FlexiTuff
INTERNATIONAL

Growth, woven with values

Annual Report 2016-17

INSIDE THIS REPORT

FORWARD-LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospect and take informed investment decisions. This report and other statement - written and oral - that we periodically make, may content forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as "anticipates," "estimates", "expects", "projects", "intends", "plans", "believes" and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumption. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialised, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

LETTER TO THE STAKEHOLDERS

Anirudh Sonpal
Chairman

Total revenue on a standalone basis for the FY 2016-17 has grown to ₹ 1335 crore from ₹ 1175 crore in the previous year, registering a growth of 14%.

Dear Shareholders,

It gives me great pleasure to present to you your Company's Annual Report for the Financial Year ended 31st March, 2017. I am pleased to share that even in the face of global and economic headwinds, we have achieved a remarkable performance, underlining our success in building a resilient business capable of generating long-term value.

The year 2016 was marked by unexpected developments led by the unanticipated outcome of the BREXIT referendum and the U.S. Presidential elections later in the year. Relatively slow growth, weak business investment, steady rise in oil prices, and recovery of headline inflation rates in advanced economies with the bottoming out of commodity prices were the other highlights shaping the global economy. In addition, a new wave of protectionism and trade tensions in advanced economies has emerged as the new threat to global growth. Closer home, the government's surprise demonetisation move impacted economic activities in the short-run. Deferment of several government projects to FY 18 from FY 17 due to State elections in our key domestic markets was another challenge beyond our control.

In the backdrop of this tough environment, your Company demonstrated remarkable agility and business acumen to deliver a satisfactory financial performance. Total revenue on a standalone basis for the FY 2016-17 has grown to ₹ 1,335 crore from ₹ 1,175 crore in the previous year, registering a growth of 14%. This increase in our topline, as well as our sharp focus on improving efficiency, facilitated EBITDA to increase to ₹ 184.66 crore in FY 2016-17 from ₹ 158.30 crore in the previous year. Profit before Tax (PBT) has also recorded an impressive growth to ₹ 9.32 crore in FY 2016-17 from ₹ 1.36 crore in the previous year.

Our encouraging performance even in the face of significant external pressure reaffirms our business strengths. Our global scale of operations, niche product portfolio with high quality certifications and state-of-the-art manufacturing facilities enables us to navigate successfully the toughness in the market. Further, our sharp focus on innovation and research & development allows us to understand and respond rapidly to market and customer demands, thus improving our value proposition. Endorsing our excellent competencies, robust growth and promising potential, a recent survey conducted by Dun & Bradstreet placed us among 'India's Top 500 Companies 2016'.

Going forward, the Company will continue to focus on operational efficiencies and cost reduction. We have already initiated several steps in this direction by successfully implementing 'Just-in-time' approach – a production methodology that reduces inventory costs by avoiding the waste associated with overproduction, waiting and excess inventory. We are also working towards reducing our finance costs by switching over to financing through low cost borrowing schemes. The year also saw a paradigm shift in our pricing process by taking into consideration labour involvement as against only taking into account the weight of final output. This superior pricing methodology is expected to pave the way for improved profitability.

Our core strength is in the manufacture of Flexible Intermediate Bulk Containers (FIBC). Standing tall as India's largest FIBC manufacturer and the second largest player globally, our products find a place in over 60 countries spread across five continents. Always looking to raise the bar on performance, we are continually making efforts to augment our capabilities, markets and product offerings. Aligned to this approach, during the review period, we successfully diversified to new geographies as well as increased the scope of applications of our product offerings thus expanding our addressable market. Notwithstanding that the current use of FIBC in India is still at a nascent stage, their demand is expected to catapult in the coming decade to make India the world's largest FIBC consuming market. Leveraging our international track record, we remain confident of unearthing attractive growth opportunities in the domestic circuit as well.

Leveraging our core competence of polymer processing in the field of bulk packaging, foray into geo-textiles was a natural progression for our business. The infrastructure industry is the biggest user of geo-textiles. Our expertise lies in providing complete end-to-end solutions which are proprietary in nature, undertaking supply and commissioning geo-infra projects in India and neighbouring countries. As India stands at the cusp of major infrastructural development to take its rightful place among the developed nations of the world, we see a huge opportunity for our geo-textile business. The opportunities are expected to multiply manifold as geo-textiles gain increased acceptance by infrastructure contractors driven by its benefits over the maintenance cycle. Additionally, geo-textile solutions are an eco-friendly, cheaper alternative to conventional materials. Based on these fundamentals, we expect the geo-textile business to be a significant contributor to our revenue in the next two-three years. Backed by our capabilities, we are bidding aggressively for projects in the geo-textiles segment to ensure that we create a strong order book that provides robust revenue visibility for the coming years.

