

TWENTY SIXTH  
ANNUAL REPORT 2014-2015



**UFLEX LIMITED**



## UFLEX LIMITED

CIN: L74899DL1988PLC032166

### TWENTY SIXTH ANNUAL REPORT 2014-2015

#### BOARD OF DIRECTORS

ASHOK CHATURVEDI  
*Chairman & Managing Director*  
RAVI KATHPALIA  
M. G. GUPTA  
ACHINTYA KARATI  
VIJAY KUMAR GUPTA  
*Nominee IFCI*  
S.K KAUSHIK  
*Whole-time Director*  
TARA SANKAR SUDHIR BHATTACHARYA  
INDU LIBERHAN

#### SR. VICE PRESIDENT (LEGAL) & COMPANY SECRETARY

AJAY KRISHNA

#### AUDITORS

##### Statutory Auditors

M/s Vijay Sehgal & Co.  
100, New Rajdhani Enclave  
Delhi - 110 092

##### Internal Auditors

M/s Jain Singhal & Associates  
2nd Floor, M - 6, M Block Market  
Greater Kailash - II, New Delhi - 110 048

##### Cost Auditors

M/s Jitender, Navneet & Co.  
Cost Accountants  
2-D, OCS Apartments, Mayur Vihar,  
Phase-I, Delhi - 110 091

##### Secretarial Auditors

M/s Mahesh Gupta & Co.  
110, Wadhwa Complex  
D 288/10, Laxmi Nagar, Delhi-110 092

#### REGISTERED OFFICE

305, Third Floor, Bhanot Corner,  
Pamposh Enclave, Greater Kailash - I,  
NEW DELHI-110 048  
Phone Nos.:  
91-11-26440917, 26440925  
Fax No. : 91-11-26216922  
E-mail : flexsec@vsnl.net

#### CORPORATE OFFICE

A - 107-108, Sector - IV,  
NOIDA-201 301 (U.P.)  
Phone No.: 91-120-4012345  
Fax No. : 91-120-2556040

#### SUBSIDIARY COMPANIES

UFlex Packaging Inc., USA  
Flex Films (USA) Inc., Kentucky, USA  
UFlex Europe Limited, UK  
Flex Middle East FZE, UAE  
Flex P. Films (Egypt) S.A.E., Egypt  
Flex Films Europa Sp. z.o.o., Poland  
Flex P Films (Brasil) Comercio De Filmes Plasticos Ltda, Brazil  
UPET Holdings Ltd., Mauritius  
UPET (Singapore) Pte. Ltd., Singapore

Flex Americas S.A. de C.V., Mexico  
UTech Developers Limited  
SD Buildwell Pvt. Ltd.  
USC Holograms Pvt. Ltd.  
Flex Industries Pvt. Ltd.

#### BANKERS

##### UFLEX Ltd., India - Bankers

ICICI Bank Limited  
Canara Bank  
Bank of Baroda  
Punjab National Bank  
State Bank of India  
Bank of India  
Allahabad Bank  
Oriental Bank of Commerce  
Corporation Bank  
The Jammu & Kashmir Bank Ltd.  
Syndicate Bank  
CTBC Bank Co. Ltd.

##### Flex Middle East FZE, Dubai - Bankers

United Arab Bank, Dubai  
Bank of India, New York  
National Bank of Oman, Dubai  
Al Khaliji Bank, Dubai

##### Flex Americas S.A. de C.V., Mexico - Bankers

KFW IPEX Bank, Germany  
KBC Bank Deutschland AG, Germany  
DZ Bank AG Deutsche Zentral-  
Genossenschaftsbank, Germany  
State Bank of India, New York

##### Flex P. Films (Egypt) S.A.E., Egypt - Bankers

KFW IPEX Bank, Germany  
Qatar National Bank Alahli, S.A.E., Egypt  
Ahli United Bank, Egypt  
National Bank for Development, Egypt  
National Bank of Abu Dhabi, Egypt

##### Flex Films Europa Sp. z.o.o., Poland - Bankers

KFW IPEX Bank, GmbH - Germany  
PKO Bank Polski, Poznan

##### Flex Films (USA) Inc., Kentucky, USA - Bankers

KBC Bank, Deutschland AG, Germany  
JP Morgan Chase Bank N.A., USA

#### REGISTRAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House, 3rd Floor,  
99, Madangir, Behind Local Shopping Centre  
Near Dada Harsukh Dass Mandir  
New Delhi - 110062  
Phone No. : 011-29961281-83  
Fax No. : 011 - 29961284  
E-mail : beetal@beetalfinancial.com

#### WORKS

##### India

A-1, Sector-60, NOIDA (U.P.)  
A-2, Sector-60, NOIDA (U.P.)  
C-5-8, 17, 18, Sector 57, NOIDA (UP)  
D-1-2, 15-16, Sector - 59, NOIDA (U.P.)  
29-A, B, Malanpur Industrial Area,  
Distt. Bhind (M.P.)  
L-1, Industrial Area, Ghirongi (Malanpur),  
Distt. Bhind (M.P.)  
Unit-I, Lane No. 3, Phase-I, SIDCO  
Industrial Complex, Bari Brahmna,  
Jammu  
Unit-II, Lane No. 2, Phase-I, SIDCO  
Industrial Complex, Bari Brahmna,  
Jammu  
Unit-III, Lane No. 3, Phase-I, SIDCO  
Industrial Complex, Bari Brahmna,  
Jammu

##### Dubai

P.O. Box No. 17930, Near Round About  
12, Jebel Ali Free Zone Area, Dubai  
United Arab Emirates

##### Mexico

Boulevard De Los Rios  
#5680 Zona Puerto Industrial, C.P. 89603  
Altamira, Tamaulipas, Mexico

##### Egypt

R 2 Plot No. 3, Engineering Square,  
North Extension of Industrial Zones  
6th of October City, Arab Republic of  
Egypt

##### Poland

62-300 Wrzesnia, ul. Gen. Wladyslawa  
Sikorskiego 48, Poland

##### USA

1221, North Black Branch Road,  
Elizabethtown, KY 42701

#### ZONAL OFFICES

##### Mumbai

Unit No. 402, IVth Floor, Naman Center,  
Block-G, Bandra Kurla Complex, Plot No.  
C-31, Bandra, Mumbai-400051

##### Kolkata

A-16, FMC Fortuna,  
234/3A (2nd Floor),  
Acharya Jagdish Chandra Bose Road,  
Kolkata - 700 020

##### Bangalore

443, 2nd Floor, 7th Block,  
Koramangala,  
Bangalore - 560 095

**NOTICE**

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of UFLEX Limited will be held on Wednesday, the 22<sup>nd</sup> day of July, 2015 at 10:00 A.M. at Air Force Auditorium, Subroto Park, New Delhi - 110010 for transacting the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare the dividend for the year 2014-2015 on the equity shares of the Company.
3. To appoint a Director in place of Shri Ashok Chaturvedi (holding DIN 00023452), who retires by rotation and being eligible, offers himself for re-appointment.
4. Ratification of Appointment of Statutory Auditors.

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

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Vijay Sehgal & Co., Chartered Accountants (Firm Registration No. 000374N), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors.”

**SPECIAL BUSINESS:**

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

“RESOLVED THAT, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Shri Tara Sankar Sudhir Bhattacharya (DIN 00157305), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14<sup>th</sup> February, 2015 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose

Shri Tara Sankar Sudhir Bhattacharya as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term up to 13<sup>th</sup> February, 2020 and whose office shall not be liable to retire by rotation.”

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

“RESOLVED THAT, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Smt. Indu Liberhan (DIN : 03341420), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28<sup>th</sup> May, 2015 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Smt. Indu Liberhan as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term up to 27<sup>th</sup> May, 2020, and whose office shall not be liable to retire by rotation.”

7. Ratification of Remuneration to the Cost Auditors

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Jitender, Navneet & Co., Cost Accountants appointed as the Cost Auditors of the Company by the Board of Directors, for the conduct of the audit of the cost records of the Company for the financial year 2015-16 at a remuneration of Rs 14.50 Lacs excluding service tax, travelling and other out-of-pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

By Order of the Board

**AJAY KRISHNA**

Sr. Vice President (Legal) &

Company Secretary

ACS No. 3296

Place : NOIDA

Date : 28.05.2015

**Regd. Office:**

305, 3<sup>rd</sup> Floor, Bhanot Corner,  
Pamposh Enclave,  
Greater Kailash-I,  
New Delhi-110048

**IMPORTANT NOTES:**

1. The Register of Members and the Share Transfer books of the Company will remain closed from 15.07.2015 to 22.07.2015 (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 MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of member(s).

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.10,38,414/- being the unpaid and unclaimed dividend amount pertaining to Dividend, 2007 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 for 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
9. The Company has paid the Annual Listing Fees for the year 2015-2016 to the following Stock Exchanges, viz. BSE Limited and National Stock Exchange of India Limited on which the Company's Securities are presently listed.
10. Unclaimed/Undelivered Share Certificates

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

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

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

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

Sl. No.	Particulars	No. of Share-holders	No. of equity shares held
1.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed suspense Account	662	55679
2	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account	3	266
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account	3	266
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on date	659	55413

11. Voting through electronic means

- I. In compliance with provisions of Clause 35B of the Listing Agreement read with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, the Company is providing the shareholders facility to exercise their right to vote on Resolutions proposed to be considered at the forthcoming Annual General Meeting by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited (CDSL).
- II. That the facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
- 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 **19<sup>th</sup> July, 2015 (9:00 AM)** and ends on **21<sup>st</sup> July, 2015 (5:00 PM)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **15<sup>th</sup> July, 2015**, 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- 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 **UFLEX LIMITED** on which you choose to vote.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- xix) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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. **15<sup>th</sup> July, 2015**.
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. Mr. Mahesh Gupta, Practicing Company Secretary (Membership No. 2870) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
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.uflexltd.com](http://www.uflexltd.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**

#### **Item No. 5**

Shri Tara Sankar Sudhir Bhattacharya was appointed as an Additional Director by the Board with effect from 14<sup>th</sup> February, 2015 pursuant to Section 161 of the Companies Act, 2013. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Bhattacharya will hold office up to the date of the ensuing AGM. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Shri Bhattacharya for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Shri Bhattacharya (i) consent in writing to act as director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Shri Bhattacharya has more than 40 years of experience of Indian banking, including years of experience at the head of India's premier bank, i.e. State Bank of India.

The matter regarding appointment of Shri Bhattacharya as an Additional Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment.

The resolution seeks the approval of members for the appointment of Shri Bhattacharya as an Independent Director of the Company for a term up to 13<sup>th</sup> February, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Shri Bhattacharya, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

No director, key managerial personnel or their relatives,

except Shri Bhattacharya, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

#### **Item No. 6**

Smt. Indu Liberhan was appointed as an Additional Director (Woman Director) by the Board with effect from 28<sup>th</sup> May, 2015 pursuant to Section 161 of the Companies Act, 2013. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Smt. Liberhan will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Smt. Liberhan for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Smt. Liberhan (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Smt. Liberhan, retired from the post of Secretary (Defence Finance) and is a 1972 batch IDAS Officer. She has held various posts in the Central Government.

The matter regarding appointment of Smt. Liberhan as an Additional Director was placed before the Nomination and Remuneration Committee and it has recommended her appointment.

The resolution seeks the approval of members for the appointment of Smt. Liberhan as an Independent Director of the Company for a term up to 27<sup>th</sup> May, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

In the opinion of the Board of Directors, Smt. Liberhan, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and she is independent of the Management.

No director, key managerial personnel or their relatives, except Smt. Liberhan, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 6 for the approval of the members.

**Item no. 7**

The Board of Directors on the recommendation of Audit Committee re-appointed M/s. Jitender, Navneet & Co., Delhi, Cost Auditors, (Firm Registration No.00119) for the Financial Year 2015-16. As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Cost Auditors is to be ratified by the Shareholders. The Board accordingly recommends the Ordinary resolution set out at Item No. 7 of the accompanying notice for the approval of the members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested financial or otherwise in the said Ordinary

Resolution except to the extent of their shareholding in the Company

The Board recommends the resolution set forth in Item no. 7 for the approval of the members.

By Order of the Board

**AJAY KRISHNA**

Sr. Vice President (Legal) &  
Company Secretary

Place : NOIDA  
Date : 28.05.2015

ACS No. 3296

**Regd. Office:**

305, 3<sup>rd</sup> Floor, Bhanot Corner,  
Pamposh Enclave,  
Greater Kailash-I, New Delhi-110048

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

(Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Shri Ashok Chaturvedi	Shri T.S. Bhattacharya	Smt. Indu Liberhan
Date of Birth	15.10.1956	24.01.1948	28.05.1950
Date of Appointment	21.06.1988	14.02.2015	28.05.2015
Experience in specific Functional areas	Chief Promoter of UFLEX Group of Companies who had set up the business himself being the first generation entrepreneur and has in depth knowledge in flexible packaging business of the company.	Retired as MD from SBI and having more than 40 years of experience in Banking Sector, involved in every large transactions like debt syndication/restructuring, financing of large refinery & power projects & cross border acquisitions of Indian Corporates etc.	Retired as Secretary, Defence (Finance) and served in various Ministries in Govt. of India and also as Sr. Finance Advisor, TRAI
Qualification	B.Sc.	M.Sc.(Nuclear Physics), P.G.Diploma in Management Science	M.A.(Eng.) & M.Phil. (Public Administration)
Directorship in other Public Limited Companies/excluding private companies which are subsidiary of public company	1. Flex Foods Ltd. 2. AKC Retailers Ltd. 3. UTech Developers Ltd.	1. Jindal Stainless Ltd. 2. IDFC Securities Ltd. 3. Speciality Restaurants Ltd. 4. Surya Roshni Ltd. 5. IDFC AMC Trustee Company Ltd. 6. Nandan Denim Ltd. 7. ESS DEE Aluminium Ltd.	NIL
Member/Chairman of Committee of the Board of the Public Limited Companies on which he is Director	Chairman of Audit Committee: 1. UTech Developers Ltd.	Member of Audit Committee: 1. Speciality Restaurants Ltd. 2. Jindal Stainless Ltd. 3. Surya Roshni Ltd.	NIL

### DETAILS OF SHAREHOLDING/OTHER CONVERTIBLE INSTRUMENTS OF NON-EXECUTIVE DIRECTORS OF THE COMPANY

(Pursuant to Clause 49 of the Listing Agreement)

Sl. No.	Name of Director	No. of Equity Shares	Other convertible Instruments
01.	Shri Ravi Kathpalia	Nil	Nil
02.	Shri M.G. Gupta	8061	Nil
03.	Shri A. Karati	Nil	Nil
04.	Shri Vijay Kumar Gupta (Nominee – IFCI)	Nil	Nil
05.	Shri T.S. Bhattacharya	Nil	Nil
06.	Smt. Indu Liberhan	Nil	Nil



## DIRECTORS' REPORT

### To the Members,

Your Directors have pleasure in presenting this Twenty-sixth Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2015.

