Demat account holder has forgotten the changed 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 and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

- 10 The Voting Rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the *cut-off date* i.e. **15th August, 2015**.
11. A person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the *cut-off date* only shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting through ballot paper.
12. Mr. Mahesh Gupta, Practicing Company Secretary (Membership No. 2870) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
13. The Chairman shall, at the Annual General Meeting, at the end of discussion on the Resolutions on which voting is to be held, allow voting, with the assistance of Scrutinizer, by use of "ballot paper" or "polling paper" for all those Members who are present at the annual general meeting but have not cast their votes by availing the remote e-voting facility.
14. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting



and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make not later than three days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.

15. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.flexfoodsltd.com.

com and on the website of CDSL immediately after declaration of results and communicated to the Stock Exchanges.

16. All documents referred to in the Accompanying Notice and the Explanatory Statements shall be open for inspection at the Registered Office of the Company during normal business hour (9.00 AM to 5.00 PM) on all working days, upto and including the date of the Annual General Meeting of the Company

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(In Pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Shri S.K. Kaushik
Date of Birth	29.11.1939
Date of Appointment	11.08.2000
Experience in specific functional area	A Chartered Accountant having more than 50 years of experience particularly in the field of Finance, Marketing and Production Planning.
Qualification	FCA.
Directorship in other Public Limited Companies	UFLEX Limited UTech Developers Limited
Members/Chairman of Committee of the Board of the Public Limited Companies on which he is Director	Audit Committee - UFLEX Ltd. Nomination and Remuneration Committee - UTech Developers Ltd. Shareholders' Relationship Committee - Flex Foods Ltd. - UFLEX Limited

Note: None of the Non-Executive Directors of the Company hold any shares/convertible instrument in the Company except Shri Ashok Chaturvedi, (Non-Executive Chairman) who hold 7610 equity shares of the Company.

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 25th Annual Report together with the Audited Accounts of the Company for the Financial year ended 31st March, 2015

Financial Results

The financial results for the year ended 31st March, 2015 and for the previous year ended 31st March, 2014 are as follows:

(Rs. In Lacs)

	Year Ended 31.03.2015	Year Ended 31.03.2014
Income from Operation	7245.20	6616.48
Other Income	245.88	314.60
Profit before Finance Cost, Depreciation and Taxes	2116.28	1914.18
Finance Cost	286.28	200.53
Depreciation	389.15	356.77
Profit before Tax	1440.85	1356.88
Provision for Taxation	462.15	319.27
Deferred Tax (Assets)/ Liability	46.74	2.47
Short/(Excess) Provision of earlier year	(9.38)	0.21
Profit for the Year	941.34	1034.93
Earnings per Share	7.56	8.31

Your Company during the year achieved total revenue of Rs.7491.08 including other income of Rs.245.88 lacs in comparison to total revenue of Rs 6931.08 lacs including other income of Rs 314.60 lacs in the previous year ended 31st March, 2014. During the year the Company made export of manufactured/traded goods on FOB basis to the tune of Rs 5071.32 lacs, which is approximately 71% of the total sales. Your Company ended the year with a net profit of Rs.941.34 lacs compared to profit of Rs.1034.93 lacs for the previous year ended 31st March, 2014. The earning per share is Rs. 7.56 in comparison to Rs.8.31 per share in the previous year.

The operational aspects of the Company's working have been covered in detail in the Management Discussion and Analysis Report and the same is deemed to be part of this Directors' Report.

Dividend

Your Directors are pleased to recommend a dividend @ Rs.2.25 per share for the financial year ended 31 March, 2015. The dividend if approved at the forthcoming Annual General Meeting will be paid to Members whose name appear in the Register of Members as on 16.08.2015. In respect of shares held in dematerialized form, it will be paid to those members whose name are furnished by National Securities Depository Limited and Central Depository Service (India) Limited as beneficial owner.