In conclusion, the opportunities are enormous for our business, both in the FIBC as well as the geo-textiles market. Our robust infrastructure facilities, the enduring nature of our customer relationships, and our global platform will serve us well in the years ahead, enabling us to create higher value. Moreover, we are committed to innovating and remaining on the path of relevance to our customers.

On behalf of the Board, I would like to thank the entire team of Flexituff for the dedication and professionalism that they have demonstrated throughout another successful year. I would also like to express my gratitude to our shareholders, partners, vendors, creditors and customers for their continued support. You can be assured that we shall work diligently to take this Company to greater heights.

With regards,

Anirudh Sonpal
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

The world witnessed tectonic shifts in the geo-political trends during the year under review. The World Bank expects the global economy to advance at 2.7% in 2017 as against the growth of 2.4% recorded in 2016.

During the review period, the global trade came under severe pressure due to conservative policies adopted by few advanced economies. Electors in advanced countries voted in favour of preferential treatment for local businesses perceiving job-related migration as a threat to local employment generation. In FY 2016-17, older trade blocs in advanced economies disintegrated and reducing trade deficits with emerging world economies acquired a priority in many developed economies.

Amidst such challenging global environment, the Indian economy did well in FY 2016-17. Despite the transient negative impact of demonetisation on economic activities, the Indian economy grew by 7.1% in FY 2016-17.In the previous Financial Year, retail inflation moderated to 4.5% and stayed within the comfort zone of the RBI. Over the medium term, the RBI aims to contain inflation at around 4% mark. Industrial growth remained lack lustre at 5.1%.

The World Bank expects the Indian economy to grow at 7.2% in FY 2017-18. Factors such as higher government spending on infrastructure, the measured response by the government to negate the effects of demonetisation, implementation of Goods and Services Tax (GST), and recovery in the private sector capex cycle are likely to help India record high growth in FY 2017-18.

Going forward, moderating inflation, falling interest rates, various government initiatives such as Make in India, Skill India, Smart Cities Mission, Digital India and Housing for All among others are likely to drive the industrial growth and help the private sector companies attract foreign investments. Higher consumption demand,continued government spending on infrastructure and revival in the private sector capex cycle may serve as growth catalysts. Stable commodity prices and lower currency fluctuations would further facilitate the economic growth in India.

INDUSTRIAL REVIEW

Textile materials which are manufactured entirely for their technical applications and functional usage are known as technical textiles. They are not produced for aesthetic or decorative qualities thus the demand for them depends chiefly on the pace of economic growth and industrialisation. At present, North America is the biggest

Segments of Technical Textiles by End-use Application (in descending order as per their expected market share in next 10 years)

Mobiltech
Cars, Ships, Aircraft, Trains, Space Travel

Indutech
Filtration, Cleaning, Mechanical engineering, Chemical industry

Packtech
Packaging, Protective-cover systems, Sacks, Big bags, Container systems

Buildtech
Membrane, Lightweight + Massive construction, Engineering + Industrial building

Sporttech
Sport and Leisure, Active wear, Outdoor, Sport articles

Meditech
Hygiene, Medicine

Hometech
Furniture, Upholstery + Interior furnishing, Rugs, Floor coverings

Clothtech
Garments, Shoes

Agrotech
Horticulture + Landscape gardening, Agriculture + Forestry, Animal keeping

Protech
Person and Property protection

Oekotech
Environmental protection, Recycling, Waste disposal

Geotech
Road infrastructure, Railways, Irrigation and Hydraulic structures, Waste Landfills, Dams etc

consumer of technical textiles followed by Western Europe and Asia-Pacific respectively. This situation is likely to change though, over next one decade.

As per the research report published by Future Market Insights, the Asia-Pacific market is expected to emerge as the world's most prominent market for technical textiles with a revenue share of more than 50%, over next one decade. The report titled "Technical Textiles Market: Global Industry Analysis and Opportunity Assessment, 2017-2027," predicts the global technical textile market to grow at 4.6% compounded annualized rate until 2027 to become worth US$ 260.3 billion from the current level of US$ 166 billion.

Factors such as rapid development of infrastructure and growing awareness about the environmental issues are likely to push the demand for technical textiles in the emerging markets higher.

