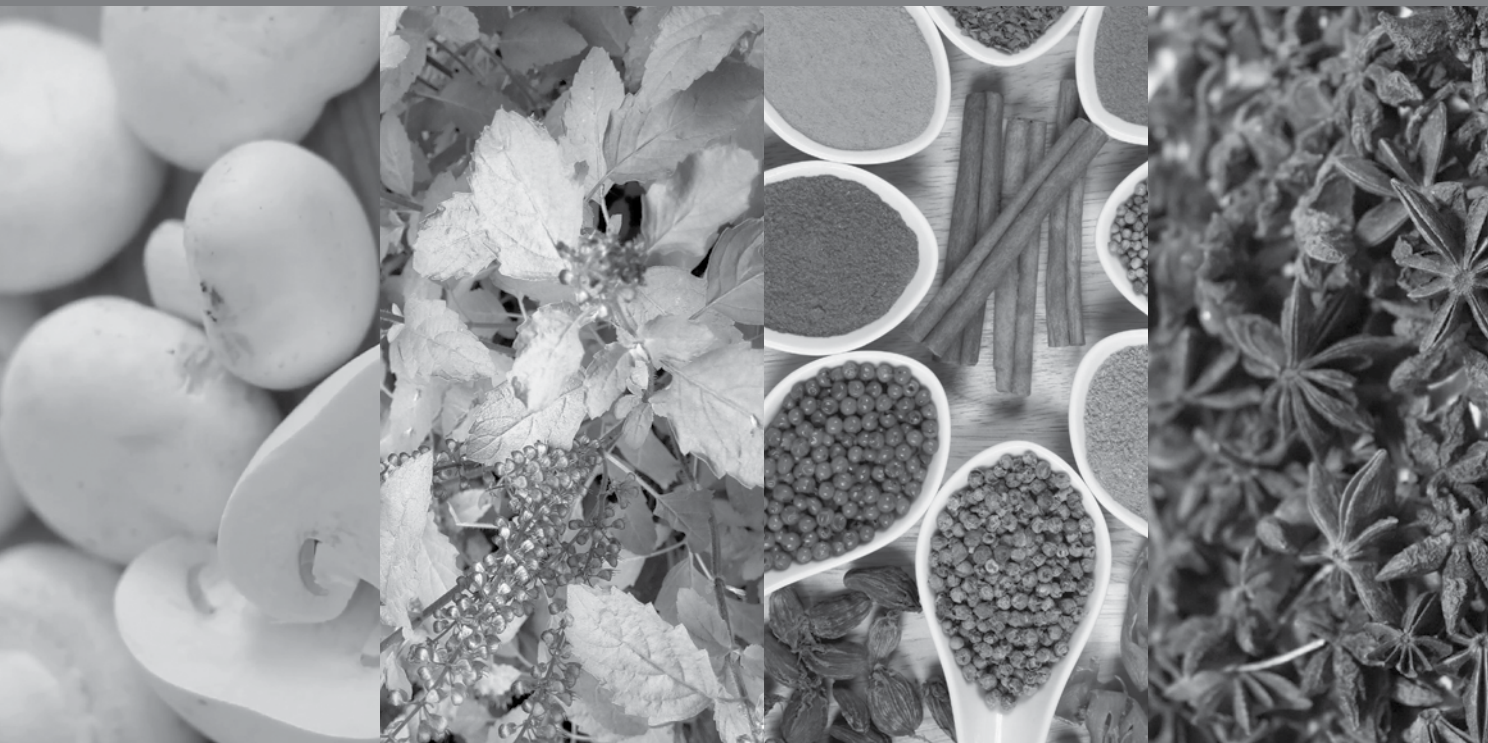


**TWENTY NINTH
ANNUAL REPORT
2018-19**



FLEX FOODS LIMITED



FLEX FOODS LIMITED

(CIN L15133UR1990PLC023970)

TWENTY NINTH ANNUAL REPORT 2018-2019

BOARD OF DIRECTORS

ASHOK CHATURVEDI
Chairman

P.N. SHARMA

ANUPAM AHUJA (Resigned w.e.f. 17.05.2019)

R.K. MISHRA

A. RAGHAVENDRA RAO

Whole Time Director

COMPANY SECRETARY

RAJESH DHEER

AUDITORS

Statutory Auditor

MJMJ & ASSOCIATES, LLP
Flat No. 905, Millenia Emerald Heights Apartments,
Ramprastha Green, Sector 7, Vaishali,
Gaziabad, Uttar Pradesh 201010