### WORKING RESULTS

The summarized financial results for the year ended 31<sup>st</sup> March, 2015 and for the previous year ended 31<sup>st</sup> March, 2014 are as follows:

[Rs. In Lacs]

	Consolidated Year Ended		Standalone Year Ended	
	2015	2014	2015	2014
<b>Gross Sales &amp; Job Work</b>	<b>672715</b>	637280	<b>392299</b>	371901
<b>Net Sales &amp; Job Work</b>	<b>603311</b>	571061	<b>323013</b>	305682
<b>Revenue from Operations</b>	<b>618034</b>	586325	<b>332717</b>	317927
Other Income	<b>1661</b>	2863	<b>6129</b>	8125
<b>Profit before Finance Cost, Depreciation &amp; Tax</b>	<b>75268</b>	71714	<b>43596</b>	47273
Finance Cost	<b>18693</b>	23331	<b>11646</b>	16723
Depreciation	<b>27940</b>	26708	<b>16394</b>	14681
<b>Profit before Tax</b>	<b>28635</b>	21675	<b>15556</b>	15869
Less: Tax Expenses	<b>3085</b>	1512	<b>1358</b>	2933
Add: Minority Interest	<b>-74</b>	1	<b>0</b>	0
<b>Profit for the year</b>	<b>25476</b>	20164	<b>14198</b>	12936

### YEAR IN RETROSPECT

During the year under review, your Company achieved on consolidated basis total revenue of Rs. 6,20,140 lacs including other income of Rs.1,661 lacs and share in profit of associate of Rs. 445 lacs as against total revenue of Rs.5,89,676 lacs including other income of Rs.2,863 lacs and share in profit of associate of Rs.488 lacs of the previous financial year ended 31<sup>st</sup> March, 2014. The profit for the year ended 31<sup>st</sup> March, 2015 at Rs.25,476 lacs was higher than the previous financial year ended March, 2014 at Rs.20,164 lacs.

Further, your Company achieved on Standalone basis total revenue of Rs. 3,38,846 lacs including other income of Rs. 6,129 lacs as against total revenue of Rs.3,26,052 lacs including other income of Rs.8,125 lacs of the previous financial year ended 31<sup>st</sup> March, 2014. The profit for the year ended 31<sup>st</sup> March, 2015 at Rs. 14,198 lacs was higher than the previous financial year ended March, 2014 at Rs.12,936 lacs.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report.

### DIVIDEND

In view of the future needs of funds for growth of the Company and also the overall sluggish economic environment, your Directors are pleased to recommend a dividend @ Rs. 2.70 per share for the financial year ended March 31, 2015. 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 14<sup>th</sup> July, 2015. In respect of shares held in dematerialized form, it will be paid to those Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner.

### SHARE CAPITAL

The paid-up equity share capital as on 31<sup>st</sup> March, 2015 was Rs.72.21 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 31<sup>st</sup> March, 2015 none of the Directors of the Company held shares or convertible instruments of the Company except Mr. Ashok Chaturvedi, Chairman & Managing Director who held **1264533** equity shares and Mr. M.G. Gupta, Director who held **8061** equity shares.

### FIXED DEPOSITS

No fresh/renewal of deposits were accepted during the financial year 2014-2015. There were no unclaimed deposits as at March 31, 2015.

### DIRECTORS

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

During the year, Mr Tara Sankar Sudhir Bhattacharya (DIN 00157305) has been appointed as an Additional Director on the Board of the Company w.e.f. 14<sup>th</sup> February, 2015.

Mrs. Indu Liberhan (DIN 3341420) has also been appointed as an Additional Director on the Board of the Company w.e.f. 28<sup>th</sup> May, 2015.

Your Directors welcome Mr. Bhattacharya and Mrs. Liberhan on the Board of the Company.

All the Independent Directors have given Declarations that they meet criteria of Independence as laid down u/s 149(6) of the Companies Act, 2013 and Clause No. 49 of the Listing Agreement.

Brief resume of the above Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas and the name of the public companies in which they hold the Directorship and the Chairmanship/membership of the Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given as Annexure to the Notice convening the Annual General Meeting.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

On the basis of compliance certificates received from the Executives of the Company, subject to 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 31<sup>st</sup> March, 2015, 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 judgements 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 31<sup>st</sup> March, 2015 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 on-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 reviews the internal control and financial reporting issues with Internal Auditors.

### **AUDITORS & AUDIT**

The Statutory Auditors of the Company, M/s. Vijay Sehgal & Co., Chartered Accountants, Delhi (Firm Registration No.000374N), who were appointed as Statutory Auditors by the members for three years. Their appointment would be ratified at the ensuing Annual General Meeting.

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

### **Internal Auditors**

The Board of Directors of your Company has re-appointed M/s. Jain Singhal & Associates, Chartered Accountants, New Delhi (Firm Registration No.005839N) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2015-2016.

### **Cost Auditors**

The Board of Directors of your Company has re-appointed M/s. Jitender, Navneet & Co., Delhi, Cost Auditors (Firm Registration No.00119) as Cost Auditors of the Company for the financial year 2015-2016.

### **Secretarial Auditors**

The Board had 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'**. There is a qualification in the Report that Company did not appoint Woman Director upto 31<sup>st</sup> March, 2015.

The Management clarified that, it was in search for appointment of a Woman Director on the Board of the Company and appointed Mrs. Indu Liberhan as Woman Director w.e.f. 28<sup>th</sup> May, 2015.

### **SUBSIDIARY COMPANIES**

Flex Middle East FZE, UAE, UFlex Europe Limited, UK, UFlex Packaging Inc., USA, Flex P. Films (Brasil) Comercio De Films Plasticos Ltda, UPET Holdings Ltd., Mauritius, UTech Developers Limited, India and USC Holograms Pvt. Ltd., India are Subsidiary Companies u/s 2(87) of the Companies Act, 2013. Further, UPET (Singapore) Pte. Ltd., Singapore, Flex Americas, S.A. de C.V., Mexico, Flex P. Films (Egypt) S.A.E, Egypt, Flex Films Europa Sp z o.o., Poland, Flex Films (USA) Inc., SD Buildwell Pvt. Ltd., India and Flex Industries Private Limited, India are step-down subsidiaries of the Company.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company, who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies & Associate Companies.

Financial position of the each of the Subsidiaries is provided in a separate statement attached to the Financial Statement pursuant to first proviso to Section 129(3) of the Companies Act, 2013.

#### **Consolidated Financial Statements**

In accordance with the Accounting Standard-21, Consolidated Financial Statements read with Accounting Standard-27 on Financial Reporting of Interest in Joint Ventures and Accounting Standard-23 on 'Accounting for Investments in Associates' issued by the Institute of Chartered Accountants of India, your Directors have pleasure in attaching the consolidated financial statements, which form part of the Annual Report & Accounts.

#### **CORPORATE SOCIAL RESPONSIBILITY**

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

Accordingly, the Company has to do a CSR Activity for an amount of Rs. 328.47 lacs based on the average profits of the three preceding financial years. However, the Company has spent Rs. 149.97 lacs upto 31<sup>st</sup> March, 2015. For the balance amount, the Company has not been able to identify any other CSR Activity covered under Schedule VII of the Companies Act, 2013 for a time being which can be undertaken by the Company on sustained basis. Accordingly, the balance amount shall be incurred by the Company in future.

A Report on CSR Activities is annexed herewith as an **Annexure 'B'**.

#### **CORPORATE GOVERNANCE**

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

A separate Report on Corporate Governance along with Report on Management Discussion and Analysis is enclosed as part of the Annual Report.

#### **Disclosure under Companies Act, 2013**

##### **(i) Extracts of Annual Return**

The details forming Part of the Extracts of Annual Return is annexed as per **Annexure 'C'**.

##### **(ii) Meetings**

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

##### **(iii) Composition of Audit Committee**

The Board has constituted a Audit Committee, which comprises of Mr. Ravi Kathpalia as the Chairman and Mr. M.G. Gupta, Mr. A. Karati and Mr. S.K. Kaushik as the Members. More details about the Committee are given in the Corporate Governance Report.

##### **(iv) Related Party Transactions**

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

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

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website [www.uflexltd.com](http://www.uflexltd.com). at the weblink <http://www.uflexltd.com/Policy-on-Related-Party-Transactions.asp>

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

**(v) Particulars of Loans, Guarantees and Investments**

Details of Loans, Guarantees and Investments covered under the Provisions of Section 186 of the Companies Act, 2013 are given in the accompanying Financial Statements.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

**INTERNAL FINANCIAL CONTROL**

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

**VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

Fraud-free and corruption-free work culture has been the core of the Company' 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.uflexltd.com](http://www.uflexltd.com) at weblink <http://www.uflexltd.com/Whistle-Blower-Policy.asp>

**BOARD EVALUATION**

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

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

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

**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. There were no complaint received from any employee during the financial year 2014-

2015 and hence no complaint is outstanding as on 31.03.2015 for redressal.

**REMUNERATION POLICY**

The Board has framed a Policy for selection of and appointment of Directors, Senior Management and their Remuneration.

**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 'D'**.

**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 herewith as "**Annexure 'E'**".

**AWARDS**

During the year under review, your Company received many awards and felicitations conferred by reputable organizations.

UFLEX has been conferred the prestigious Platicon Gold Award for 2015 in the Conservation of Energy, Materials and Ecology (Green Initiative) category. The award is given out by Plastindia foundation based on a competition to coincide with the staging of the triennial Plastindia show, which is one of the world's largest and most important international trade shows on Plastics. The Platicon Award is the most prestigious and well-known accolade in the Indian Plastics industry.



UFLEX has won three prestigious AIMCAL Awards in this year's annual competition. The Awards were announced and handed over during AIMCAL's Annual Meeting held in March, 2015.

The Award winning packs were :

- Food and Beverage – Technical Category : SPARKLE Innolock Stand-up Pouch
- Food and Beverage – Marketing Category: PARAS Ghee Pouch
- Nonfood – Technical Category : HIRA Pouch with Multilens

## PERSONNEL

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

## ACKNOWLEDGEMENT

The Directors express their gratitude and thanks to the domestic and international Financial Institutions & Banks, Government Authorities both India & overseas particularly in the states of Uttar Pradesh, Madhya Pradesh and Jammu & Kashmir, Jafza (Dubai), Six October City (Egypt), Kentucky & New Jersey (USA), London (UK), Kaliska (Poland), Tamaulipas (Mexico) & Brazil, Shareholders, GDR holders, Customers, Suppliers and other Business Associates for their continued co-operation and patronage.

For & On behalf of the Board

**Ashok Chaturvedi**

Place : NOIDA Chairman & Managing Director  
Dated : 28<sup>th</sup> May, 2015 (DIN 00023452)

## ANNEXURE 'A' SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To,  
**The Members,**  
**UFLEX LIMITED**  
305, 3<sup>rd</sup> Floor, Bhanot Corner,  
Pamposh Enclave, Greater  
Kailash-1, New Delhi-110048

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UFLEX 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 **31<sup>st</sup> March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-

processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable as the Company did not issue any securities during the financial year under review.**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable as the Company has not granted any Options to its employees during the financial year under review.**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as the Company has not issued any debt securities during the financial year under review.**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- **Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable as the Company has not get delisted its equity shares from any stock exchange during the financial year under review.**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**

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

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

During the year under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above. However, the Company was required to spend on CSR Activities, as mentioned in Schedule VII, pursuant to Section 135(5) of the Companies Act, 2013 amounting to Rs.328.47 lacs, but spent Rs.149.97 lacs only during the year.

This report is to be read with our letter of even date which is annexed as 'Annexure –A–1' and form an integral part of this report.

#### **We further report that**

**The Company has not appointed a Woman Director upto 31<sup>st</sup> March, 2015 However, Mrs. Indu Liberhan was appointed as director on the Board of the Company on 28<sup>th</sup> May, 2015.** But there exist 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 decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be. There was no dissenting vote for any matter.

#### **We further report that**

- We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. Therefore, 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, the Company has undertaken event/action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above viz.

1. Pursuant to Section 180(1)(a) of the Companies Act, 2013, the company has obtained approval of the members by way of special resolution for creation of mortgage(s) and charge(s) in addition to the existing mortgages, charges and hypothecations created by the Company.
2. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Company has obtained approval of its members by way of special resolution for exercising the borrowing power of the Company.
3. As per the provisions of Section 186, the Company has obtained the approval of members by way of special resolution for giving any loan or guarantee or providing any security or to make investments.

**For Mahesh Gupta and Company**  
Company Secretaries

Place : Delhi

Mahesh Kumar Gupta

Date : 28<sup>th</sup> May, 2015

FCS No. - 2870

C P No. - 1999

### ANNEXURE – A-1

To,  
The Members,  
**UFLEX LIMITED**  
305, 3<sup>rd</sup> Floor, Bhanot Corner,  
Pamposh Enclave, Greater Kailash-1,  
New Delhi-110048

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. Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5. 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.

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.

**For Mahesh Gupta and Company**  
Company Secretaries

Place : Delhi

Mahesh Kumar Gupta

Date : 28<sup>th</sup> May, 2015

FCS No. - 2870

C P No. - 1999

## 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.uflexltd.com and the weblink for the same is <a href="http://uflexltd.com/pdf/CSR%20Policy/UFLEX%20-%20CSR%20Policy.PDF">http://uflexltd.com/pdf/CSR%20Policy/UFLEX%20-%20CSR%20Policy.PDF</a>
2.	The Composition of the CSR Committee	Mr. Ravi Kathpalia, Chairman Mr. M.G. Gupta, Member Mr. S.K. Kaushik, Member
3.	Average Net Profit of the Company for last three financial years: Average Net Profit	Rs.16423.48 Lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs.328.47 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:	The Company has spent Rs 149.97 Lacs  Rs.178.50 Lacs The manner in which the amount is spent in detailed in the <b>Annexure B-1</b> .