Indian Technical Textile Industry

The technical textile sector in India is expected to grow at a compounded annualised rate of 9.6% to become US$ 32 billion market by FY 2022-23. India may continue to remain a major market for the technical textiles in the global context due to cost-effectiveness, durability and versatility of the products manufactured in India. As per the report published by the Federation of Indian Chambers of Commerce and Industry (FICCI), Packtech is the largest segment of the Indian technical textile market, followed by Indutech, Mobitech and Hometech.

Government Support

Out of 2,500 larger industries engaged in producing various textile products nearly 1,000 have already received the financial assistance under Amended Technology Upgradation Fund Scheme (ATUFS). Simultaneously, the Ministry of Textiles has been promoting the technical textiles and creating awareness about their utility in improving productivity, health standards and the state of infrastructure. The relaxed FDI policy may further boost the growth of the technical textile sector.

The government slashed income tax rates for the Small and Medium Enterprises (SMEs) by 5% in the Union Budget 2017-18. Therefore, now all SMEs with an annual turnover upto ₹ 50 crore would be liable to pay just 25% tax. This is expected to give a considerable boost to SMEs engaged in the textiles manufacturing. Indian technical textiles industry is highly fragmented in nature and dominated mostly by the SMEs.

COMPANY OVERVIEW

Flexituff International Limited (hereinafter called as "FIL" or "Company") is one of India's finest manufacturers and exporters of technical textile products. Being a 100% vertically-integrated company – engaged in manufacturing woven, non-woven and composite fabrics, FIL caters to the demand of 4 segments—retail, industrial, agriculture and infrastructure. It has 4 manufacturing facilities in India and has 2 direct and 2 indirect subsidiaries. FIL provides employment to more than 7,000 people. It exports its products to over 60 countries and derives more than half of its revenues from exports. Based on its robust financial performance, FIL featured in "Dun & Bradstreet India's Top 500 Companies 2016." In 2017 the position is expected to consolidate further.

FIL has an installed polymer processing capacity of more than 74,000 metric tonnes per annum. It also owns the world's largest FIBC clean-room manufacturing facility. Besides, it is India's largest producer of geo-textiles and Injection-moulded drippers. FIL has to its credit the industry's largest Research and Development (R&D) centre in India and owns several patents and proprietary rights of technologies.

SEGMENTAL GROWTH DRIVERS

FIBC

FIBCs find applications in food, pharmaceutical, agriculture and chemical industry. They are primarily used for the shipment and intermediate storage of dry and flowing products which are in powder, flake, or granular form. According to the Flexible Intermediate Bulk Container Association (FIBCA), FIBCs have the "lowest package to product weight ratio",and they can be handled, transported and stored without pallets—thus they are the most preferred option. As per the report "Global FIBC Market 2017-2021" published by Reports n Reports, the global FIBC market is expected to grow at a compounded annualised rate of 6.3% between 2017 and 2021. The FIBC industry has been witnessing a high demand from the agricultural and chemical industries which have been posting above-average growth lately. On the back of firm domestic demand and closure of FIBC production facilities in neighboring and advanced economies, the Indian FIBC industry is expected to post a steady growth even in future.

GEO-TEXTILES

Geo-textiles are widely used in road construction, pavement repairs, erosion control, drainage systems and agriculture. Thus, the demand for geo-textiles is primarily driven by the pace of industrialisation and the public spending on infrastructure projects. Factors such as durability, consumption of biodegradable raw material and cost-effectiveness are also expected to show a positive impact on the demand for geo-textiles.

As per the report "Geotextile Market Forecast, 2017 – 2024" published by the Global Market Insights, Inc.,the global geo-textiles market may value over US$ 12 billion by 2024, Out of which over 1/4th of demand is likely to come from the road construction industry. Usage of geo-textiles in road building improves structural integrity, load-bearing capacity and enhances the longevity as well. Since it assists in building roads faster, cost-efficiency is an added advantage of using geo-textiles.

Various government initiatives such as Affordable Housing and the Smart Cities Mission will create a consistent demand for geo-textiles in India. Moreover, government's thrust on building infrastructure will open up exciting growth opportunities for the geo-textiles manufacturers in India.

REVERSE-PRINTED BOPP WOVEN BAGS

Reverse-printed BOPP woven bags are in high demand for their impactful advertising effect, pleasing appearance, flatness, high gloss surface and superior quality printing. Besides, factors such as high tensile strength, water proofness and moisture resistant properties make reverse-printed BOPP woven bags one of the most preferred choices in the packaging industry. Retail sector and commercial establishments drive the demand for reverse-printed BOPP woven bags.

