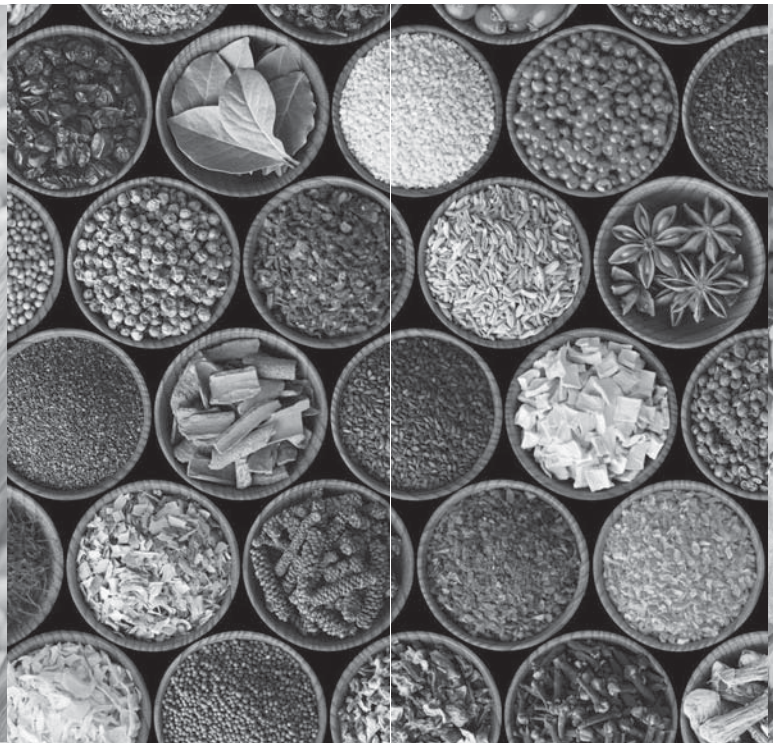
THIRTIETH

ANNUAL REPORT 2019-2020



FLEX FOODS LIMITED

FLEX FOODS LIMITED

(CIN L15133UR1990PLC023970)

THIRTIETH ANNUAL REPORT
2019-2020

BOARD OF DIRECTORS

ASHOK CHATURVEDI
Chairman

P.N. SHARMA

INDU LIBERHAN (Appointed w.e.f. 16.08.2019)

R.K. MISHRA

RAJEEV SHARMA (Appointed w.e.f. 14.07.2020)

A. RAGHAVENDRA RAO (Resigned w.e.f. 03.04.2020)

M.M. VARSHNEY (Appointed w.e.f. 27.06.2020)
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,
Ghaziabad, 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
INDIAN 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)

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting this 30th Annual Report together with Audited Financial Statements of the Company for the financial year ended 31st March, 2020.

The summarized financial results for the year ended 31st March, 2020 and for the previous year ended 31st March, 2019 are as follows:

[Rs. in Lacs]

	Year Ended 31.03.2020	Year Ended 31.03.2019
Revenue from Operations	8149.60	8536.63
Other Income	187.60	164.41
Total Revenue	**8337.20**	**8701.04**
Profit before Finance Cost, Depreciation & Tax	1361.02	1954.68
Finance Cost	248.92	330.92
Depreciation	541.91	524.67
Profit before Tax	**570.19**	**1099.09**
Less : Tax Expenses	(108.76)	(4.22)
Profit for the year	**678.95**	**1103.31**

During the year under review, your Company achieved total revenue and net profit of Rs 8337.20 lacs and Rs 678.95 lacs respectively as against total revenue and Net Profit of Rs. 8701.04 lacs and Rs 1103.31 lacs respectively during the previous financial year ended 31st March, 2019.

In December 2019, a novel strain of coronavirus (COVID-19) surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The Company has not been materially impacted by the coronavirus as of now. Since Company's business falls within the category of manufacturing of essential commodities, therefore company has not seen any material impacts on the its business activities for the financial year under report. However the extent to which the coronavirus will have additional impacts on the Company's business activities will depend on future developments, which are highly uncertain and can't be predicted.

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

TRANSFER OF UNCLAIMED DIVIDEND TO AUTHORITY

An amount of Rs 11,90,254 (Rupees Eleven Lacs Ninety Thousand Two Hundred Fifty Four 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 43443 (Forty Three Thousand Four Hundred Forty Three) Equity Shares on which dividend was not paid for more than seven years to the Investor Education and Protection Fund (IEPF) during the year under review.

DIVIDEND

Your Directors are pleased to recommend a dividend @ Rs 0.75 (seventy five paisa) per share for the financial year ended March 31, 2020 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 17.09.2020. 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, 2020 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, 2020 none of the Directors of the Company except the following held shares or convertible instruments of the Company:

Shri Ashok Chaturvedi – 7,610 Equity shares

FIXED DEPOSITS

The Company neither had any fixed deposits outstanding as at 31st March 2020 nor any fresh/renewal of deposits were accepted during the financial year 2019-20. There were no unclaimed deposits as at March 31, 2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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.