Share Capital

The paid-up equity share capital as on 31st March, 2015 was Rs. 12.45 crores. During the year under review, the company has neither issued shares with Differential Voting Rights nor granted Stock Options nor sweet Equity. As on 31st March, 2015 none of the Director of the Company held shares or convertible instruments of the Company except Mr. Ashok Chaturvedi, Chairman who held 7610 Equity Shares.

Fixed Deposit

During the year under review, your Company did not accept any Fixed Deposits from the Public

Directors

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri S.K. Kaushik, Director (DIN 00027035) of the Company retires by rotation and being eligible offers himself for re-appointment.

Brief resume of the Director seeking re-appointment, nature of his expertise in specific functional areas and the name of the Public Companies in which he holds Directorship and Chairman/Membership of the Committees of the Board, is given as Annexure to the Notice convening the Annual General Meeting.

Directors' Responsibility Statement

On the basis of compliance certificates received from the Executives of the Company, subject to the disclosures in the Annual Accounts and also on the basis of the discussion with the Statutory Auditors / Internal Auditors of the Company from time to time, your Directors make the following statement in terms of section 134(3)(c) of the Companies Act, 2013

- that in the preparation of the Annual Financial Statement for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any;
- that the company has selected such Accounting Policies and applied consistently and judgment and estimates have been made 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 as at 31st March, 2015 and of the profits of the Company for the year ended on that date;
- that the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the Annual Financial Statement have been prepared on a going concern basis;
- That proper Internal Financial Control were in place and that internal financial controls were adequate and were operating effectively.

- 6) That the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

The Company's Internal Auditors have conducted periodic audit to provide reasonable assurance that the Company's established policies and procedures have been followed. The Audit Committee constituted by the Board reviews the internal control and financial reporting issues with the Internal Auditors.

Auditors & Audit

The Statutory Auditor of the Company M/s Jain Singhal & Associates, Chartered Accountants, New Delhi (Firm Registration No. 005839N) were appointed as Statutory Auditors by the members for a period of three years in the Annual General Meeting held on 23rd August, 2014. Their appointment would be ratified at the ensuing Annual General Meeting.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments.

Internal Auditors

The Board of Directors of your Company has re-appointed M/s. Vijay Sehgal & Co., Chartered Accountants, Delhi (Firm Registration No. 000374N) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the Financial Year 2015-2016.

Secretarial Auditors

The Board of Directors of your Company has appointed M/s. Mahesh Gupta & Company, Practicing Company Secretaries, as Secretarial Auditors pursuant to the provisions of Section 204 of the Companies Act, 2013. The report of the Secretarial Auditors is annexed to the report as per **Annexure 'A'**. There is a qualification in the Report that Company did not appoint Woman Director upto 31st March, 2015.

The management has clarified that, it is in search out and in process of appointing a woman director soon.

Corporate Governance

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Agreement with the Stock Exchange.

A separate report on Corporate Governance alongwith Report on Management Discussion & Analysis is enclosed as a part of the Annual Report.

Corporate Social Responsibility

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by Ministry of Corporate Affairs every company having the net worth of Rs. 500 crores or more, turnover of Rs. 1000 crores or more, or net profit of Rs. 5 Crore or more during any financial year have to spend at least 2% of the average net profit of the

company made during the three immediately preceding financial years.

The Company has to do a CSR activity for an amount of Rs. 18.38 lakh based on the average profits of the three immediate preceding financial years. It being the first year of application of CSR provisions, the company has been on the look out to identify meaningful CSR activity covered under the Schedule VII of the Companies Act, 2013, which can be undertaken by the Company on sustained basis and therefore no expenditure has been made during the year.

The report on CSR activities is annexed as an **Annexure B**.

Disclosure under Companies Act, 2013

(i) Extract of Annual Return

The details forming part of the Extract of Annual Return in annexed as per **Annexure 'C'**

(ii) Meetings

During the year Four Board Meetings and Four Audit Committee meetings were convened and held. The details of which are given in Corporate Governance Report.

(iii) Composition of Audit Committee

The Board has constituted a Audit Committee, which comprises of Mr. T.N. Pandey as Chairman and Mr. G.N. Gupta, Mr. M.G. Gupta and Mr. R.K. Jain as the Members. More details about Committee are given in Corporate Governance Report.