India ranks as the fifth largest market among the preferred retail markets globally. Favourable demographics, rapid urbanisation, higher disposable income are expected to boost the growth in India's organised retail. As per India Brand Equity Foundation (IBEF) report, Indian retail industry would become ₹ 1.3 trillion worth industry by 2020—thereby growing at a compounded annualised rate of 16.7%. Cost competitiveness and rapid growth experienced in the online retail may continue to drive the overall growth of India's retail industry. Reforms introduced in the Foreign Direct Investment (FDI) policy will further facilitate the growth.

The high demand trends in the Indian retail industry will continue to push demand for reverse-printed BOPP woven bags higher.

POLYMER COMPOUNDS

According to IBEF, Indian plastics industry provides employment opportunity to over 4 million people and constitutes over 30,000 processing units—out of which around 85%-90% are Small and Medium Enterprises (SMEs).

Contrary to the sluggish growth trend experienced across the global plastics industry, the industry in India is growing at a healthy pace. Strong demand from the sectors such as automobiles, e-commerce and packaging helped Indian plastics market grow at 12% this year.

As per the Plast India Foundation's estimates, consumption of plastics in India is set togrow to 20 Metric Tonnes Per Annum (MMTPA) from the current level 12 MMTPA, by 2020. As a result of various government initiatives such as Skill India, Digital India, Make in India and Smart Cities Mission, India's plastics consumption will increase in future. Post demonetisation and the implementation of GST, the plastics and polymers market is likely to become more transparent and organised.

DRIP IRRIGATION

India has been facing serious problems pertaining to the availability of ground water. Contamination and overdrawing of ground water have pushed India in a worrisome state. Close to 62% of ground water is utilised for the farm irrigation in India. Agricultural states such as Punjab, Haryana, Rajasthan and Tamil Nadu have witnessed high ground water development in the recent past. Ground water development suggests the amount of ground water extraction vis-à-vis the quantum of net annual ground water availability.

Inefficient use of water makes drip irrigation more compelling...

Crop	Water used (in cubic metres per tonne of produce)			
	Brazil	India	China	U.S
Rice	3,082	2,800	1,321	1,275
Sugarcane	155	159	117	103
Wheat	1,616	1,654	690	849
Cotton	2,777	8,264	1,419	2,535

(Source: PRS; National Water Footprint Account, UNESCO-Institute for Water Education)

According to a research report "Overview of Ground Water in India" published by PRS in 2016, the per capita annual availability of water has depleted by 15% in a decade. This calls for the measured use of water resources.

Drip irrigation helps save 40%-70% water and improves the quality and productivity of the produce. It also assists in eliminating soil erosion, and since it indirectly helps in curbing the weed growth, it assists in saving fertiliser and labour cost.

OUTLOOK

FIL has a presence across 7 high-growth potential segments of the technical textiles industry viz—Packtech, Geotech, Hometech, Buildtech, Mobitech, Indutech and Agrotech among others. As the Ministry of Textiles is determined to create awareness about technical textiles products in India and assist Indian companies in achieving higher exports in this segment, specialised companies such as FIL are likely to benefit. Apart from that, the Company is likely to gain mileage after the implementation of GST which will bring all manufacturers at par. Various government programmes such as Skill India, Make In India, Housing For All and Smart Cities Mission among others are also expected to offer multiple growth opportunities to FIL.

Company's constant focus on R&D coupled with various government initiatives will help it remain highly competitive amidst constantly changing market conditions. FIL endeavours to drive growth in revenue by capitalising on the various government initiatives targeted at ramping up country's infrastructure facilities. The Company aims to offer end-to-end solutions right from the supply of material to commissioning of geo-infra projects in India and neighboring countries.

In the Union Budget 2017-18, the government has allocated massive ₹ 3.96 lakh crore for the infrastructure development and ₹ 58,663 crores for the development of agriculture and allied sectors. This bodes well for FIL.

RISK REVIEW

Changing business environment: Trans-Pacific Partnership (TPP) may have an adverse impact on Indian textile industry. India's competitiveness at the global landscape may be severely challenged by the countries that have signed the TPP. Moreover, backdoor entry of Chinese goods through Bangladesh is another cause of concern. Post-Brexit, India's dependence on the U.S. market has increased further. FIL endeavors to maintain its good performance through diversifying its export market thereby reducing the reliance on a particular country. Thrust on R&D and product superiority is also expected to help FIL.