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 : secretarial@uflexltd.com

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 29th Annual General Meeting of the Members of Flex Foods Limited will be held on Monday the 05th Day of August, 2019 at 11.30 A.M. at the Registered Office of the Company at Lal Tappar Industrial Area, P.O. Resham Majri, Haridwar Road, Dehradun, Uttarakhand for transacting the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and the Auditors thereon;
2. To declare the dividend for the year 2018-2019 on the equity shares of the Company.
3. To appoint a Director in place of Shri A. Raghavendra Rao (DIN 05116052) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Rajendra Kumar Mishra (DIN 07905342), who was appointed as an Independent Director and who holds office of Independent Director upto 15th August, 2020 being eligible, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 3 (three) consecutive years i.e from 16th August, 2020 to 15th August, 2023 and whose office shall not be liable to retire by rotation."

By Order of the Board

Rajesh Dheer

Company Secretary
FCS No. 3060

Place : NOIDA

Date : 25 May, 2019

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 30.07.2019 to 05.08.2019. (both days inclusive).
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON**

BEHALF OF NOT EXCEEDING 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.

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.

4. 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.
5. The amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs 12,08,588 (Rupees Twelve Lacs, Eight Thousand Five Hundred Eighty Eight only) being the unpaid and unclaimed dividend amount pertaining to Dividend, 2010-11 to the Investor Education and Protection Fund of the Central Government
6. 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.
7. 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
8. Electronic copy of the Annual Report of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.



9. The Company has paid the Annual Listing Fees for the year 2019-2020 to the BSE Limited on which the Company's Securities are presently listed.
10. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 ('IEPF Rules 2016'). Amongst other things, the Rules provides for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case any dividend has not been paid/claimed by the shareholders on such shares during the last seven years to the designated Account as prescribed by the IEPF Authority. In pursuance of Compliance of said rules Company has transferred 42428 (Forty Two Thousands Four Hundred Twenty Eight) Equity Shares to Investor Education and Protection Fund (IEPF).

11. Voting through electronic means

- i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, 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)
- ii. That the facility for voting, through Ballot Paper shall also be made available at the Meeting and 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.
- iii. 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:

- i) The voting period begins on **02.08.2019 (9:00 AM)** and ends on **04.08.2019 (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 **29.07.2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iii) Click on "Shareholders." Tab.
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.

- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>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.</p> <p>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.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- 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 a print of the votes cast 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) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate
 - 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 linked in the login 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.
- xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
12. 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 29.07.2019.
13. 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.
14. Shri 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.
15. 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.
16. 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.
17. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.flexfoodsltd.com and on the website of CDSL immediately after declaration of results and communicated to the Stock Exchanges.
18. 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.
- EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**
- 4) Appointment of Mr. Rajendra Kumar Mishra (DIN 07905342), as an Independent Director of the Company**
- Shri Rajendra Kumar Mishra (DIN 07905342), was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He holds office as Independent Directors of the Company up to 15th August, 2020 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act). Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Shri Rajendra Kumar Mishra, has recommended reappointment of Shri Rajendra Kumar Mishra as an Independent Director for a second term of 3 (three) consecutive years i.e. from 16th August, 2020 to 15th August, 2023. The Board, based on the performance evaluation of Shri Rajendra Kumar Mishra and as per the recommendation of the Nomination and Remuneration Committee, considers that, given is background and experience and contributions made by him during his tenure, the continued association of Shri Rajendra Kumar Mishra would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Shri Rajendra Kumar Mishra as an Independent Director of the Company, not liable to retire by rotation and



to hold office for a second term of 3 (three) consecutive years on the Board of the Company. Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to three consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Shri Rajendra Kumar Mishra is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director. The Company has received notice in writing from a member under section 160 of the Act, proposing candidature of Shri Rajendra Kumar Mishra for the office of Independent Director of the Company. The Company has also received declarations from Shri Rajendra Kumar Mishra that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Shri Rajendra Kumar Mishra fulfil the conditions for appointment as

an Independent Director as specified in the Act and the Listing Regulations. Shri Rajendra Kumar Mishra is independent of the Management.

Details of Shri Rajendra Kumar Mishra is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Shri Rajendra Kumar Mishra is interested in the resolution set out at Item No 4 of the Notice with regard to his re-appointment.

Save and except the above, None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No.4 of the Notice.