### ANNEXURE B-1: CSR ACTIVITIES AT UFLEX

Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs: 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) Project or programs wise	Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	KhelloDilli + Football for Growth	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	District: All State: Delhi	Rs. 69.60 Lacs	<i>Project in progress</i>  1. Budgeted 88 % for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. 69.60 Lacs	<i>Project in progress</i>  Through registered NGO implementation partner
2.	Khelo Himachal + Sombhadra Olympics	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	District: Una, State: Himachal Pradesh	Rs. 16 Lacs	<i>Project in progress</i>  1. Budgeted 88 % for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. 16 Lacs	<i>Project in progress</i>  Through registered NGO implementation partner
3.	Khelo Haryana + Stairs Against Drugs	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	District: Sirsa, State: Haryana	Rs. 8 Lacs	<i>Project in progress</i>  1. Budgeted 88 % for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. 8 Lacs	<i>Project in progress</i>  Through registered NGO implementation partner

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs: 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) Project or programs wise	Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
4.	Khelo Uttar Pradesh  + Stairs for Ability	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	Khushi Nagar, Uttar Pradesh	Rs. 8 Lacs	<i>Project in progress</i>  1. Budgeted 88 % for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. 8 Lacs	<i>Project in progress</i>  Through registered NGO implementation partner
5.	KheloDilli	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	District: All State: Delhi	Rs. 6 Lacs	<i>Project in progress</i>  1. Budgeted 88% for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. 6 Lacs	<i>Project in progress</i>  Through registered NGO implementation partner
6.	Khelo Himachal	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	District: Una, State: Himachal Pradesh	Rs. 3 Lacs	<i>Project in progress</i>  1. Budgeted 88 % for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. 3 Lacs	<i>Project in progress</i>
7.	Khelo Haryana	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	District: Sirsa, State: Haryana	Rs. 2 Lacs	<i>Project in progress</i>  1. Budgeted 88 % for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. .2 Lacs	<i>Project in progress</i>  Through registered NGO implementation partner
8.	Khelo Uttar Pradesh  + Stairs for Ability	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	Khushi Nagar, Uttar Pradesh	Rs. 4 Lacs	<i>Project in progress</i>  1. Budgeted 88 % for direct expenditure 2. Budgeted 12% as overheads	<i>Project in progress</i>  Rs. 4 Lacs	<i>Project in progress</i>  Through registered NGO implementation partner
9.	Ranji Trophy & Under 19 Team	Companies Act 2013, Section 135, Schedule VII, point vii Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports	All Districts, Uttar Pradesh	Rs. 90 Lacs	<i>Project in progress</i>  Rs. 30 Lacs	<i>Project in progress</i>  Rs. 30 Lacs	<i>Project in progress</i>  Direct
10.	Cataract Free Delhi	Companies Act 2013, Section 135, Schedule VII, point i. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water:	New Delhi	Rs. 3.37 Lacs	Rs. 3.37 Lacs	Rs. 3.37 Lacs	Through registered NGO

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.

**(ASHOK CHATURVEDI)**

Chairman & Managing Director  
DIN : 00023452

**(RAVI KATHPALIA)**

Chairman of CSR Committee  
DIN: 00023576

Place : NOIDA  
Date : 28<sup>th</sup> May, 2015

## ANNEXURE 'C'

**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**
**as on the financial year ended on 31<sup>st</sup> March, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : L74899DL1988PLC032166
- ii) Registration Date : 21<sup>st</sup> June, 1988
- iii) Name of the Company : UFLEX LIMITED
- iv) Category / Sub-Category of the Company : Company Limited By Shares/  
Indian Non-Government Company
- v) Address of the Registered office and contact details : 305, 3rd Floor, Bhanot Corner  
Pamposh Enclave,  
Greater Kailash – I, New Delhi – 110 048  
Tel : 011-2644 0917, 011-2644 0925
- vi) Whether listed company Yes / No : YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s Beetal Financial & Computer Services Pvt Ltd  
(UNIT : UFLEX LIMITED)  
Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,  
Behind Local Shopping Centre  
Near Dada Harsukh Dass Mandir  
New Delhi – 110 062  
Tel : 011-29961281-83,

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Printed, Laminated, Metalised, Co-extruded, Coated, Embossed, Plain Plastic Films and Hologrammed Sticker Sheets	22209 - Manufacture of other plastics products n.e.c.	77%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	FLEX MIDDLE EAST FZE P.O. BOX 17930, NEAR ROUND ABOUT 12, JEBEL ALI FREE ZONE, DUBAI, UNITED ARAB EMIRATES	Foreign Company	Subsidiary	100%	2(87)
2	FLEX P FILMS (BRASIL) COMMERCIO DE FILMS PLASTICOS LTDA ALAMEDA SANTOS, 455, CONJUNTO 311, 01419-000, CERQUEIRA CESAR, SAO PAULO, BRASIL	Foreign Company	Subsidiary	100%	2(87)
3	UFLEX EUROPE LIMITED 29, MARYLEBONE ROAD LONDON NW15JX, U.K	Foreign Company	Subsidiary	100%	2(87)



Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
4	UFLEX PACKAGING INC. 2115 LINWOOD AVENUE SUITE # 410 FORTLEE, NJ 07024	Foreign Company	Subsidiary	100%	2(87)
5	UPET HOLDINGS LIMITED C/O INTERNATIONAL MANAGEMENT (MAURITIUS) LTD, LES CASCADES BUILDING, EDITH CAVELL STREET, PORT LOUIS, MAURITIUS	Foreign Company	Subsidiary	100%	2(87)
6	UTECH DEVELOPERS LIMITED 305, 3RD FLOOR, BHANOT CORNER PAMPOSH ENCLAVE, GREATER KAILASH – I NEW DELHI – 110 048	U45200DL2006PLC156675	Subsidiary	100%	2(87)
7	USC HOLOGRAMS PRIVATE LIMITED SURVEY NO. 50/2, BANDLAGUDA JAGIR A.P. EXCISE ACADEMY, RAJENDRA NAGAR MANDAL, HYDERABAD, TELANGANA – 500 008	U74140TG2013PTC086996	Subsidiary	68%	2(87)
8	FLEX AMERICAS S.A. de C.V. BOULEVARD DE LOS RIOS 5680, ZONA PUERTO INDUSTRIAL ALTAMIRA, TAMAULIPAS MEXICO C.P. 89603	Foreign Company	Subsidiary	100%	2(87)
9	FLEX P. FILMS (EGYPT) S.A.E R2 PLOT NO. 3 IN ENGINEERING SQUARE (E2), IN NORTH EXTENSION OF INDUSTRIAL ZONE, 6 OCTOBER CITY, ARAB REPUBLIC OF EGYPT	Foreign Company	Subsidiary	100%	2(87)
10	FLEX FILMS (USA) INC. 1221, NORTH BLACK BRANCH ROAD, ELIZABETHTOWN, KY 42701	Foreign Company	Subsidiary	100%	2(87)
11	FLEX FILMS EUROPA Sp. Z.O. O PO. BOX 62 300 WRZESNIA UL. GEN. WLADYSLAWA SIKORSKIEGO 48 POLAND	Foreign Company	Subsidiary	100%	2(87)
12	UPET (SINGAPORE) PTE LIMITED 10, JALAN BESAR, 10-12 SIM LIM TOWER, SINGAPORE 208787	Foreign Company	Subsidiary	100%	2(87)
13	FLEX INDUSTRIES PRIVATE LIMITED 305, 3RD FLOOR, BHANOT CORNER PAMPOSH ENCLAVE, GREATER KAILASH – I, NEW DELHI – 110 048	U74120DL2007PTC163809	Subsidiary	100%	2(87)
14	SD BUILDWELL (P) LIMITED 305, 3RD FLOOR, BHANOT CORNER PAMPOSH ENCLAVE, GREATER KAILASH – I, NEW DELHI – 110 048	U45400DL2008PTC174387	Subsidiary	54%	2(87)
15	FLEX FOODS LIMITED LAL TAPPAR INDUSTRIAL AREA, PO-RESHAM MAJRI, HARIDWAR ROAD, DEHRADUN, UTTARAKHAND	L15133UR1990PLC023970	Associate	47.15%	2(6)
16	REFEX ENERGY (RAJASTHAN) PRIVATE LIMITED 305, 3RD FLOOR, BHANOT CORNER PAMPOSH ENCLAVE, GREATER KAILASH – I, NEW DELHI – 110 048	U40100DL2009PTC226628	Associate	31.44%	2(6)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholder	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A Promoter and Promoter Group</b>									
<b>(1) Indian</b>									
a) Individuals / Hindu Undivided Family	2321729	--	2321729	3.22	2321729	--	2321729	3.22	--
b) Central Government / State Government(s)	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	29065246	--	29065246	40.25	29462110	500	29462610	40.80	0.55
d) Financial Institutions / Banks	--	--	--	--	--	--	--	--	--
e) Any Other (specify)	--	--	--	--	--	--	--	--	--
<b>Sub - Total (A)(1)</b>	<b>31386975</b>	<b>--</b>	<b>31386975</b>	<b>43.47</b>	<b>31783839</b>	<b>500</b>	<b>31784339</b>	<b>44.02</b>	<b>0.55</b>
<b>(2) Foreign</b>									
a) Individuals (Non- Resident Individuals / Foreign Individuals)	--	--	--	--	--	--	--	--	--
b) Bodies Corporate	--	--	--	--	--	--	--	--	--
c) Institutions	--	--	--	--	--	--	--	--	--
d) Qualified Foreign Investor	--	--	--	--	--	--	--	--	--
e) Any Other (specify)	--	--	--	--	--	--	--	--	--
<b>Sub - Total (A)(2)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>31386975</b>	<b>--</b>	<b>31386975</b>	<b>43.47</b>	<b>31783839</b>	<b>500</b>	<b>31784339</b>	<b>44.02</b>	<b>0.55</b>
<b>B Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/ UTI	794	22030	22824	0.03	617	22030	22647	0.03	--
b) Banks / Financial Institutions	37910	2788	40698	0.06	132978	2788	135766	0.19	0.13
c) Central Government	--	--	--	--	--	--	--	--	--
d) State Government(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) Foreign Institutional Investors	4448935	24204	4473139	6.19	5479943	24204	5504147	7.62	1.43
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Other (specify)	--	--	--	--	--	--	--	--	--
<b>Sub - Total (B)(1)</b>	<b>4487639</b>	<b>49022</b>	<b>4536661</b>	<b>6.28</b>	<b>5613538</b>	<b>49022</b>	<b>5662560</b>	<b>7.84</b>	<b>1.56</b>

Category of Shareholder	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	8564749	19126	8583875	11.89	7647931	18626	7666557	10.62	-1.27
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals-									
i) Individual Shareholders holding Nominal Share Capital upto Rs.1 lakh	10442894	804767	11247661	15.58	8495416	782332	9277748	12.85	-2.73
ii) Individual Shareholders holding nominal Share Capital in excess of Rs.1 lakh	8283427	14903	8298330	11.49	6902583	14903	6917486	9.58	-1.91
c) Any Other (specify)									
- NRIs	2164878	200	2165078	3.00	5165156	--	5165156	7.15	4.15
- Clearing Members (in Transit Position)	527066	--	527066	0.73	271800	--	271800	0.38	-0.35
<b>Sub - Total (B)(2)</b>	<b>29983014</b>	<b>838996</b>	<b>30822010</b>	<b>42.68</b>	<b>28482886</b>	<b>815861</b>	<b>29298747</b>	<b>40.57</b>	<b>-2.11</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>34470653</b>	<b>888018</b>	<b>35358671</b>	<b>48.97</b>	<b>34096424</b>	<b>864883</b>	<b>34961307</b>	<b>48.42</b>	<b>-0.55</b>
<b>C Shares held by Custodians for GDRs &amp; ADRs</b>	5465840	--	5465840	7.57	5465840	--	5465840	7.57	--
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>71323468</b>	<b>888018</b>	<b>72211486</b>	<b>100</b>	<b>71346103</b>	<b>865383</b>	<b>72211486</b>	<b>100</b>	<b>--</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	FLEX INTERNATIONAL PVT LTD	9197577	12.74	--	9197577	12.74	--	--
2	ANSHIKA INVESTMENTS PVT LTD	5771092	7.99	--	5771092	7.99	--	--
3	A.R.LEASING PVT LTD	4994891	6.92	--	4994891	6.92	--	--
4	APOORVA EXTRUSION PVT LTD	4323162	5.99	--	4323162	5.99	--	--
5	ANSHIKA CONSULTANTS PVT LTD	3778524	5.23	--	3778524	5.23	--	--
6	ASHOK KUMAR CHATURVEDI	1264533	1.75	--	1264533	1.75	--	--
7	RASHMI CHATURVEDI	1041145	1.44	--	1041145	1.44	--	--
8	ANANT OVERSEAS PVT LTD	1000000	1.38	--	1000000	1.38	--	--
9	ASHOK KUMAR CHATURVEDI (KARTA)	16051	0.03	--	16051	0.03	--	--
10	MAHAJAN POLYBAG PVT LTD*	--	--	--	145562	0.20	--	--
11	NARU INVESTMENTS PVT LTD*	--	--	--	119767	0.17	--	--
12	A.L. CONSULTANTS PVT LTD*	--	--	--	78533	0.11	--	--

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
13	MAGIC CONSULTANTS PVT LTD*	--	--	--	41878	0.06	--	--
14	SAMBHAV FINLEASE PVT LTD*	--	--	--	8299	0.01	--	--
15	DEDICATED INVESTMENTS PVT LTD*	--	--	--	1992	0.00	--	--
16	MODA ELEGANZA PVT LTD*	--	--	--	1333	0.00	--	--
<b>Total</b>		<b>31386975</b>	<b>43.47</b>		<b>31784339</b>	<b>44.02</b>		

*\*Inclusion of New Entities in Promoters Group w.e.f. 30<sup>th</sup> March, 2015. Although, they were also holding the shares as at the beginning of the year*

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	31386975	43.47	31386975	43.47
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			397364 (30.03.2015)*	0.55
<b>At the End of the year</b>				<b>31784339</b>	<b>44.02</b>

*\*Inclusion of New Entities in Promoters Group. Although, they were also holding the shares as at the beginning of the year*

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	DEUTSCHE BANK TRUST COMPANY AMERICAS	5465840	7.57	5465840	7.57
2	DILIPKUMAR LAKHI	3345856	4.63	3053543	4.23
3	MONTAGE ENTERPRISES PRIVATE LIMITED	2204695	3.05	2204695	3.05
4	RICKY ISHWARDAS KIRPALANI	946479	1.31	2297520	3.18
5	KESWANI HARESH	830000	1.15	2067211	2.86
6	ANIL AGARWAL	550000	0.76	--	--
7	MORGAN STANLEY ASIA (SINGAPORE) PTE.	542359	0.75	792667	1.10
8	IL AND FS TRUST CO LTD	--	--	760385	1.05
9	KOTHARI PRODUCTS LIMITED	492056	0.68	492056	0.68
10	GIRDHARILAL V LAKHI	429318	0.59	429318	0.59
11	CITY OF NEW YORK GROUP TRUST	403852	0.56	409276	0.57