Shri Madan Mohan Varshney (DIN 08349956) was appointed as Additional and Whole-time Director of the Company on 27.06.2020 and Smt. Indu Liberhan (DIN 03341420) was appointed as an Additional Director on the Board w.e.f. 16.08.2019. They will hold office upto the date of ensuing Annual General Meeting and being eligible offer themselves for appointment as Directors of the Company. Your Directors welcome Shri Madan Mohan Varshney and Smt. Indu Liberhan on the Board of the Company.

Further the Nomination and Remuneration Committee at its meeting held on 27.06.2020 has recommended the candidature of Shri Rajeev Sharma to be appointed as Director of the Company. Due to non-availability of Director Identification no. (DIN), the Board of Directors at its meeting held on 27.06.2020 decided to take up the proposed appointment after receiving the DIN. If he appointed as an Additional Director then he will also hold the office up to the date of ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Ashok Chaturvedi Director (DIN 00023452) of the Company retire by rotation and being eligible, offers himself for reappointment.

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.

Shri A Raghavendra Rao resigned from the Board of Directors of the Company w.e.f. 03.04.2020 due to his pre-occupation The Board of Directors place on record their appreciation for the valuable contribution made during his 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.flexfoodsltd.com/pdf/Familiarization-Program-for-Independent-Directors/Familiarization-Program-for-Independent-Directors-2019-2020.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 Internal Auditors of the Company, subject to disclosures in the Annual Accounts and also on the basis of the discussion with the Statutory 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 Accounts for the year ended 31st March, 2020, 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 made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 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 accounts 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 2019-2020 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, 2020 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 2020-2021.

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. 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 Shri P.N. Sharma, Chairman, Shri Rajendra Kumar Mishra, Member and Shri A. Raghavendra Rao (Resigned w.e.f. 03.04.2020), 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/CSRPolicy.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 utilizing Rs.22.61 lacs based on the average profits of the three proceeding financial years. However, the Company has spend Rs. 0.50 lacs on CSR activity. It was explained that the Company was not able to identify any meaningful CSR activity for spending the balance amount of Rs. 22.11 lac for 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

The Audit Committee, comprises of Smt. Indu Liberhan as the Chairperson, Shri P.N. Sharma, Shri Rajendra Kumar Mishra, and Shri A. Raghavendra Rao (resigned w.e.f. 03.04.2020) 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 the 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 2019-2020 and hence no complaint is outstanding as on 31st March, 2020 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, 2020 and the date of this report affecting financial position of the Company. The impact of global pandemic Covid-19, have been already provided in this report.

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.

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: 27th June, 2020

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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 Tappar Industrial Area, PO-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, 2020** 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, 2020 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, 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, 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 has spent an amount of Rs 0.50 lacs as against Rs. 22.11 lacs on CSR activities, which the Company was required to spent pursuant to Section 135(5) of the Companies Act, 2013 during the financial year 2019-20.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meeting and Committee meetings are carried out unanimously and the views of dissenting members, if any, are captured and recorded as part of the minutes of Board of Directors or Committees of the Board, as the case may be.

We further report that based on the compliance mechanism established by the Company and on the basis of the Certificates issued by the Whole-time Director & CEO and CFO and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no major actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. above taken place.

Place: Delhi **For Mahesh Gupta and Company**
Date : 27.06.2020 **Company Secretaries**

Mahesh Kumar Gupta
Proprietor
FCS No.: 2870
C P No.: 1999
UDIN: F002870B000388662

This report is to be read with our letter of even date which is annexed as '**Annexure –A**" and forms an integral part of this report.

ANNEXURE - A-1

To
The Members
FLEX FOODS LIMITED
(CIN: L15133UR1990PLC023970
Lal Tapper Industrial Area, P.O. Resham Majri,
Haridwar Road, Dehradun,
(Uttarakhand)

Our report of even date is to be read along with this letter.

1) Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

5) Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

6) The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Delhi
Date: 27.06 2020

For Mahesh Gupta and Company
Company Secretaries
Mahesh Kumar Gupta
Proprietor
FCS No.: 2870
C P No.: 1999
UDIN: F002870B000388662

ANNEXURE - B
CSR REPORT

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the Provisions of Companies Act, 2013 and the same is placed on the Company's website www.flexfoodsltd.com and the weblink for the same is http://www.flexfoodsltd.com/PDF/Corporate-Social-Responsibility-Policy/CSRPolicy.pdf
2.	The Composition of the CSR Committee	Shri P.N. Sharma, Chairman Shri R.K. Mishra, Member Shri A. Raghavendra Rao, Member (Upto 03.04.2020)
3.	Average net profit of the company for last three financial years: Average net profit	Rs. 1130.50 lacs
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Rs 22.61 lacs
5.	Details of CSR spent during the financial year: a) Total amount to be spent for the financial year; b) Amount unspent, if any; c) Manner in which the amount spent during the financial year is detailed below:	 Rs 0.50 lacs Rs.22.11 lacs

CSR ACTIVITIES AT FLEX FOODS LIMITED FOR FY 2019-2020

S. No	CSR project or activity identified	Sector in which the Project or Program is covered	Project or programme geography 1) Local area or other 2) Specify the State and district where Project or Program was undertaken	Amount Outlay (Budget) Project or Program wise	Amount spent on the Project or Program Sub-heads 1) Direct Expenditure on Project or Program 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through Implementa-tion Agency
1	**Ecosystem Restoration through Community Action**	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water	Location: Dehradun	Rs 0.50 Lacs	Direct Expenditure Rs 0.50 Lacs	Rs 0.50 Lacs /-	Society of Pollution & environmental Conservation Scientists
			TOTAL	**Rs 0.50 Lacs**		**Rs 0.50 Lacs**	

6 In the case of company fails to spend the 2% of the average net profit (INR) of the last three financial years, the reason for not spending the amount shall be stated in the Board Report.

Company consider social responsibility as an integral part of its business activities an endeavors to utilize allocable CSR budget for the benefit of society. The balance amount could not be spent as the company was not able identify meaningful CSR activities. .

7 The CSR Committee confirms that the implementation and monitoring if the CSR policy is in compliance with the CSR objectives and policy of the Company.

Responsibility statement of the CSR Committee that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company.

Ashok Chaturvedi
Chairman
DIN 00023452

P.N. Sharma
(Chairman of CSR Committee)
DIN 00023625

Place :Noida
Dated 27th June, 2020

ANNEXURE 'C'
TO DIRECTORS REPORT

REPORT ON CORPORATE GOVERNANCE

Corporate Governance

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (The Listing Regulations) the Company submits the Report on Corporate Governance followed by the Company.

1. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is to ensure the best possible management team with adequate numbers of professional experienced people. The Company firmly believes that sound practices adopted in the governance of its affairs based on openness, transparency, capability and accountability is *sine-qua-non* for long term success, building the confidence of its stakeholders, its functioning and conduct of business.

2. Board of Directors'

(a) **Composition and category of the Board (As on March 31, 2020)**

The Board of Directors of the Company comprises of Five Directors with one Executive Director and three Independent Non-executive Directors including a Woman Director and one Non-executive Director. The Chairman of the Company is a Non-executive Director. The Board consists of eminent persons with considerable professional experience in the field of business, industry, finance, audit and law and public enterprises. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed Companies and no Independent Director is serving as a Whole-time Directors in any Listed Company. All the Directors have made disclosures regarding their directorship and memberships on various Committees across all Companies in which they are directors and/or members.

The Composition of the Board of Directors & Category of Directors as on 31.03.2020 is as follows:

Name of Directors	DIN	Designation	Category
Shri Ashok Chaturvedi	00023452	Chairman	Promoter -Non-executive
Shri P.N. Sharma	00023625	Director	Independent, Non-executive
Shri Rajendra Kumar. Mishra	07905342	Director	Independent, Non-executive
Smt. Indu Liberhan*	03341420	Director	Independent, Non-executive
Shri A. Raghavendra Rao@	05116052	Whole-time Director	Executive

*Smt. Indu Leberhan was appointed as an Additional Director of the Company w.e.f 16.08.2019
@ Shri A. Raghavendra Rao has resigned from the Board w.e.f. 03.04.2020

b) Board Meetings and attendance record of each Director

Four Board Meetings were held during the financial year 2019-2020. The dates on which the meetings were held are, 25th May, 2019, 07th August, 2019, 12th November, 2019 and 12th February, 2020. The gap between two meetings was not more than 120 days.

i) Attendance of each Director at the Board Meetings, last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committees of each Director in various Companies are as follows:

Name of the Directors	Attendance Particulars	
	Board Meetings	Last AGM
Shri Ashok Chaturvedi	4	No
Smt. Indu Leberhan*	2	No
Shri P. N. Sharma	4	Yes
Shri Rajendra Kumar Mishra	4	Yes
Shri A. Raghavendra Rao@	4	Yes

*Smt. Indu Leberhan was appointed as an Additional Director of the Company w.e.f 16.08.2019
@Shri A Raghavendra Rao has resigned from the Board w.e.f. 03.04.2020

ii) Directorships and Committee Membership/Chairmanships in other Public Listed Companies / name of Listed Entities where the person is a director and category of Directorship