By Order of the Board

Rajesh Dheer

Company Secretary
FCS No. 3060

Place : NOIDA
Date : 25 May, 2019

Regd. Office:

Lal Tappar Industrial Area.
P.O. Resham Majri,
Haridwar Road,
Uttarakhand

FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and SS-2 issued by ICSI

Name of Director	Shri A. Raghavendra Rao	Shri Rajendra Kumar Mishra
Date of Birth	19.06.1966	08.05.1957
Date of Appointment	14.08.2017	16.08.2017
Experience in specific Functional areas	He is Science Graduate having an experience of apprx 30 years in the field of Agri Commodities	He is post graduate in Mechanical Engineering from IIT, Kanpur and wide experience of working in various administrative capacities.
Qualification	Graduate	Post Graduate
Terms and Conditions of appointment or re-appointment	Shri A. Raghavendra retires by rotation at the ensuing Annual General Meeting	Shri R.K. Mishra is proposed to be re-appointed as an Independent Director of the Company for second term.
Remuneration sought to be paid	Shri A. Raghavendra retires by rotation at the ensuing Annual General Meeting. Remuneration is being paid as per terms and condition earlier approved by the shareholders.	Nil
Remuneration last drawn	As above	Nil
Shareholding in the Company	Nil	Nil
Relationship with other Directors, Manager and other key managerial personnel	Not related to any other Directors and other key managerial personnel of the Company	Not related to any other Directors and other key managerial personnel of the Company
No. of Meeting of the Board attended	3	4
Directorship in other Public Limited Companies / excluding private companies which are subsidiary of public company	Nil	Nil
Member/Chairman of Committee of the Board of the Public Limited Companies on which he is Director	Committee of Director 1 Flex Foods Limited Stakeholders' Relationship Committee 1 Flex Foods Limited Corporate Social Responsibility Committee 1 Flex Foods Limited	Audit Committee: 1 Flex Foods Limited Stakeholders' Relationship Committee 1 Flex Foods Limited Nomination and Remuneration Committee 1 Flex Foods Limited Corporate Social Responsibility Committee 1 Flex Foods Limited

None of the non-Executive Director of the Company hold any shares convertible instruments in the Company except Shri Ashok Chadurvedi (Non-Executive Chairman) who hold 7610 equity shares of the Company.



DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting this Twenty Ninth Annual Report together with Audited Accounts of the Company for the financial year ended 31st March, 2019.

The summarized financial results for the year ended 31st March, 2019 and for the previous year ended 31st March, 2018 are as follows:

[Rs. in Lacs]

	Year Ended 31.03.2019	Year Ended 31.03.2018
Revenue from Operations	8,536.63	9,122.57
Other Income	164.41	245.59
Total Revenue	8,701.04	9,368.16
Profit before Finance Cost, Depreciation & Tax	1,954.68	1,932.62
Finance Cost	330.92	363.42
Depreciation	524.67	500.16
Profit before Tax	1,099.09	1,069.04
Less : Tax Expenses	(4.22)	388.26
Profit for the year	1,103.31	680.78

During the year under review, your Company achieved total revenue and net profit of Rs 8,701.04 Lacs and Rs 1,103.31 Lacs respectively as against total revenue and Net Profit of Rs. 9,368.16 Lacs and Rs 680.78 Lacs respectively during the previous financial year ended 31st March, 2018.

The comprehensive details of performance of the Company have been given in the Management Discussion and Analysis Report appended hereto.

TRANSFER OF UNCLAIMED DIVIDEND

An amount of Rs 12,08,588 (Rupees Twelve Lacs Eight Thousand Five Hundred Eighty Eight only) was transferred to Investor Education and Protection Fund (IEPF) during the year under review.

TRANSFER OF UNCLAIMED SHARES TO AUTHORITY

As per the provision of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the Company has transferred 42,428 (Forty Two Thousand Four Hundred Twenty Eight) Equity Shares on which Dividend was not paid/claimed for more than seven years to the Investor Education and Protection Fund (IEPF) during the year under review.

DIVIDEND

Yours Directors are pleased to recommend a dividend @ Rs. 1.00 (10%) per share for the financial year ended March 31, 2019 after considering business exigencies.

The dividend if approved at the forthcoming Annual General Meeting will be paid to Members whose names appear in the Register of Members as on 30th July, 2019. In respect of share held in dematerialized form, it will be paid to those member whose names are furnished by National Securities Depository Limited and Central Depository Service (India) Limited as beneficial owner.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of the Company.

SHARE CAPITAL

The paid-up equity share capital outstanding as on 31st March, 2019 was Rs.12.45 Crore. During the year under review, the Company has neither issued Shares with Differential Voting Rights nor granted Stock Options nor Sweat Equity.