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
<b>Mr. Ashok Chaturvedi</b>					
1	At the beginning of the year	1264533	1.75	1264533	1.75
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	<b>1264533</b>	<b>1.75</b>	<b>1264533</b>	<b>1.75</b>
<b>Mr. M.G. Gupta</b>					
1	At the beginning of the year	8061	0.01	8061	0.01
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	<b>8061</b>	<b>0.01</b>	<b>8061</b>	<b>0.01</b>
<b>Mr. Ravi Kathpalia</b>					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	--	--	--	--
<b>Mr. A. Karati</b>					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	--	--	--	--
<b>Mr. S.K. Kaushik</b>					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	--	--	--	--
<b>Mr. T. S. Bhattacharya</b>					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	--	--	--	--
<b>Mr. Vijay Kumar Gupta</b>					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	--	--	--	--
<b>Mr. R.K. Jain</b>					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	--	--	--	--



Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
<b>Mr. Ajay Krishna</b>					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	<b>At the End of the year</b>	--	--	--	--

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
I) Principal Amount	92026.62	4016.09	--	96042.71
II) Interest due but not paid	--	--	--	--
III) Interest accrued but not due	177.35	136.11	--	313.46
<b>Total (I + II + III)</b>	<b>92203.97</b>	<b>4152.20</b>		<b>96356.17</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	5297.77	--	--	4247.16
• Reduction	21232.15	605.48	--	20787.02
<b>Net Change</b>	<b>15934.38</b>	<b>605.48</b>	--	<b>16539.86</b>
Indebtedness at the end of the financial year				
i) Principal Amount	76154.08	3542.12	--	79696.20
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	115.51	4.60	--	120.11
<b>Total (i + ii + iii)</b>	<b>76269.59</b>	<b>3546.72</b>	--	<b>79816.31</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Mr. Ashok Chaturvedi Chairman & Managing Director	Mr. S.K. Kaushik, Whole-time Director	Total Amount
1.	Gross salary			
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	678.00	44.12	722.12
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	23.37	9.43	32.80
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission			
-	as % of profit	--	--	--
-	others, specify...	--	--	--
5.	Others			
-	Medical Reimbursement and Contribution to Provident Fund	75.75	2.92	78.67
	<b>Total (A)</b>	<b>777.12</b>	<b>56.47</b>	<b>833.59</b>
	Ceiling as per the Act			1439.48

**B. Remuneration to other Directors:**

1. Independent Directors

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Ravi Kathpalia	Mr. A. Karati	Mr. M .G. Gupta	Mr. T.S. Bhattacharya	
1.	• Fee for attending board / committee meetings	7.70	4.50	6.70	--	18.90
	• Commission	--	--	--	--	--
	• Others, please specify	--	--	--	--	--
	<b>Total B(1)</b>	<b>7.70</b>	<b>4.50</b>	<b>6.70</b>	<b>--</b>	<b>18.90</b>

2. Other Non-Executive Director

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Mr. Vijay Kumar Gupta Nominee – IFCI	
1.	• Fee for attending board / committee meetings	1.40	1.40
	• Commission	--	--
	• Others, please specify	--	--
	<b>Total B(2)</b>	<b>1.40</b>	<b>1.40</b>
	<b>Total (B) = (1+2)</b>		<b>20.30</b>
	<b>Total Managerial Remuneration</b>		<b>833.59</b>
	<b>Overall Ceiling as per the Act</b>		<b>1583.42</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. R.K. Jain Group President (F&A) [CFO]	Mr. Ajay Krishna, Sr. Vice President (Legal) & Company Secretary	Total
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	169.25	55.78	225.03
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	0.11	0.51
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission			
	- as % of profit	--	--	--
	- others, specify...	--	--	--
5.	Others			
	- Medical Reimbursement and Contribution to Provident Fund	8.52	0.15	8.67
	<b>Total</b>	<b>178.17</b>	<b>56.04</b>	<b>234.21</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**ANNEXURE 'D'**
**PARTICULARS OF REMUNERATION**

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

- (a) The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year:

Non-Executive Directors	Ratio to Median Remuneration
Madan Gopal Gupta	3.038
Ravi Kathpalia	3.491
Achintya Karati	2.04
Tara Sankar Sudhir Bhattacharya	0.00
Vijay Kumar Gupta	0.63
<b>Executive Directors</b>	
Ashok Kumar Chaturvedi	352.39
Surrendar Kumar Kaushik	25.60

- (b) The percentage increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	% Increase in remuneration
<b>Non Executive Directors</b>	
Madan Gopal Gupta	179.17%
Ravi Kathpalia	156.67%
Achintya Karati	104.54%
Tara Sankar Sudhir Bhattacharya	0.00%
Vijay Kumar Gupta	0.00%
<b>Executive Directors</b>	
Ashok Kumar Chaturvedi (M.D.)	0.45%
Surrendar Kumar Kaushik (WTD)	6.08%
<b>KMP</b>	
Ravinder Kumar Jain (CFO)	-1.95% *
Ajay Krishna (CS)	10.26%

\* LTA & Medical Allowance were not claimed during the year 2014-15.

- (c) The percentage increase in the Median Remuneration of Employees in the financial year : 16.95%

- (d) The number of Permanent Employees on the Rolls of Company : as on 31.03.2015 Employees are 5409, However the data taken for calculation of Median Remuneration of the Employee was 6036.

(e) **The explanation on the relationship between average increase in Remuneration and Company Performance:** On an average, employees received an increase of 16.95%. The Increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay is linked to organization performance.

(f) **Comparison of the Remuneration of the Key Managerial Personnel against the Performance of the Company:**

Particulars	Rs/Lac
Remuneration of Key Managerial Personnel (KMP) during financial year 2014-15 (Aggregated)	1067.80
Revenue from operations	332716.79
Remuneration (as % of revenue)	0.32%
Profit before tax (PBT)	15555.70
Remuneration (as % of PBT)	6.86%

(g) Variation in the Market Capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;

Particulars	Unit	As at 31 March 2015	As at 31 March 2014	Variation
Closing rate of share at BSE	Rs.	116.95	71.25	64.14%
EPS (Consolidated)	Rs.	35.28	27.92	26.36%
Market Capitalisation	Rs/lac	84451.33	51450.68	64.14%
Price Earning Ratio	Ratio	3.31	2.55	29.80%

(h) **Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration**

The average increase in salaries of employees in 2014-15 was **16.95%**. Percentage increase in

the Managerial Remuneration for the year was **0.81%**

(i) **Comparison of each Remuneration of the Key Managerial Personnel against the performance of the Company**

Particulars	Managing Director	Whole-time Director	Chief Financial Officer	Company Secretary
	Rs/lac	Rs/lac	Rs/lac	Rs/lac
Remuneration	777.12	56.47	178.17	56.03
Revenue	332716.79	332716.79	332716.79	332716.79
Remuneration (as% revenue)	0.23%	0.016%	0.053%	0.016%
Profits before tax (PBT)	15555.70	15555.70	15555.70	15555.70
Remuneration (as % of PBT)	4.99%	0.36%	1.14%	0.36%

(j) **The key parameters for any variable component of Remuneration availed by the Directors:** The Remuneration & Perquisites of Chairman and Managing Director and Whole-time Director were approved by the members. Further the Non Executive Directors are getting only sitting fees for attending Board & Committee Meetings.

(k) **The Ratio of the Remuneration of the highest paid Director to that of Employees who are not Directors but receive Remuneration in excess of the highest paid Director during the year:** Not Applicable

(l) Affirmation that the Remuneration is as per the Remuneration Policy of the Company

The Company's Remuneration Policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance base variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms Remuneration is as per the Remuneration Policy of the Company.

For & On behalf of the Board

**Ashok Chaturvedi**

Place : NOIDA Chairman & Managing Director  
Dated : 28<sup>th</sup> May, 2015 (DIN 00023452)

## ANNEXURE 'E'

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report.

### A. CONSERVATION OF ENERGY

Energy conservation is a very important part of energy planning and its management. This not only saves energy resources for future but also avoids wasteful utilization of energy. Energy conservation initiatives provide solution to the energy crisis, environmental degradation and pollution.

New energy initiatives give greater reliance on non-exhaustible and non-conventional resources of energy in order to conserve exhaustible & conventional resources like coal, petroleum, natural gas etc. Another aspect of energy conservation is to give greater importance on reduction in consumption of energy.

This can be achieved by inculcating change in the individual habits and adoption of latest technology available in vogue.

There is a growing gap between supply and demand of electrical power. Needless to say the use of fossil fuels is accompanied with severe and several environmental damages. Due to the liberalization measures of the Government of India, the industrial sector is rapidly growing, thus increasing the energy demand enormously.

In the short run, the only solution to the growing energy deficit is to facilitate good energy saving measures through conservation of power, fuel and water. As industries are the major gutters/consumers of these resources, the onus should lie on the industrial sector to limit & minimize its demand for energy. The need of the hour is to conserve and preserve the energy resources for future of the mankind.

#### (a) Energy conservation measures taken

The below mentioned are some of the steps which have been undertaken during 2014-2015:

- 1. Shifting of Electrical Load from Gas Genset To 132 KV Grid Power at Noida Plant**

We have taken 132 KV/20 MVA power from the Grid, resulting into stoppage of captive gas based power plant. The difference in the cost of Power has resulted into saving of about Rs. 40 Crore annually.

- 2. Replacement of Conventional Lamps with LED Lamps**

We have replaced the conventional and HPSV/HPMP lamps with the LED lamps resulting into saving of 65 KW Energy or saving of Rs.35 Lac per annum.

- 3. Day Saving Sky Lights**

We have installed transparent day light sky panels on the Roof Tops of the Utility Blocks, resulting into the annual saving of Rs.1 Lac.

- 4. Shifting of Electrical Load from Gas Genset To 33 KV Grid (MPMKVV) at Malanpur Plant**

We have taken 33 KV/2 MVA power from the Grid (February, 2015), resulting into stoppage of power from gas based power plant. The difference in the cost of Power will result into saving of Rs.5 to 6 Crore annually.

- 5. Shifting of Fuel in Boiler from RLNG to Furnace Oil in Noida and Malanpur Plants**

From January, 2015 onwards, RLNG/PNG based burners in Thermic fluid heaters in Noida and steam boiler in Malanpur were changed to Furnace oil, leading to monthly savings of Rs. 15 Lacs in Noida & Rs.35 Lacs per month in Malanpur Plant.

- 6. Replacing the in-efficient and old air-conditioning plant with a new state of the art Ambiator technology, which consume 40 % less power.**

- 7. Replacing the old single-up pouching lines with 2 up high speed lines for lesser power consumption / unit.**

#### (b) Future Proposals for Energy Conservation

The Company will take necessary measures as may be required from time to time for



conservation of energy. Such measures are as follows:

1. We are planning to install VFD on the cooling towers to reduce the power consumption.
2. We are planning for energy audits to identify the areas for improvement.
3. We are in process of identifying the areas where skylights can replace the conventional lighting during the day time.
4. We are planning to Shift certain loads from the existing chilled water circuit to evaporative cooling system.
5. We are installing a new pet coke based Boiler for heating the thermic fluid oil at Malanpur plant (4.5 MKcal/hr capacity)
6. We are replacing 10 nos. existing 250 Watt HPMV Lights with 40 Watt LED lights in Noida Power House.

**(c) Impact of measures at (a) & (b) above for reduction of energy consumption**

The measures taken have resulted in savings in cost of production, power consumption, reduction in carbon dioxide emissions & processing time.

**B. TECHNOLOGY ABSORPTION**

The following efforts are being made in technology absorption: Research & Development (R&D)

1. Specific areas in which R&D is carried out by the Company The Company has carried out R&D in multiple products, processes and technologies.
2. Benefits derived as a result of the above R&D Products improvements in quality and quantity, conversion cost reduction, import substitution, widening the product range. The capability to develop new products boosts the morale and the culture of the organization. Further, several new products have been developed by the Company to respond to the needs of its customers both in the domestic and international markets, with concurrent commitment to improve quality and productivity.

3. Future plan of action steps are continuously being taken for innovation and renovation of products including new product development and enhancement of product quality/profile, to offer better products at relatively affordable prices/process to customers.

**4. Expenditure on R&D**

During the year, the Company spent Rs. 25.79 lacs. This is equivalent to 0.007.% of the turnover.

**Technology absorption, adaptation & innovation**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation. The Company as a matter of policy exposes its technical staff to latest technological developments by encouraging them to participate in domestic as well as global technical seminars and expositions; this helps them to further improve their knowledge and skills, which in turn results in better quality products and increased productivity.
2. Benefits derived as a result of the above efforts Product innovation and renovation, improvement in yield, product quality, input substitution, cost effectiveness and energy conservation as the major benefits.
3. Imported Technology

**During the period 2014-15, the Company has acquired the following new technology:**

**1. Cement Bag making:**

This is a new generation bag which is more functional and has better values in terms of aesthetics as compared to the existing bags available in the market. The moisture protection provides a great deal of savings to the industry by way of reduction in wastages, pilferages and damages.

**2. Pinch Bottom Bags for Big-pouch industry:**

The existing bags using stitching as the format for closure is now replaced by

a Pinch Bottom hot-air seal technology for closure of the bags. This has a high functional value, keeps mites and worms away and provide better barrier to the exterior thereby improving the shelf life of the product.

### 3. Inno-lok fitments for roll stock:

As on date the recloseable feature of using the zip-lock is only available for supplies in pre-formed pouches. This has greatly impacted the consumer as majority packaging is done through FFS machines. UFLEX has now introduced the zip-lock-fitment technology for the roll stock.

### 4. Fresnel Lens:

UFLEX has implemented a hot-foil stamping technology for applying Fresnel Lens on the flexible packaging material in an attempt to provide a high degree of protection to the industry as an anti-counterfeiting measure. This is a unique technology which includes not only the application aspect but also includes the process of manufacturing the Hot-foil Lens in 3-D format.

### 5. Technology from Green Pack Inks and Coatings Inc., USA

Right to use the technology for producing international acceptable good quality Aqueous Inks & Coatings, Adhesives and its allied products for flexible packaging and other applications

## C. GLOBAL BUSINESS STRATEGIES

In order to serve our global base of customers, we have started expanding globally into different regions in order to get closer to the customers. This enables us to serve our customers with better & quick deliveries as well as with reduced shipping times. This also reduces the freight cost.

Currently, we are exporting to our customers present in around 140 countries across the globe.

Our endeavour is to add couple of more countries during this year.

## D. FOREIGN EXCHANGE EARNINGS AND OUTGO

### 1. Activities relating to exports:

Initiatives taken to increase exports; development of new export markets for products and services and export plans.