Slower than expected global recovery: Since industrialisation and overall economic growth are the biggest drivers of technical textile products, slower than expected growth in export markets can dampen the prospects. As a part of its de-risking strategy, FIL derives a significant portion of its revenue from the domestic market and its export market is adequately diversified as well.

Currency fluctuation: Artificially supported currency and unprecedented volatility in the value of the domestic currency can potentially hamper Company's business. To deal with the cost pressures arising out of adverse currency movements, the Company has adopted a prudent foreign exchange policy.

Volatility in raw material prices: The technical textiles industry works on very competitive cost structure and unanticipated rise in the raw material prices can cause shrinkage in margins since costs can't be fully transferred to the customers. The Company deals with this challenge through careful inventory management.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

FIL has established a system of adequate and effective internal controls befitting to the nature and size of its business along with the complexities involved in its operations. The internal controls are designed to ensure that all assets are verified to ascertain their veracity, safeguarding and protection against any unauthorised use and disposition. A system of checks and balances is also in place covering all levels and functions. This enables to minimise business risks and ensure that every single transaction is duly authorised,recorded and reported. The Company strictly adheres to all rules,policies, statutes and laws to make sure that all statutory compliances are fulfilled and transparency is maintained.

FINANCIAL REVIEW

- In FY 2016-17, Company's revenues from operations increased from ₹ 11562.40 million in FY 2015-16 to ₹ 13,263.77 million in FY 2016-17, thereby recording a growth of 14.71%.
- The company reported a growth of 16.58% in EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) in FY 2016-17 which reached to ₹ 1846.60 million. In FY 2015-16, the Company had recorded the EBITDA of ₹ 1584.01 million.
- By recording an increase of 2.28% in FY 2016-17, the net worth of the Company climbed to ₹ 3867.09 million.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The greatest asset of the Company is its people who always play a crucial role in putting the Company on a growth path. The industrial relations remained cordial in FY 2016-17.

DIRECTORS' REPORT

To,
The Members,
Flexituff International Limited

The Board of Directors hereby presents its 24th Director's Report on business & operations of your Company ('the Company' or 'FIL') alongwith Audited Financial Statements for the financial year ended 31st March, 2017.

FINANCIAL RESULTS AND APPROPRIATION **(₹ In Millions)**

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Sales & other Incomes	13,351.43	11,751.10	14,639.14	13,315.64
Profit before Interest, Depreciation & Tax	1,846.60	1,584.01	1,847.45	1,619.00
Profit before Tax	93.19	13.63	70.47	25.83
Profit for the year / Balance available for Appropriation	86.12	40.13	57.34	48.22
Less: Appropriation				
Proposed dividend on equity shares & tax thereon	-	-	-	-
Surplus carried to Balance Sheet	**86.12**	**40.13**	**57.34**	**48.22**

Note: Figures of the year 2015-16 are regrouped or reclassified.

1. STATE OF COMPANY'S AFFAIRS

During the year under review, your company has achieved Consolidated total revenue and profit before interest, depreciation and tax of ₹ 14,639.14 Million and ₹ 1,847.45 Million respectively as against total revenue and profit before interest, depreciation and tax of ₹ 13,315.64 Million and ₹ 1,619 Million respectively during the previous Financial Year ended on 31st March, 2016.

Further, your company has achieved Standalone total revenue and profit before interest, depreciation and tax of ₹ 13,351.43 Million and ₹ 1846.60 Million respectively as against total revenue and profit before interest, depreciation and tax of ₹ 11,751.10 Million and ₹ 1,584.01 Million respectively during the previous Financial Year ended on 31st March, 2016.

2. DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore do not propose any dividend for the Financial Year ended 31st March, 2017.

3. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2017 was ₹ 24.88 Crore divided into 2,48,82,806 shares of ₹ 10/- each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

4. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 forms part of the Notes to the Financial Statements provided in this Annual Report.

5. CREDIT RATING

As per Audited Financials of March 2016, ICRA Limited has assigned **"BBB+"** rating for the Long term loan, **"BBB+"** for Fund Based Limits (Cash Credit) and **"A2"** for Short Term Non-Fund Based Limits, which indicates **"stable"** outlook regarding timely servicing of financial obligations.

6. AWARDS & CERTIFICATIONS

On 31st May, 2016, Company was featured in the list of India's Top 500 Companies, 2016 published by Dun & Bradstreet.