As on 31st March, 2019 none of the Directors of the Company except the following held shares or convertible instruments of the Company:

Mr. Ashok Chaturvedi – 7,610 Equity shares

FIXED DEPOSITS

The Company neither had any fixed deposits outstanding as at 31st March 2019 nor any fresh/renewal of deposits were accepted during the financial year 2018-19. There were no unclaimed deposits as at March 31, 2019.

DIRECTORS

None of the Director of the Company are disqualified under the provision of the Company's Act, 2013 or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. A. Raghavendra Rao, Whole-time Director (DIN 05116052) of the Company retire by rotation and being eligible, offers himself for reappointment..

The first term of Mr. R.K. Mishra (DIN 07905342) as an Independent Director of the Company is expiring on 15.08.2020 and on the recommendation of Nomination and Remuneration Committee, the Board has proposed re-appointment of Mr. R.K. Mishra for approval of shareholder through Special Resolution for second term of 3 years.

The brief Resume and other details as required under Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 and SS-2 issued by ICSI are provided in the Notice of Annual General Meeting of the Company.

Mrs. Anupam Ahuja resigned from the Board of Directors of the Company w.e.f. 17.05.2019 due to her pre-occupation and extensive travel that her full day job demanded. The Board of Directors place on record their appreciation for the valuable contribution made during her tenure as Director of the Company.

All the Independent Directors of your Company have given declarations confirming that they meet the criteria of Independence as prescribed both under the Act and Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of Familiarization Programme to Independent Directors of the Company are put up on the website of the Company at the link <https://www.flexfoods ltd. com/pdf/Familiarization-Program-for-Independent-Directors/Familiarization-Program-for-Independent-Directors-2018-2019.pdf>

RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

On the basis of compliance certificates received from the Executives of the Company, subject to 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 statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the Annual Financial Statements for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that the Company has selected such accounting policies and applied consistently and judgments 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 as at 31st March, 2019 and of the Profit of the Company for the year ended on that date;
- c. that 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;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively.
- f. that 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 reviewed the internal controls and financial reporting issues with Internal Auditors and Statutory Auditors.

STATUTORY AUDIT & AUDITORS

There is no change in Statutory Auditors as M/s. MJMJ & Associates LLP, Chartered Accountants (Firm Registration No. 027706N/N400013), will continue as Statutory Auditors of the Company. They were appointed as Statutory Auditor of the Company for a term of five years i.e. from the conclusion of 27th Annual General Meeting till the conclusion of 32nd Annual General Meeting of the Company pursuant to Section 139 of the Companies Act, 2013.

The Report given by M/s. MJMJ & Associates LLP, Chartered Accountants (Firm Registration No. 027706N/N400013)), Statutory Auditors on the financial statement of the Company for the year 2018-19 is part of the Annual Report. There is no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed to the Boards Report.

The Report of the Auditors on the financial statements including relevant notes on the accounts for the Financial Year ended 31st March, 2019 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, New Delhi (Firm Registration No.000374N) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2019-2020.

Secretarial Auditors

The Board has re-appointed M/s Mahesh Gupta & Co., Practicing Company Secretaries, Delhi as Secretarial Auditor pursuant to the provisions of Section 204 of the Companies Act, 2013 for the financial year 2019-2020. The Report of the Secretarial Auditor is annexed to the Report as per **Annexure 'A'**.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of Section 135 of

Companies Act, 2013, your Company has a Corporate Social Responsibility (CSR) Committee, which comprises Mr. P.N. Sharma, Chairman, Mr. Rajendra Kumar Mishra, Member and Mr. A. Raghavendra Rao, Member. The terms of reference of the Corporate Social Responsibility (CSR) Committee is provided in the Corporate Governance Report. Your Company has also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at <http://www.flexfoodsltd.com/pdf/CSRPoly.pdf>.

The Company considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society and environment.

Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure –“B”** is integral part of this Report.

The Company was required to undertake CSR activities utilising Rs.24.11 lacs based on the average profits of the three proceeding financial years. However, the Company has spent of Rs.2.90 lacs upto 31st March, 2019. It was explained that after withdrawal of support to NGO AROH the Company has not been able to identify any meaningful CSR activity for spending of the balance amount of Rs. 21.21 Lacs funds on CSR activities.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 with the Stock Exchanges.

A separate Report on Corporate Governance along with Report on Management Discussion and Analysis is enclosed as part of this Report as **Annexure 'C' & 'D'**.

Disclosure under Companies Act, 2013

(i) Extracts of Annual Return

The details forming part of the extract of Annual Return in Form MGT-9 is annexed as per Annexure E which forms as an integral part of this Report and is also available on the Company's website www.flexfoodsltd.com.