The Company is at present exporting its products to USA, Europe, Asia Pacific, Middle East, Africa & other countries. The Company is continuously exploring possibilities of exporting more of its products to different markets.

### 2. During the period under review:

(Rs. in Lacs)

a) Earnings in Foreign Exchange		
i)	F.O.B. value of export of manufactured/ Stock in Trade	51242.85
ii)	Sales of Services	142.06
iii)	Support Fees	386.49
iv)	Interest on Loans granted to Subsidiaries	--
v)	Commission for extension of Corporate Guarantee for Subsidiaries	525.75
vi)	Discount Received	4.16
b) Expenditure		
i)	CIF Value of Imports	72139.49
ii)	Expenditure in Foreign Currency	1605.98

For & On behalf of the Board

**Ashok Chaturvedi**

Place : NOIDA Chairman & Managing Director

Dated : 28<sup>th</sup> May, 2015

DIN 00023452

## MANAGEMENT DISCUSSION AND ANALYSIS

### FORWARD-LOOKING STATEMENTS

Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

#### 1. Global Economy

The global economy is still under stress for gaining momentum as many high-income countries continue to grapple with the past impacts of the global financial crisis. Emerging economies continue to remain as less vibrant than in the past. After rising slightly in 2014, to 2.6 percent, world GDP will grow by an estimated 3.0 percent in 2015 and 3.3 percent in 2016, supported by gradual recovery in high-income countries, low oil prices, and receding domestic headwinds in developing countries.

Developing economies are projected to see a rise in growth from 4.4 percent in 2014 to 4.8 percent and 5.3 percent in 2015 and 2016 respectively. (source: [www.worldbank.org](http://www.worldbank.org))

#### 2. Indian Economy

After years of diminutive growth the reform momentum has picked up in India. Inflation has declined by over 6 percentage points since late 2013, and the current account deficit has shrunk from a peak of 6.7 percent of GDP (in Q3, 2012-13) to an estimated 1.0 percent in the coming fiscal year. Going ahead it is widely expected that a further momentum to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production and declining prices will shore up profit margins and hence balance sheets of the corporate sector. (source : <http://pib.nic.in/>)

#### 3. Industry Structure & Developments

The global flexible packaging market will grow at a rate of 3.5% PA until the year 2018. This

impressive rate of expansion is higher than the gross domestic product (GDP), suggesting the flexible packaging market is growing more quickly than well-developed and traditional rigid packaging markets. The world consumer flexible packaging market has picked up significantly since the global economic downturn of 2008-2009. The market tonnage in this segment is estimated at 24.3 million tones in 2013 and is forecast to grow at a CAGR of 4.1% during the period 2013-18, to reach a total of 29.8 million tones. (Source: <http://www.smitherspira.com>)

As one of the fastest growing segments of the packaging industry, flexible packaging combines the best qualities of plastic film, paper and aluminum foil to deliver a broad range of protective properties while employing a minimum of material. Typically taking the shape of a bag, pouch, liner or over wrap, flexible packaging is defined as any package or any part of a package whose shape can be readily changed. Flexible packages are used for consumer and institutional products and in industrial applications, to protect, market, and distribute a vast array of products.

Leading the way in packaging innovation, flexible packaging adds value and marketability to food and non-food products alike. From ensuring food safety and extending shelf life, to providing even heating, barrier protection, ease of use, resealability and superb printability, the industry continues to advance at an unprecedented rate.

The life cycle attributes of flexible packaging demonstrate many sustainable advantages. Flexible packaging starts with less waste in the first place, and even after its use, it is recyclable thereby greatly reducing landfill discards. Innovation and technology have enabled flexible packaging manufacturers to use fewer natural resources in the creation of their packaging and improvements in production process have reduced water and energy consumption, greenhouse gas emissions and volatile organic compounds. Even more, lighter-weight flexible packaging result in less transportation-related energy and fossil fuel consumption, and environmental pollution.

#### 4. Business Review

##### Plastic Film Business

The main products of this business are OPP Films, Polyester Films, Metalized & Specialty films and Polyester Chips of different grades etc.

The Company's OPP films comprising of BOPP and CPP films are highly cost effective and functionally efficient and has rapidly penetrated into high barrier sensitive packaging segment across the World. It is primarily being used for applications in packaging food products such as tea, coffee, confectionery, biscuits, bakery, pasta, dried foods, meats and others. The technologically superior and highly dependable BOPP film can be structured in up to three layers and tailored for almost any machine requirements and is capable of meeting both Rotogravure and Flexography Printing standards. The Company produces BOPP film from its Indian plant which largely caters to the captive & domestic market and Egypt plant which caters to the international market.

The CPP film is highly dynamic and versatile with high gloss, greater transparency, better heat sealability, good twisting property and better tear strength. These factors provide its application in food wraps, anti wraps, anti fog, garment bags, deep freeze applications, etc. Presently CPP film too is produced from Indian plant and caters to captive consumption & Indian market. The CPP plant in Egypt caters to the international market.

BOPET films in different range of microns have the capacity to sustain the high fidelity graphics and meet the requirements of both rotogravure as well as flexography printing standards besides having properties of BOPET film like optically brilliant, clear appearance, unequalled mechanical strengths and toughness, excellent dielectric properties, good flatness and coefficient of friction (COF), tear resistant and puncture resistant characteristics wide range of thickness, excellent dimensional stability over a wide range of temperature, good resistant to most common solvents, moistures, oil and grease, excellent barrier against a wide range of gases. BOPET film is produced from India, Dubai, Mexico, Poland, Egypt & USA. Indian plants meet captive & Indian market requirements whereas overseas plants serve overseas markets the across the globe.

The Company has the facility to produce polyester chips of film grade, yarn grade and bottle grade. The film grade chips are used as raw material for the manufacturing of polyester films whereas yarn grade chips are used for the manufacturing of polyester yarn and bottle grade chips for production of PET bottles. The Company has made use of its state-of-the-art batch processing manufacturing facilities set up in India, by

conveniently switching over to produce different grades of chips based on the demand and orders in hand. The Company manufactures a wide range of polyester chips suitable for various applications. Through continuous R&D efforts, the Company has developed different speciality polyester chips, which has been well accepted in the Indian and International market. Presently the Chip Unit also caters to the requirement of the Specialty Chips of Company's overseas Subsidiary Companies.

### **Flexible Packaging Business**

The main products of this business are laminates made of various combinations of Polyester, BOPP, poly, metalized & hologram films and others in roll form and in various preformed pouches & bags of many sizes, rotogravure cylinders for various types of rotogravure printing, Anilox/Coating, Rollers for flexo printing and Shims for holographic embossing and holograms and printing ink and adhesives and packaging & processing machines. This business involves customization according to the needs of customer.

The Company has the technical ability and innovative skills to design structures and barrier properties. The Company is one of the world leaders producing world class flexible packaging solutions that:

- Enhance market performance of the product
- Improve utility for the end user
- Help products reach out to new markets
- Replace out-moded options with versatile and cost-effective solutions

The Company offers finished packaging of a wide variety of products such as snack foods, candy and confectionery, sugar, rice & other cereals, beverages, tea & coffee, desert mixes, noodles, wheat flour, soaps and detergents, shampoos & conditioners, vegetable oil, spices, marinates & pastes, cheese & dairy products, frozen food, sea food, meat, anti-fog, pet food, pharmaceuticals, contraceptives, garden fertilizers and plant nutrients, motor oil and lubricants, automotive and engineering components etc.

**Printing Cylinder** – The main activities of the Cylinder business is to produce Rotogravure Cylinders for various types of Rotogravure printing, Anilox/Coating Rollers for flexo printing and Shims for holographic embossing. The



printing Cylinders business of the Company is one of the largest in India. These cylinders are made for captive consumption as well as for domestic and international sales. Printing Cylinder is at the core of the Rotogravure Flexible printing and the Company has capabilities to provide complete solution starting from Artwork/Mock up stage to producing final printing cylinders.

The Company has bought special software for making specialized Cylinders up to 2.5 meters. The same can be used for vinyl flooring, wood grains, Textile & various other specialised purposes. Zero discharge system with effluent treatment plant was installed to stop draining of waste chemical(s) after treatment. The Company saves foreign exchange by developing in-house copper additive for copper plating. It is also having a proofing system which can print on actual substrate without engraving the Cylinders.

**Flexographic plates:** Flexographic plates, like letterpress plates, are relief plates with image elements raised above open areas. They are elastomeric in nature in contrast with hard letterpress plates. They use rotary presses and low viscosity inks. Flexographic plates have a Shore A durometer hardness of 25-55 versus durometer readings in excess of 60 for letterpress plates. The process was originally called aniline printing because of the aniline dye inks that were first used in the process. Coarse surfaces such as corrugated board and stretchy films can economically be printed only with this process. Flexography leaped into prominence with the introduction of cellophane as a packaging material.

**Flexo proof press (Wet Proof):** Introduced first time in India, this is capable of proofing on actual substrate with actual ink and plates. Prior to printing, jobs can be proofed to obtain the approval from the customer. It saves lot of press time & waste of plates.

**Digital Plate Cutting Table:** This equipment can cut Flexo Plates either straight or Staggered to the finished size, when mounted on plate sleeve the joining will be more precise. This can cut Flexo plates as well as paper board and Rubber Blanket.

**Solvent Recovery Plant:** Recycling of used solvent can be recovered by upto 90% through this Equipment and same can be reused in the washout process. Moreover waste of this process can also be used as fuel for our incinerator, furnace etc.

**Laser:** The Company has recently installed Direct Laser Engraving System (by M/s Schepers – Germany, a pioneer in laser techniques) with 4 beam facility by which, the Company can achieve High Resolution Images, High Definition Pictures & Fine Text. It leads to achieve up to 10,000 dpi. With this facility the Company is able to engrave Solid background & Fine Text and Straight Line Text for Paper & Board Packaging especially for Tobacco & Cosmetic Industry.

The Company can also achieve High-Definition Half Tone results, 3D Pictures, Micro Texts, Nano Texts, Hidden Texts and Security Features with 3D effects. The Company is able to make special cylinders e.g. Embossing Rollers, Mica Vinyl Rollers, Textiles, Match Box and Tissue & Paper Napkin etc. The Company can also get low & high depth cylinders to deposit (0.5 gsm – 40 gsm) coating.

**Hologram** produced by the Company has been well accepted both by the Government and Private Organizations across the country. The Company through aggressive marketing has been able to get substantial orders from different states. With a strong foothold in innovating products and design, research & development of holography division is committed to refine and upgrade the processes and products being manufactured. Our fully equipped research laboratory is a result of core technical strength & commitments to manufacturing holography and related products. Hologram being low cost with better margin, add to the bottom line significantly.

**Ink & Adhesives:** The Company has produced indigenously the new generation cost effective polyester base solvent less adhesive system for flexi pack, new ink system for PVC profile and special coating for producing matt effect in laminates.

**Machines:** The Company also manufactures customized need-based packaging and processing machines. The ongoing process of innovation and introduction of machines through its in-house R&D facilities, having unique features and facilities for packaging products of different varieties, enables the Company to manufacture both tailor made machines as well as machines of specific designs to suit the needs and requirements of various customers both in India and abroad. Recently the Company has made very specialized high speed state-of-art technology Rotary machines working

at very high speed. The Company has made Rotary machine capable of running at a speed of 2000 bags/minute. The Company is also working on machines to make Cement Bag making machines, Pet Food Bag making machines and Aseptic packaging machine to pack and give longer shelf life to liquid products. The Company has also recently added specialized machine in the field of making and sealing of WPP bag. These products will help the Company to achieve a better turnover. Company is working on specialized bigger pack packaging machines.

## 5. Financial and Operational Performance – Overview

The summarized financial results are given hereunder:

### Summary of results:

	(Rs. in Lacs)			
	2014-15		2013-14	
	Consoli- dated	Stand- alone	Consoli- dated	Stand- alone
Total Revenue	620140	338846	589676	326052
Profit before Finance Cost, Depreciation & Tax	75267	43596	71715	47273
Profit before Tax	28635	15556	21675	15869
Profit for the year	25476	14198	20164	12936

## 6. Opportunities & Threats

### Opportunities

The flexible packaging market is vast and a mature sector in terms of various stakeholders such as processors, packaging manufactures, raw material suppliers, and end-user industries which includes personal care products, manufactures of food & beverages, and pharmaceuticals. Some of the key materials used in flexible packaging market include polypropylene, polyamide, aluminum, PVC, and so on, it is due to such durable, light weight, and highly aesthetic flexible packaging materials, the market for consumer preferences is rising and is expected to significantly boost the growth of the market over the next coming years.

India's rapidly growing flexible packaging demand compared with other countries is underpinned by a number of factors;

- The Indian government is keen to provide a much more welcoming business environment for international investors than hitherto. The government's 'Make in India' campaign

is promoted with the aim of increasing manufacturing's share of GDP from the current 15%, which is low for an emerging economy, to 25% by 2022. Foreign inward direct investment is clearly seen as an integral part of this strategy. Measures already introduced of planned include simplifying the tax system, simplifying investment procedures in industry, including food processing, and most crucially devoting much greater resources to improving infrastructure, especially roads, rail and energy, leading to reduced production and distribution costs.

- Approaching half of India's population is under the age of 25 compared with only around one third in China where the one-child family planning policy is resulting in a increasingly ageing population. India's much larger youthful population is increasingly receptive to buying and consuming pre-packaged products. Also, India's fast growing and increasingly sophisticated middle class is driving demand for an ever growing range of higher value processed food products which utilize flexible packaging.
- Currently barely 5% of food in India reaches the consumer in pre-packaged form. As a result of poor distribution infrastructure nearly 40% of fresh food in India is estimated to perish before reaching the consumer, resulting in lost income for small farmers and higher prices for consumers. This presents huge opportunities for rapid flexible packaging growth.

### Threats

The Company operates in flexible packaging industries. Some of the products are commodity grade and are to a large extent fungible with our competitors' products. Demand for the products of the Company is sensitive to changes in industry capacity and output levels, cyclical changes in regional and global economic conditions and changes in consumer demand.

Plastic Film business is highly competitive. The Company faces stiff competition both from international as well as domestic manufacturers.

## 7. Future Outlook

The latest evolution in the packaging industry is flexible packaging which has gained popularity worldwide for its benefits over rigid packaging.



With benefits such as functional convenience in handling & transportation, cost effectiveness and brand protection from counterfeiting, flexible packaging industry worldwide is led by a strong growth.