(iv) Related Party transactions

None of the transactions with any of related parties were in conflict with the Company's interest. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

All related party transactions are negotiated on an arms-length basis and are ordinary course of business. Therefore, the Provisions of Section 188(1) of the Companies Act, 2013 are not applicable.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at the weblink www.flexfoodsltd.com/investor/policy-on-related-party-transactions-htm.

The details of the transaction with the Related party are provided in the accompanying financial statements.

(v) Particulars of Loan, Guarantees and Investment

Details of loans, guarantees and investment covered under Provisions of Section 186 of the Companies Act, 2013 are given in the accompanying Financial Statements.

Significant and Material Orders Passed by the Regulators or Court

There are no significant and material order passed by the Regulators or Court, which would impact the going concern status of the Company and its future operations.



Internal Financial Control

A detailed note has been provided under Management Discussion and Analysis report.

Vigil Mechanism And Whistle Blower Policy

Fraud free and corruption free work culture has been the core of the company's functioning. In view of the potential risk of fraud and corruption due to rapid growth and geographical spread of operations, the Company has put even greater emphasis to address this risk.

To meet this objective, a Whistle Blower Policy has been laid down. The same policy as approved by the Board was uploaded on the Company website at weblink www.flexfoodsltd.com/PDF/Whistle-Blower-Policy/whistleblowerpolicy.pdf.

Board Evaluation

Pursuant to provision of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an Annual Performance Evaluation of its own performance and the Directors individually.

The manner of evaluation of Non-independent Directors, Chairman and the Board as a whole was done at a separate meeting held by Independent Directors.

The performance evaluation of Independent Directors was done by the entire Board, excluding Directors being evaluated.

Disclosure Under Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. There were no complaint received from any employee during the Financial Year 2014-2015 and hence no complaint is outstanding as on 31.03.2015 for redressal.

Remuneration Policy

The Board has framed a policy for selection of and appointment of Directors, Senior Management and their remuneration

Subsidiary, Joint Ventures And Associate Companies

The Company does not have any Subsidiary or Joint venture Company. However, the company is associate company of UFLEX Ltd.

Particulars of Employees

There has been no employee during the year whose particulars are required to be given pursuant to provision of the Companies Act, 2013. Disclosures pertaining to remuneration and other details as required under section 197 (12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are provided in **Annexure-D**.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

Information under Section 134 of the Companies Act, 2013 read with the rules made there under is given in **Annexure 'E'** forming part of this Report.

Personnel

Relations with the Employees remained cordial and harmonious throughout the year, thereby strengthening the commitment of the Employees at all level to the growth of the Company.

Acknowledgement

The Directors acknowledge with gratitude the co-operation extended by various agencies of the Central Government, Government of Uttarakhand, Banks and all Business Associates during the year under review. The Board also takes this opportunity to express its deep gratitude for the continuous support received from the Shareholders and wholehearted cooperation given by the employees of the Company working at various levels.

For and on behalf of the Board

Place : NOIDA
Dated : 27.05.2015

Ashok Chaturvedi
Chairman
(DIN 00023452)



ANNEXURE 'A' SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To,

The Members,

Flex Foods Limited

Lal Tappar Industrial Area,

P.O. Resham Majri, Haridwar Road,

Dehradun, Uttarakhand

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Flex Foods Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st 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:

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 31st 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;

There is no such Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the year under review.

- (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 - **Not Applicable as the Company did not issue any securities during the financial year under review.**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable as the Company has not granted any Options to its employees during the financial year under review.**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as the Company has not issued any debt securities during the financial year under review.**
- 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- **Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable as the Company has not get delisted its equity shares from any stock exchange during the financial year under review.**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **Not applicable – (notified but effective from 1st July, 2015).**
- (ii) The Listing Agreements entered into by the company with Stock Exchange.

During the year under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above. However, the Company was required to spend on CSR Activities, as mentioned in Schedule VII, pursuant to Section 135(5) of the Companies