Further Company is certified for British Retail Consortium Certificate (BRC), ISO 14001:2004 (for Environmental Management), ISO 22000:2005 (for Food and Safety Management), OHSAS 18001:2007 (for Industrial Health and Safety) and ISO 9001:2008 (for Quality Management System).

During the year, Company achieved A Grade under Global Standard for Packaging & Packaging Material.

7. SUBSIDIARIES/JOINT VENTURE/ASSOCIATES

During the year under review,

1. Flexituff Sailendra Kalita LLP, Ujjivan LUIT LLP, Budheswar Das Flexituff International Limited JV, Sanyug Enterprises Flexituff International Limited JV, Vishnu Construction Flexituff International Limited JV and Mayur Kartick Barooah Flexituff International Limited have become Joint Ventures of Flexituff International Limited.
2. There were no such companies which have become Subsidiaries and Associate Companies.

3. There were no such companies which have ceased to become Subsidiaries and Associate Companies.

   Your Company has 2 Direct Subsidiaries, 1 Indirect Subsidiary & 9 Joint Ventures of which 5 are in the form of LLPs, as on 31st March, 2017. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries and Joint Ventures.

Direct Subsidiaries

M/s Nanofil Technologies Private Limted, Kolkata
M/s Flexiglobal Holdings Limited, Cyprus
Indirect Subsidiaries
M/s Flexiglobal (UK) Limited, UK
Joint Venture
Flexituff Javed Ahmed LLP
Flexituff Hi-Tech LLP
Flexituff SA Enterprise LLP
Flexituff Sailendra Kalita LLP
Ujjivan LUIT LLP
Budheswar Das Flexituff International Limited JV
Sanyug Enterprises Flexituff International Limited JV
Vishnu Construction Flexituff International Limited JV
Mayur Kartick Barooah Flexituff International Limited JV

Pursuant to the provisions of Section 136 of the Companies Act, 2013 the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company and shall be made available upon request of any member of the Company interested in obtaining the same and shall also be kept for inspection at the Registered Office of the Company and that of the Subsidiary Company concerned.

Further, pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial data of the Company's Subsidiaries & Joint Ventures is mentioned in Form AOC-1 as Annexure A of the board's report.

8. EMPLOYEE STOCK OPTION SCHEME, 2011

The Nomination and Remuneration Committee of the Board of Directors of the Company interalia monitors and administers the Employee stock option scheme of the Company.

In the Financial Year 2016-17, outstanding 167625 numbers of ESOP options were lapsed due to resignation, non exercise etc. As on 31st March, 2017 no ESOP was outstanding.

9. DIRECTORS / KEY MANAGERIAL PERSONNEL (KMPS)

During the Year under review, the following changes occurred in the position of Directors/KMPs of the Company.

S. No.	Name of Director/ KMPs	Date of Event	Event
1.	Mr. Rishabh Kumar Jain	09/08/2016	Resigned from the post of Company Secretary (CS).
2.	Ms. Madhuri Jethani	09/08/2016	Appointed as Company Secretary (CS).
3.	Mr. D. K. Sharma (DIN: 00028152)	09/08/2016	Resignation from Directorship.
4.	Mr. Mahesh Sharma (DIN: 07610685)	16/09/2016	Appointed as Additional Director
5.	Mr. Mahesh Sharma (DIN: 07610685)	11/11/2016	Appointed as Whole-Time Director
6.	Mr. Akhilesh Agnihotri (DIN: 07637010)	11/11/2016	Appointed as Additional Director and Whole-Time Director
7.	Mr. Ritesh Pandey (DIN: 07088000)	30/03/2017	Resignation from Directorship due to his resignation from TPG Growth Funds SF Pte Ltd.

The Board has placed on record its sincere appreciation for the invaluable contribution and guidance provided by Mr. D.K. Sharma & Mr. Ritesh Pandey during their tenure.

10. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board & its Committees, execution and performance of specific roles, duties, obligations and governance.

The performance evaluation of Committees, Executive Directors, Non-Executive Directors and Independent Directors was completed. The Performance evaluation of the Chairman, Non-Executive Directors & Board as a whole was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process

Directors of the Company has carried their own performance evaluation too known as "Self Assessment"

11. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION

The Nomination and Remuneration Committee of Board of Directors of the Company leads the process for appointment of Directors and Key Managerial Personnel and Senior Management personnel in accordance with the requirements of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

Nomination & Remuneration Policy is available on the website of the Company on the below link: (http://www.flexituff.com/Investor/Policies%20and%20Programme/Policies%20and%20Programme_Nomination%20and%20Remuneration%20Policy.pdf)