Today, the flexible packaging industry globally is growing at steady pace of 7-7.5% annually. The developed world regions of North America, Western Europe and Japan, which boast higher incomes per head, constitute the biggest markets for flexible packaging, accounting for about 70% of the share of the world's total market. In developed nations the growth of the flexible packaging sector is estimated to be growing at a rate of about 2.5 – 3.5% whereas, in developing countries this growth is in the range of 8-12% annually. India in fact, historically is growing at 15-18% p.a.

#### **8. Internal Control Systems and their Adequacy**

The Company has an adequate system of internal control relating to purchase of stores, raw materials including components, plant & machinery, equipment and other similar assets and for the sale of goods commensurate with the size of the Company and nature of its business. The Company also has Internal Control System for speedy compilation of Accounts and Management Information Reports and to comply with applicable laws and regulations.

The Company has an effective Budgetary Control System. The Management reviews the actual performance with reference to budgets periodically. The Company has a well-defined organizational structure, authority levels and internal rules and regulations for conducting business transactions.

The Company has already formed an Audit Committee and has met five times in the year. Audit Committee ensures proper compliance with the provisions of the Listing Agreement with Stock Exchanges, Companies Act, reviews the adequacy and effectiveness of the internal control environment and monitors implementation of internal audit recommendations. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures and in reviewing your Company's risk management policies.

#### **9. Corporate Social Responsibility**

The Company is a socially responsible corporate citizen committed to deliver a positive impact across social, economic and environmental parameters. The Company acknowledges its responsibility in the manner that its activities influence its consumers, employees and stake holders, as well as the environment. The Company seeks to achieve its corporate and social objectives by focusing on the following strategic areas -

- Environmental Responsibility
- Employee Engagement
- Community Initiatives

##### **Environmental Responsibility**

The Company believes that a clean environment in and around the workplace fosters health and prosperity for the individual, the group and the larger community to which they belong. Environmental protection is an integral part of the planning, design, construction, operation and maintenance of all our projects.

Further, the Company has developed technology for reprocessing mixed plastic waste and converts them into usable products. In addition to this, the Company constantly works to reduce consumption of energy, water and petroleum based products and works with its customers to develop more sustainable and 'green' film and laminate structure. The overall emphasis is on reducing the carbon footprint and be more environment friendly and sustainable. All the products of the company are eco-friendly.

##### **Employee Engagement**

The Company is an equal opportunity employer offering best in industry career growth prospects and has taken a step ahead to make a positive difference by aligning its vision of offering equal opportunities of skill and career enhancement to underprivileged sections of the society; specifically, the youth.

##### **Community Initiatives**

The Company has also been working with an NGO called 'STAIRS' and working towards sports, education and health of underprivileged children and creating a sustainable future for them through sports. The Company wants to expand this initiative to a higher scale in future.

### Uflex Khelo Dilli

Uflex Khelo Dilli aims to provide free of cost – space, infrastructure and sports equipment to the less fortunate children of our society, to play. More than 15000 underprivileged children are regularly playing at 29 different sports centers across Delhi. These centers have emerged as a hub of recreation for children from low economic background and ignited a passion for playing in others as evident from an increasing number of children getting enrolled at these centers.

### Uflex Stairs Cricket Scholarship Camps

The Company has also adopted cricket initiatives of Stairs, namely, Uflex Stairs Cricket Championship and Uflex Stairs Cricket Scholarship. The Company supports Stairs in running cricket training academies, providing sports scholarship and sports gear to the underprivileged children. Since 2011, 82 talented children have been granted the Uflex Stairs Cricket Scholarship.

## 9. Risk Management

Macro economic conditions do affect the Company's operations. Low demand, economic slow down, political instability, higher inflation, natural calamities may affect the business. Business therefore cannot be risk free. What is therefore important is to correctly assess the risk area wise and to take steps to mitigate the risk before it becomes a potential threat. General risk areas are statutory compliances, economy, financial, government regulations and policies, market related, operational, products and technology, intellectual property etc.

The Company has identified potential risks such as business portfolio risk, financial risk, legal & statutory risk and internal process risk including ERP and IT and has put in place appropriate measures for their mitigation.

## 10. Company's Standalone Financial Performance & Analysis

### A. Fixed Assets

The composition and growth of assets are as under:

Particulars	(Rs. in Lacs)	
	March 31, 2015	March 31, 2014
<b>A. TANGIBLE ASSETS</b>		
Freehold Land	9	9
Leasehold Land	4159	4139
Buildings	31913	28921
Plant & Machinery	198946	188550
Electrical Installations	5376	5289
Office Equipments	4247	4747
Furniture & Fixtures	4873	4986
Vehicles	2079	2025
<b>Sub-Total (A)</b>	<b>251603</b>	<b>238664</b>
<b>B. INTANGIBLE ASSETS</b>		
Software	1382	1087
Patent	500	500
Technical know-how	266	266
<b>Sub-Total (B)</b>	<b>2148</b>	<b>1852</b>
Less: Accumulated Depreciation	125572	112264
Add: CWIP	2400	7272
Intangible Assets Under Development	237	--
<b>Net Fixed Assets (A+B)</b>	<b>130814</b>	<b>135525</b>

## B. Results of operations

The summary of operating performance for the year is given below:

**(Rs. in Lacs)**

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
	Amount	%	Amount	%
<b>INCOME</b>				
Revenue from Operations	332717	98	317927	98
Other Income	6129	2	8125	2
<b>Total Revenue</b>	<b>338846</b>	<b>100</b>	<b>326052</b>	<b>100</b>
<b>EXPENDITURE</b>				
Cost of Materials consumed	213201	63	196756	60
Purchase of Stock-in-Trade	4075	1	7433	2
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	(1144)	0	1099	0
Employee benefits expense	25576	8	22347	7
Finance costs	11646	3	16723	5
Depreciation and amortization expense	16394	5	14681	5
Other expenses	55078	16	52738	16
Expenses Allocated to Self Constructed Assets	(1535)	(0)	(1594)	(0)
<b>Total Expenses</b>	<b>323291</b>	<b>95</b>	<b>310183</b>	<b>95</b>
<b>Profit Before Tax</b>	<b>15555</b>	<b>5</b>	<b>15869</b>	<b>5</b>

### 11. Human Resource Development/Industrial Relations

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, quality and accountability at functional levels.

With the changing and turbulent business scenario, our basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels, motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities.

The effort to rationalize and streamline the work force is a continuous process. Currently the Company has 5409 employees as on 31<sup>st</sup> March, 2015. The industrial relations scenario remained harmonious throughout the year.

### 12. Environment, Occupational Health & Safety

Your Company is committed to conducting its operations with due regard to the environment and providing a safe and healthy workplace for employees. The collective endeavor of your Company's employees at all levels is directed towards sustaining and continuously improving standards of environment, occupational health and safety in a bid to attain and exceed international benchmarks.

## REPORT ON CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the Report on the matters mentioned in the said Clause and practice followed by the Company.

#### 1. Company's Philosophy on Code of Governance

UFLEX's philosophy on Corporate Governance envisages the attainment of the highest level of transparency and accountability, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, the Government and the lenders.

UFLEX believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value, over a sustained period of time.

#### 2. Board of Directors

##### a) Composition of the Board (As on March 31, 2015)

The Board of Directors of the Company comprises of seven Directors with two Executive Directors (including Executive Chairman) and four Independent Non-Executive Directors and one Non-Executive-Nominee Director. The Board consists of eminent persons with considerable professional expertise and experience in business and industry, finance, audit, law, banking and public enterprises. None of the Directors on the Board is a Member of more than ten Committees and Chairman on more than five Committees across all the companies in which he is a Director. All the Directors have made disclosures regarding their directorships and memberships on various Committees across all Companies in which they are Directors and Members.

The composition and category of Directors as on 31.03.2015 is as follows:

Name of Director	Designation	Category
Mr. Ashok Chaturvedi	Chairman & Managing Director	Promoter/Executive Chairman
Mr. S.K. Kaushik	Whole-time Director	Executive Director
Mr. Ravi Kathpalia	Director	Independent, Non-Executive
Mr. M.G. Gupta	Director	Independent, Non-Executive
Mr. A. Karati	Director	Independent, Non-Executive
Mr. Vijay Kumar Gupta	Nominee Director – IFCI Limited	Non-Executive
Mr. T.S. Bhattacharya (*)	Director	Independent, Non-Executive
Mrs. Indu Liberhan (**)	Director	Independent, Non-Executive

(\*) Mr. T.S. Bhattacharya was appointed as an Additional Director on the Board of the Company w.e.f. 14th February, 2015.

(\*\*) Mrs. Indu Liberhan was appointed as an Independent Director w.e.f. 28.05.2015

The Company has not appointed a Woman Director on the Board of the Company upto 31<sup>st</sup> March, 2015 in terms of Clause 49(II)(A)(I) of the Listing Agreement. However, the Company appointed Ms. Indu Liberhan as Independent Director w.e.f. 28<sup>th</sup> May, 2015.

None of the Directors of the Company except the Chairman & Managing Director and Whole-time Director has any pecuniary relationship with the Company except to the extent of receipt of sitting fees for meetings of the Board/Committee(s) of Directors attended by them.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

As mandated by Clause No.49, all the Independent Directors on the Company's Board are Non-Executive and:

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its Senior Management, its Subsidiaries and Associates, which may affect independence of the Directors.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the Company in the immediately preceding three financial years of the Company.

- Are not partner or executive or were not partner or executive of the Statutory Audit Firm or the Internal Audit Firm and Legal Firms or Consulting Firms, which have material association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Directors.
- Are not substantial shareholders of the Company, i.e. do not own two percent or more of the block of voting shares.
- Have furnished a declaration at the time of their appointment and also annually, that they satisfy the conditions of their being independent as laid down under Clause No.49 of the Listing Agreement. All such declarations are placed before the Board.

#### Information supplied to the Board

The Board has complete access to all information with the Company, *inter-alia*, the information as required under the revised Clause No.49 of the Listing Agreement is regularly provided to the Board as a part of the agenda.

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned Departments / Divisions.

#### Compliance reports of all applicable laws to the Company

The periodical reports submitted by the Internal Auditors and by the concerned executives of the Company with regard to compliance of all laws applicable to the Company including steps taken by the Company to rectify instances of non-compliances, if any, are being reviewed by the Committee and the Board.

#### b) Board Meetings and attendance record of each Director

Five Board Meetings were held during the financial year 2014-2015. The dates on which the meetings were held are 30.05.2014, 07.08.2014, 27.10.2014, 11.11.2014 & 14.02.2015 and the gap between the two meetings were not more than four months.

Attendance of each Director at the Board Meetings, last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committee of each Director in various companies is as follows:

Name of the Director	Attendance Particulars		No. of other Directorship and Committee Member/ Chairmanship		
	Board Meetings	Last AGM	Other Directorship (in Public Co.)	No of Membership(s) of Board Committees in other Companies (*)	No of Chairmanship(s) of Board Committees in other Companies (*)
Mr. Ashok Chaturvedi	3	No	3	--	1
Mr. S.K. Kaushik	5	Yes	2	1	--
Mr. Ravi Kathpalia	5	Yes	3	2	--
Mr. M.G. Gupta	5	No	2	1	1
Mr. A. Karati	5	Yes	7	8	--
Mr. Vijay Kumar Gupta	4	No	2	--	--
Mr. T.S. Bhattacharya	--	--	7	3	--

(\*) In accordance with Clause 49 of Listing Agreement, Membership/Chairmanship of only the Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (excluding UFLEX Limited) have been considered.

#### c) Separate Meetings of Independent Directors

As stipulated the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate Meeting of the Independent Directors of the Company was held on 14<sup>th</sup> February, 2015 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.



#### d) Familiarization Programme for Directors

The Independent directors of UFLEX are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website [www.uflexltd.com](http://www.uflexltd.com) to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Directors.

### 3. Audit Committee

Presently, the Audit Committee comprises of four member Directors viz., Mr. Ravi Kathpalia, Mr. M.G. Gupta, Mr. A. Karati and Mr. S.K. Kaushik. All the members of the Audit Committee are Non-Executive and Independent Directors except Mr. S.K. Kaushik. Mr. Ravi Kathpalia is the Chairman of the Audit Committee. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 08.08.2014. All the Members of the Audit Committee have accounting and financial management expertise.

The terms of reference, role and power of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, which include the following:

#### Role of Audit Committee

1. Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval.
6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems.
8. Reviewing the adequacy of Internal Audit Function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with Internal Auditors any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower Mechanism.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
15. To review the following information:
  - The Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
  - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal Audit Reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of Internal Auditors.
16. Approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate.
17. Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process
18. Approval or any subsequent modification of transactions of the Company with related parties
19. Scrutiny of inter-corporate loans and investments
20. Evaluation of internal financial controls and risk management systems
21. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit

#### **Powers of Audit Committee**

- a) To investigate any activity within its terms of reference.
- b) To seek any information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **Details of Meetings and Attendance**

During the year, the Audit Committee had met four times on 30.05.2014, 07.08.2014, 11.11.2014 & 14.02.2015. The attendance of each Committee members is as under:

<b>Name of Member</b>	<b>No. of Meetings held</b>	<b>Meetings Attended</b>
Mr. Ravi Kathpalia	4	4
Mr. M.G. Gupta	4	4
Mr. A. Karati	4	4
Mr. S.K. Kaushik	4	4

The head of Finance, Internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee Meetings. Further, representatives from various departments of the Company also attend the meetings as

and when desired by the members of the Committee to answer and clarify questions raised at the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

#### 4. Nomination and Remuneration Committee

Presently, the Nomination and Remuneration Committee consists of three Members viz. Mr. M.G. Gupta (Chairman), Mr. Ravi Kathpalia and Mr. A. Karati. All the members of the Nomination and Remuneration Committee are Non-Executive Directors and all are Independent. The Company Secretary acts as the Secretary to the Committee.

During the year, the Nomination and Remuneration Committee Meeting had met twice on 30.05.2015 & 14.02.2015. All the Members had attended these Meetings.

The Nomination and Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/Whole-time Directors based on performance and defined criteria.

Further, the remuneration policy of the Company is to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.

Details of Remuneration paid to Managing/Whole-time Directors for the year ended 31.03.2015 is given below:

Name	Sitting Fee (Rs.)	Salary (Rs.)	Perquisites & Allowances etc. (Rs.)	Commission [Paid] (Rs.)	Total (Rs.)	Date of Reappointment/ Appointment	Service Contract
Mr. Ashok Chaturvedi	NIL	6,78,00,000/-	99,12,483/-	--	7,77,12,483/-	01.02.2014	5 years
Mr. S.K. Kaushik	NIL	44,03,840/-	12,43,246/-	--	56,47,086/-	01.08.2014	3 years

For any termination of contract, the Company or the Executive Director is required to give notice of 3 months to the other party.