(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 appended hereto.

(iii) Composition of Audit Committee

Due to resignation of Mrs. Anupam Ahuja from the Directorship of the Company, the Board has re-constituted the Audit Committee, which now comprises of Mr. P.N. Sharma as the Chairman, Mr. Rajendra Kumar Mishra and Mr. A. Raghavendra Rao as the Members. More details about the Committee are given in the Corporate Governance Report appended hereto.

(iv) Related Party Transactions

All related party transactions are negotiated on an arms-length basis and are in ordinary course of business. Therefore, the Provisions of Section 188(1) of the Companies Act, 2013 are not applicable. However, suitable disclosure has been made in the notes to the Financial Statements.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website www.flexfoodsltd.com at the weblink <https://www.flexfoodsltd.com/pdf/Related-Party-Policy.pdf>

(v) Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments are given in the accompanying Financial Statements.



SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

INTERNAL FINANCIAL CONTROLS

A detailed note has been provided under Management Discussion and Analysis Report appended hereto.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Fraud-free and corruption-free work culture has been the core of the Company' 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's website www.flexfoodsltd.com at weblink <http://www.flexfoodsltd.com/pdf/whistleblowerpolicy.pdf>

BOARD EVALUATION :

Pursuant to the Provisions of the Companies Act, 2013 and under Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance and that of its committees and all the Directors individually.

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

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. No complaint was received from any employee during the financial year 2018-2019 and hence no complaint is outstanding as on 31st March, 2019 for redressal.

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

There has been no material change and commitments occurred, between the end of the financial year of the Company i.e. 31st March, 2019 and the date of this report affecting financial position of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

RISK MANAGEMENT POLICY

Risk Management is a very important part of any business. Company's Risk Management Policy divides Risk into two broad categories; one Risk Associated at the Transactional Level and the other Risk Associated at the Decision Making Level.

In respect of the Risk Associated at Transactional Level, the company has appropriate control mechanism and operating effectiveness of the Internal Financial Controls and ensure Legal Compliance. The company has created appropriate structures with proper delegation of duties and responsibilities of employee at each level on enterprise basis for compliances thereof.

In respect of Risk Associated at Decision Making level like political, social & economic, market, technology, capital structure, foreign exchange & interest rate, they are evaluated before taking any strategic & financial decisions.

Adequacy and operative effectiveness of the Internal Financial Control and ensuring Legal Compliance are periodically reviewed by the Management, Internal Auditors, Statutory Auditors and the Audit Committee.

However no risk has been identified which in the opinion of the Board may threaten the existence of the Company.

INTERNAL POLICY ON REMUNERATION

The company has Nomination and Remuneration Policy for Directors, Key Management Personnel and Senior Management Personnel. The said policy is available at https://www.flexfoodsltd.com/pdf/Nomination_Remuneration_Policy.pdf

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES :

The company does not have any subsidiary or Joint Venture. However, the company is associate company of Uflex Limited.

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 in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Member interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

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 as per Annexure 'F'.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed as 'Annexure 'G'.

DISCLOSURE OF COST RECORD

The provisions of maintenance of cost records specified by the Central Government under subsection-(1) of section 148 of the Company's Act, 2013 for the products dealt/manufacture by the Company are not applicable of the Company.

PERSONNEL

Personnel relations with all employees remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciations for the continued, sincere and devoted services rendered by all the employees of the Company.

ACKNOWLEDGEMENT

The Directors express their gratitude and thanks to all the Institutions & Banks, Government Authorities where company's operations are carried out, Shareholders, Customers, Suppliers and other Business Associates for their continued co-operation and patronage.

For & On behalf of the Board

Ashok Chaturvedi
Chairman
(DIN 00023452)

Place : NOIDA
Dated : 25th May, 2019



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To

The Members

FLEX FOODS LIMITED

(CIN: L15133UR1990PLC023970)

**Lal Tapper 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, 2019** 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, 2019 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, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable as the Company did not issue any securities during the financial year under review.**

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **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 got 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 & The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**

- vi) The management has identified and informed the following laws as being specifically applicable to the Company:

- 1. Indian Boilers Act, 1923 and Rules made thereunder
- 2. Indian Explosives Act, 1984 and all other Acts and Rules Applicable
- 3. Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder
- 4. Air (Prevention and Control of Pollution) Act, 1981
- 5. Environment (Protection) Act, 1986 and Rules made thereunder
- 6. Legal Metrology Act, 2009 and Rules made thereunder
- 7. Food Safety and Standards Act, 2006

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 Agreement entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above. However, the Company