Details of Sitting Fees paid to the Directors during the financial year are as follows:

Name of Directors	Board Meetings (Rs.)	Committee Meetings (Rs.)	Total (Rs.)
Mr. Ravi Kathpalia	1,90,000	5,80,000	7,70,000
Mr. M.G. Gupta	1,90,000	4,80,000	6,70,000
Mr. A. Karati	1,90,000	2,60,000	4,50,000
Mr. Vijay Kumar Gupta Nominee – IFCI Limited	1,40,000	--	1,40,000
Mr. T.S. Bhattacharya	--	--	--

#### 5. Stakeholders' Relationship Committee

Presently the Stakeholders' Relationship Committee consists of Mr. Ravi Kathpalia (Chairman), Mr. M.G. Gupta and Mr. S.K. Kaushik. The Committee, *inter-alia*, approves issue of duplicate certificates, oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders'/investors' complaints. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services. The Company Secretary acts as the Secretary to the Committee.

In order to expedite the process of share transfers, the Board of Directors have nominated a Committee of two officers, who normally attend to the transfer and other related matters within a period of 6-7 days. The Committee of Officers operates subject to overall supervision and directions of Stakeholders' Relationship Committee.

During the year, the Stakeholders' Relationship Committee had met on 14.05.2014, 30.09.2014 & 18.02.2015.

The total numbers of complaints received and resolved during the year under review were 8. Outstanding complaints as on 31.03.2015 were nil. There were no valid share transfers pending for registration for more than 15 days as on the said date.

Mr. Subhash Khatua, Dy. General Manager (Secretarial) has been designated to monitor the share transfer process and liaison with the regulatory authorities.

Mr. Ajay Krishna, Sr. Vice President (Legal) & Company Secretary and Compliance Officer acts as Secretary to the Committee.

#### Prohibition of Insider Trading

With a view to regulate Trading in Securities by the Directors and Designated Employees, the Company has adopted a "Code of Conduct for Prohibition of Insider Trading".

### 6. Corporate Social Responsibility Committee of Board

The Company has constituted a CSR Committee on 30<sup>th</sup> May, 2014, consisting of Mr. Ashok Chaturvedi, Chairman, Mr. Ravi Kathpalia, Member and Mr. S.K. Kaushik, Member. The Corporate Social Responsibility Committee of Board (CSR) was reconstituted on 27<sup>th</sup> October, 2014 and the Members of the CSR Committee are Mr. Ravi Kathpalia (Chairman), Mr. M.G. Gupta, Member and Mr. S.K. Kaushik, Member.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy'.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The Terms of reference of the Committee includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder; recommending the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy of the Company from time to time

One meeting of the Corporate Social Responsibility Committee was held on 11.11.2014 during the year and all the Members had attended this Meeting.

### 7. Risk Management Committee of Board

Risk Management Committee (RMC) was constituted on 7<sup>th</sup> August, 2014 pursuant to the requirement of the Companies Act, 2013 and the Members of the RMC are Mr. Ravi Kathpalia (Chairman), Mr. M.G. Gupta and Mr. S.K. Kaushik.

The Roles and Responsibilities of the Risk Management Committee are as prescribed under Clause No. 49 of the Listing Agreement as amended from time to time and includes monitoring and review Risk Management Plan and its Risk Mitigation and Reporting same to the Board of Directors periodically as it may deem fit.

During the year, Risk Management Committee Meeting had met once on 14.02.2015. All the Members had attended this Meeting.

### 8. Subsidiary Companies

All subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies, *inter-alia*, by the following means:

- a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.
- b) All minutes of Board Meetings of the unlisted subsidiary companies are placed before the Company's Board regularly.
- c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

The Company has non-listed Indian Subsidiary Company and Step-down Indian Subsidiary Companies, i.e. UTech Developers Limited & USC Holograms Private Limited and SD Buildwell Private Limited & Flex Industries Private Limited. These companies do not fall under the category of 'material unlisted company' under Clause 49(V) of Listing Agreement.

## 9. Board Procedure

The Board Meetings of the Company are convened by the Company Secretary on the direction of the Chairman. Sufficient notice in writing is given to all Directors for the Board Meetings and/or other Committee Meetings. All important matters concerning the working of the Company alongwith requisite details are placed before the Board.

## 10. Compliance Certificate

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

## 11. General Body Meetings

(a) The details of Annual General Meetings held in the last 3 years are as under:

AGM	Day, Date & Time	Venue	Special Resolution Passed
23 <sup>rd</sup>	Tuesday, September 4, 2012 at 10:00 A.M.	Air Force Auditorium Subroto Park New Delhi – 110010	NIL
24 <sup>th</sup>	Saturday, September 7, 2013 at 10:00 A.M.	Air Force Auditorium Subroto Park New Delhi – 110010	NIL
25 <sup>th</sup>	Friday, August 8, 2014 at 10:00 A.M.	Air Force Auditorium Subroto Park New Delhi – 110010	- Re-appointment of Mr. S.K. Kaushik as Whole-time Director of the Company for a further period of 3 years w.e.f. 01.08.2014. - Resolution under Section 180(1)(c) of the Companies Act, 2013. - Resolution under Section 186 of the Companies Act, 2013.

(b) Whether Special Resolutions were put through Postal Ballot last year?

Yes, the company has put three resolutions including two special resolutions. The Company has successfully completed the process of obtaining approval of its Members on the following Resolutions through Postal Ballots during year 2014:

1. Creation of Charge / Mortgage on the Assets of the Company (Special Resolution)
2. Authority to Board of Directors to grant loans / give guarantees or securities and make investment in securities (Special Resolution)
3. Ratification of re-appointment of Cost Auditors and payment of remuneration by the Members (Ordinary Resolution)

Voting Pattern and Procedure for Postal Ballot :

- i) The Board of Directors of the Company, resolution by circulation on 22<sup>nd</sup> August, 2014, had appointed Mr. Mahesh Kumar Gupta, FCS to act as Scrutinizer for conducting the Postal Ballots voting process.
- ii) The Company had completed the dispatch of the Postal Ballot Notice dated 22<sup>nd</sup> August, 2014 together with the Explanatory Statement on 12<sup>th</sup> September, 2014 along with forms and prepaid postage business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members / list of Beneficiaries as processed by CDSL & NSDL.
- iii) The voting under the postal ballot was kept open from 16<sup>th</sup> September, 2014 to 15<sup>th</sup> October, 2014 (either physically or through electronic mode)
- iv) Particulars of Postal Ballot Forms received from the Members using the electronic platform of CDSL were entered in a register maintained for the purpose.
- v) The Postal Ballot forms were kept under his safe custody and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vi) All Postal Ballot Forms received / receivable upto the close of working hours on 15<sup>th</sup> October, 2014 the last date and time fixed by the Company for receipt of the Forms, had been considered for his scrutiny.

vii) Envelopes containing Postal Ballot Forms received after close of business hours on 15<sup>th</sup> October, 2014 had not been considered for his scrutiny.

viii) The Votes were unblocked on 18<sup>th</sup> October, 2014 in presence of two witnesses who were not in the employment of the Company.

ix) On 20<sup>th</sup> October, 2014 the Results were announced as under:

**A) Creation of Charge / Mortgage on the Assets of the Company**

**i) Voted in favour of the resolution:**

	Number of Members voted	Number of votes cast in favour of the resolution	% of total number of valid votes cast
E-voting	75	37168490	99.9743
Postal Ballot	32	213113	99.8927
<b>Total</b>	<b>107</b>	<b>37381603</b>	<b>99.9738</b>

**ii) Voted against the resolution:**

	Number of Members voted	Number of votes cast against the resolution	% of total number of valid votes cast
E-voting	11	9563	0.0257
Postal Ballot	53	229	0.1073
<b>Total</b>	<b>64</b>	<b>9792</b>	<b>0.1331</b>

**iii) Invalid Votes:**

Total number of members whose votes were declared invalid	Total numbers of votes cast by them
0	0

**B) Authority to Board of Director(s) to grant Loan(s) / give Guarantee(s) or Securities and make Investment in Securities**

**i) Voted in favour of the resolution:**

	Number of Members voted	Number of votes cast in favour of the resolution	% of total number of valid votes cast
E-voting	45	33817259	90.9603
Postal Ballot	23	860	0.4035
<b>Total</b>	<b>68</b>	<b>33818119</b>	<b>90.4441</b>

**ii) Voted against the resolution:**

	Number of Members voted	Number of votes cast against the resolution	% of total number of valid votes cast
E-voting	41	3360794	9.0397
Postal Ballot	60	212282	99.5965
<b>Total</b>	<b>101</b>	<b>3573076</b>	<b>9.5559</b>

**iii) Invalid Votes:**

Total number of members whose votes were declared invalid	Total numbers of votes cast by them
0	0



**C) Ratification of re-appointment of Cost Auditors and payment of remuneration by the Members**

**(i) Voted in favour of the resolution:**

	<b>Number of Members voted</b>	<b>Number of votes cast in favour of the resolution</b>	<b>% of total number of valid votes cast</b>
E-voting	81	37196801	99.9966
Postal Ballot	30	212913	99.8926
<b>Total</b>	<b>111</b>	<b>37409714</b>	<b>99.9960</b>

**(ii) Voted against the resolution:**

	<b>Number of Members voted</b>	<b>Number of votes cast against the resolution</b>	<b>% of total number of valid votes cast</b>
E-voting	6	1252	0.0034
Postal Ballot	53	229	0.1074
<b>Total</b>	<b>59</b>	<b>1481</b>	<b>0.0040</b>

**(iii) Invalid Votes:**

<b>Total number of members whose votes were declared invalid</b>	<b>Total numbers of votes cast by them</b>
0	0

c) Are Special Resolutions proposed to be put through Postal Ballot this year?

No.

**12. Disclosures**

**a) Related Party Transactions**

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

All related party transactions are negotiated on an arms- length basis, and are intended to further the Company's interests.

The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website.

**b) Whistle Blower Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

**c) Disclosure of Accounting Treatment**

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

**d) Disclosures of Risk Management**

The Company has laid down procedures to inform the members of the Board and Risk Management Committee of Directors about the risk assessment and minimization procedures. A Risk Management Executive Committee consisting of Senior Executives of the Company periodically reviews these procedures to ensure that executive management controls risk through properly defined framework. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Risk Management Committee, Audit Committee and the Board.

**e) Proceeds from public issue, rights issue, preferential issue, FCCB issue**

During the year, the Company has not raised any funds from public issue, rights issue, preferential issue and FCCB issue.

**f) Particulars of Directors to be appointed/re-appointed**

Information pertaining to particulars of Directors to be appointed and re-appointed at the forth coming Annual General Meeting is being included in the Notice convening the Annual General Meeting.

**g) Management Discussion and Analysis**

A Management Discussion and Analysis Report forms part of the Annual Report.

**h) Penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority**

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years.

**i) Code of conduct**

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the directors and senior management. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been put on the Company's website ([www.uflexltd.com](http://www.uflexltd.com)). The Code has been circulated to all the members of the Board and Senior Management and its compliance is affirmed by them.

A declaration signed by the Company's Chairman and Managing Director is published in this Report.

**j) Review of Directors' Responsibility Statement**

The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2015 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

**13. CEO/CFO Certifications**

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement at its meeting held on 28th May, 2015.

**14. Non-Mandatory Requirements under Clause 49 of the Listing Agreement**

The Company has adopted following Non-mandatory requirements of Clause 49 of the Listing Agreement:

**(i) The Board**

The Chairman of the Company is the Executive Chairman.

All the Directors including Independent Directors are appointed/re-appointed by the Board from time to time. The Board of Directors of the Company appointed the Independent Directors for 5 consecutive years.

**(ii) Shareholders' Rights**

The quarterly, half-yearly and annual financial results of the Company are published in the newspapers

and are also posted on the Company's website. The complete Annual Report is sent to each and every shareholder of the Company.

### (iii) Audit Qualifications

There are no Audit Qualifications in the Company's financial statements for the year under reference.

### (iv) Reporting of Internal Auditors

The Internal Auditors directly report to the Audit Committee.

## 15. Means of Communication

The quarterly un-audited financial results duly approved by the Board of Directors are sent to all the Stock Exchanges where the Company's shares are listed immediately after the Board Meeting. The same are also published in 'English' and 'Hindi' newspapers in terms of the Listing Agreement within the stipulated period and in the format as prescribed by the Stock Exchanges and the Company posts its financial results for all quarters on its own website [www.uflexltd.com](http://www.uflexltd.com) and:

#### - NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

#### - BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

Any presentation made to Institutional Investors and Analyst are also posted on the Company's website.

## 16. SEBI Complaints Redress System (SCORES)

The Company processes the investors' complaints received by it through a computerized complaint redress system. The salient features of this system are Computerized database of all inward receipts and action taken on them, online submission of Action Taken Reports (ATRs) along with supporting documents electronically in SCORES. The investors can view online the current status of their complaints submitted through SEBI Complaints Redress System (SCORES).

## 17. General Shareholders Information

### (a) Annual General Meeting to be held

Date	:	22.07.2015
Day	:	Wednesday
Time	:	10:00 A.M.
Venue	:	Air Force Auditorium, Subroto Park, New Delhi – 110010

### (b) Tentative Financial Calendar

- Results for quarter ending 30.06.2015	:	2 <sup>nd</sup> week of August, 2015
- Results for quarter ending 30.09.2015	:	2 <sup>nd</sup> week of November, 2015
- Results for quarter ending 31.12.2015	:	2 <sup>nd</sup> week of February, 2016
- Results for year ending 31.03.2016	:	4 <sup>th</sup> week of May, 2016

### (c) Book Closure date

15.07.2015 to 22.07.2015 (Both Days Inclusive)

**(d) Dividend payment date**

Dividend for the financial year 2014-2015, if declared will be paid/credited to the account of the shareholders on or after 22<sup>nd</sup> July, 2015.

**(e) Listing of Equity Shares on Stock Exchanges**

The equity shares are listed on the following Stock Exchanges:

1. BSE Limited, Mumbai
2. National Stock Exchange of India Limited, Mumbai
3. Societe de la Bourse de Luxembourg, Luxembourg (GDRs only)

**Note:** Annual Listing fees for the year 2015-2016 have been duly paid to all the above Stock Exchanges.

**f. Stock Code - Trading symbol – National Stock Exchange Ltd.: ‘UFLEX’**

**(Equity shares) - Trading symbol – BSE Limited: 500148**

**g. Demat ISIN Number in NSDL & CDSL : INE516A01017**

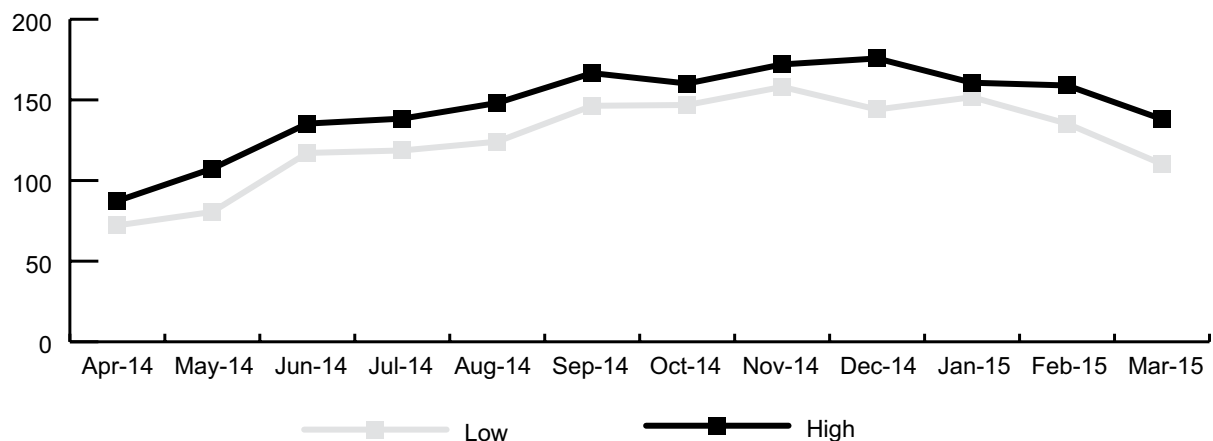
**h. Stock Market Price for the year 2014-2015:**

Closing Share prices on National Stock Exchange are as under:

(In Rs.)

Month	High	Low
April, 2014	87.35	72.20
May, 2014	107.40	80.55
June, 2014	135.30	117.10
July, 2014	138.40	118.65
August, 2014	148.10	124.10
September, 2014	166.60	146.35
October, 2014	160.15	146.85
November, 2014	172.00	158.05
December, 2014	175.70	144.05
January, 2015	160.65	151.70
February, 2015	158.95	135.30
March, 2015	138.05	110.20

**Share Price movement**



**i. Performance in comparison to broad base in indices such as BSE Sensex, Crisil index etc.**

The shares of the Company are not considered by the Stock Exchanges in their index fluctuations.

**j. Address for correspondence for Shares transfer and related matters:**

**For shares held in physical form:**

The Company's Registrar & Share Transfer Agent (RTA), address at:  
Beetal Financial & Computer Services Pvt. Ltd.

(Unit : UFLEX Limited)

BEETAL House, 3<sup>rd</sup> Floor, 99, Madangir

Behind Local Shopping Centre

Near Dada Harsukh Dass Mandir

New Delhi – 110062

Tel. No. 011-29961281-83, Fax No. 011 - 29961284

E-mail: beetal@beetalfinancial.com

**For shares held in Demat form:** To the Depository Participants (DP)

**k. Share Transfer System**

Presently the shares, which are received in physical form, are transferred within a period of 10-12 days from the date of receipt, subject to the documents being valid and complete in all respects.

**l. Distribution of Share holding as on 31.03.2015**

Range in Numbers	No. of Shareholders	No. of shares	% of total equity
1 - 5000	43828	4403521	6.10
5001 - 10000	1846	1479805	2.05
10001 - 20000	866	1298740	1.80
20001 - 30000	309	796357	1.10
30001 - 40000	148	529037	0.73
40001 - 50000	111	519662	0.72
50001 - 100000	192	1417515	1.96
100001 & above	253	61495049	85.16
Transit shares *		271800	0.38
<b>TOTAL</b>	<b>47553</b>	<b>72211486</b>	<b>100.00</b>

\* As on March 31, 2015 these shares lying in pool account of NSDL/CDSL since buyer's identity are not established.

**m. Categories of Shareholders as on 31.03.2015**

Category	No. of shares held	% of shareholding
Promoters & Associates	31784339	44.02
Financial Institutions, Mutual Funds & Banks	158413	0.22
Foreign Institutional Investors	5504147	7.62
NRIs	5165156	7.15
GDRs	5465840	7.57
Other Bodies Corporate	7666557	10.61
General Public	16195234	22.43
Shares in transit (Demat) *	271800	0.38
<b>Total</b>	<b>72211486</b>	<b>100.00</b>

\* As on March 31, 2015 these shares lying in pool account of NSDL/CDSL since buyers' identity are not established.

**n. Dematerialization of Shares and liquidity**

Nearly 98.80% of total equity share capital is held in dematerialized form upto 31.03.2015 with NSDL/ CDSL. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors.

**(o) Outstanding GDRs**

The outstanding GDRs represent 5465840 shares as on 31.03.2015, which are nearly 7.57% of the Subscribed Share Capital of the Company.

**(p) Plant Locations**

1. A-1, Sector-60, NOIDA (U.P.)
2. A-2, Sector-60, NOIDA (U.P.)
3. C-5-8, 17, 18, Sector-57, NOIDA (U.P.)
4. D-1-2, 15-16, Sector-59, NOIDA (U.P.)
5. 29-A, B, Malanpur Industrial Area, Distt. Bhind (M.P.)
6. L-1, Industrial Area, Ghirongi (Malanpur), Distt. Bhind (M.P.)
7. Unit-I, Lane No. 3, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
8. Unit-II, Lane No.2, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
9. Unit-III, Lane No.3, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu

**(q) Address for Correspondence**

The shareholders may address their communication/grievances/queries/ suggestions to:

Beetal Financial & Computer Services Private Limited (Unit: UFLEX Limited) BEETAL House, 3rd Floor, 99, Madangir Behind Local Shopping Centre Near Dada Harsukh Dass Mandir New Delhi - 110062 Tel. No.011- 29961281-83 Fax No.011- 29961284 E-mail: beetal@beetalfinancial.com	UFLEX Limited 305, 3rd Floor, Bhanot Corner Pamposh Enclave, Greater Kailash-I New Delhi - 110048 Tel. No. : 011-26440917, 26440925 Fax No. : 011-26216922 E-mail : flexsec@vsnl.net
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The above report has been placed before the Board at its meeting held on 28<sup>th</sup> May, 2015 and the same was approved.



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of  
UFLEX LIMITED  
New Delhi**

We have examined the compliance of conditions of Corporate Governance by UFLEX Limited for the year ended 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement, except the appointment of woman director before 31<sup>st</sup> March, 2015.

We further state that such compliance 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.

For **VIJAY SEHGAL & CO.**  
Chartered Accountants  
Firm's Registration No. 000374N

**CA. S. V. Sehgal**  
Partner  
Membership No. 080329

Place : NOIDA  
Dated : 28<sup>th</sup> May, 2015

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## DECLARATION

**To the Members of  
UFLEX LIMITED**

I, Ashok Chaturvedi, Chairman & Managing Director of the Company, hereby certify that the Board Members and Senior Management Personnel have affirmed compliance with the Rules of Code of Conduct for the financial year ended 31<sup>st</sup> March, 2015 pursuant to the requirements of Clause 49 of the Listing Agreement.

For **UFLEX LIMITED**

**ASHOK CHATURVEDI**  
Chairman & Managing Director  
DIN 00023452

Place: NOIDA  
Dated: 28<sup>th</sup> May, 2015

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF UFLEX LIMITED

#### Report on the Financial Statements

We have audited the accompanying standalone financial statements of **UFLEX LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit & Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the order") issued by the Central Government of India in terms of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in Paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the

Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in the agreement with the books of accounts.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to

the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statement - Refer Note 30 (B) to the Financial Statement.
- ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses .
- iii. According to the information and explanations given to us, there was no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **VIJAY SEHGAL & CO.**  
Chartered Accountants  
Firm's Registration No. 000374N

**CA. S. V. SEHGAL**

Place : NOIDA  
Dated: 28<sup>th</sup> May, 2015

Partner  
Membership No. 080329

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date]

- 1. In respect of Fixed Asset of the Company:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
  - b) The Fixed Assets have been physically verified by the management at reasonable intervals, having regard to the size of the Company and nature of its assets and no material discrepancies were noticed on such physically verification.
- 2. In respect of inventory of the Company:-
  - a) The inventories have been physically verified during the year by the Management, at reasonable intervals;
  - b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business;
  - c) The Company is maintaining proper records of inventory. The discrepancies noticed on

physical verification of inventory, as compared to book records were not significant and were properly dealt with in the books of accounts.

- 3. The Company has not granted any loan during the year to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- 4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system, commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in internal control system.
- 5. The Company has not accepted any deposits, under the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under during the year under report.
- 6. We have broadly reviewed the cost record maintained by the Company under Section 148(1) of the Companies Act, 2013 and are of the opinion that *prima- facie* the prescribed records have been made and maintained.

## 7. In respect of Statutory dues:

- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employee's State Insurance, and Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other applicable statutory dues have been generally deposited regularly with the appropriate authorities.
- b) According to the information and explanation given to us, there are no dues of wealth tax, custom duty or Cess, which have not been deposited on account of any dispute. However, following amount are involved (Gross of amount deposited under protest, if any) with under-mentioned forums, in respect of the disputed statutory dues:
  - i. Aggregate Sale Tax/ Value Added Tax of Rs.1584.63 lacs, pending before (a) Various High Courts (Rs. 852.79 lacs). (b) Tribunal (Rs.188.02 lacs) & Assessing Authorities (Rs.543.82 lacs).
  - ii. Aggregate Income Tax of Rs.477.35 lacs, pending before (a) High Courts (Rs.145.51 lacs), (b) ITAT (Rs.38.33 lacs), & (c) CIT (Appeals) (Rs.293.51 lacs).
  - iii. Aggregate Excise duty of Rs.4983.44 lacs, pending before (a) Supreme Court (Rs.134.82 lacs) (b) High Courts (Rs. 72.56 lacs) (c) Tribunal (Rs.555.57 lacs), (d) Commissioner (Appeals) (Rs.3953.20 lacs), & (e) Assessing Authorities (Rs.267.29 lacs).
  - iv. Aggregate Service Tax of Rs.280.95 lacs, pending before (a) Tribunal (Rs.219.75 lacs), (b) Commissioner (Appeals) (Rs.54.86 lacs) & (c) Assessing Authorities (Rs.6.34 lacs).
- c) The amount required to be transferred to Investor Education and Protection Fund, in

accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

8. The company has neither accumulated losses as at the year end nor it has incurred cash losses in the financial year under report and in the immediate preceding financial year.
9. Based on the audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
10. According to the information and explanations given to us, and the records examined by us, the Company has given corporate guarantees to banks for loans taken by its foreign subsidiaries and foreign step down subsidiaries; however in our opinion the terms and conditions thereof are not *prime- facie* prejudicial to the interest of the Company.
11. To the best of our knowledge & belief and according to the information and explanations given to us and the records of the company examined by us, the term loans availed by the Company during the period under report, have been applied for the purposes for which loans were obtained.
12. To the best of our knowledge and belief and according to the information and explanation given to us, no material fraud on or by the Company was noticed or reported during the year.

For **VIJAY SEHGAL & CO.,**  
Chartered Accountants  
Firm's Regn. No.: 000374N

**CA. S.V. SEHGAL**

Place : NOIDA

Date : 28<sup>th</sup> May, 2015

Partner

Membership No. 080329

**BALANCE SHEET AS AT 31ST MARCH 2015**

(Rs. in Lacs)

Particulars	Note No.	As At	
		31st March 2015	As At 31st March 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
a) Share Capital	2	7221.15	7221.15
b) Reserves and Surplus	3	<u>161552.10</u>	<u>152150.60</u>
		<b>168773.25</b>	159371.75
<b>(2) Non-Current Liabilities</b>			
a) Long-term borrowings	4	34754.81	45726.33
b) Deferred tax liabilities (Net)	5	10544.55	14269.38
c) Other Long term liabilities	6	320.69	398.29
d) Long-term provisions	7	<u>1074.10</u>	<u>902.11</u>
		<b>46694.15</b>	61296.11
<b>(3) Current Liabilities</b>			
a) Short-term borrowings	8	29287.70	26770.54
b) Trade payables	9	46573.26	44548.10
c) Other current liabilities	10	29163.49	38151.78
d) Short-term provisions	11	<u>6054.68</u>	<u>6718.01</u>
		<b>111079.13</b>	116188.43
<b>TOTAL :</b>		<b><u>326546.53</u></b>	<b><u>336856.29</u></b>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
a) Fixed assets	12		
i) Tangible assets		127456.21	127573.08
ii) Intangible assets		721.97	679.95
iii) Capital work-in-progress		2399.71	7271.50
iv) Intangible assets under development		236.57	-
b) Non-current investments	13	44825.96	53048.59
c) Long-term loans and advances	14	16615.07	15682.78
d) Other non-current assets	15	<u>145.80</u>	<u>428.47</u>
		<b>192401.29</b>	204684.37
<b>(2) Current assets</b>			
a) Inventories	16	28877.61	21665.81
b) Trade receivables	17	78188.73	80894.75
c) Cash and Bank Balances	18	7261.01	14402.57
d) Short-term loans and advances	19	19704.16	13667.13
e) Other current assets	20	<u>113.73</u>	<u>1541.66</u>
		<b>134145.24</b>	132171.92
<b>TOTAL :</b>		<b><u>326546.53</u></b>	<b><u>336856.29</u></b>

The accompanying Notes from S.No. 1 to 46 form an Integral Part of the Financial Statements.

For and on behalf of the Board of Directors

**R.K. Jain**  
 Group President  
 (Corp. Finance & Accounts)

**S. K. Kaushik**  
 Whole-time Director  
 DIN 00027035

**Ashok Chaturvedi**  
 Chairman & Managing Director  
 DIN 00023452

**Rakesh Malhotra**  
 Sr. General Manager  
 (Corp. Accounts)

**Ajay Krishna**  
 Sr. Vice President (Legal) &  
 Company Secretary

This is the Balance Sheet referred to in our report of even date

 For **Vijay Sehgal & Co.**  
 Chartered Accountants

 Place : NOIDA  
 Dated : 28<sup>th</sup> May, 2015

**S.V. Sehgal**  
 Partner

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

(Rs. in Lacs)

Particulars	Note No.	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
<b>REVENUE FROM OPERATIONS</b>			
Gross Sales & Job Work	21 (A)	392298.89	371900.71
Less : Inter unit Sales & Job Work		37664.95	36079.25
Less : Excise Duty		31621.25	30139.61
Net Sales & Job Work		323012.69	305681.85
Other Operating Income	21 (B)	9704.10	12245.10
<b>Revenue from Operations</b>		<b>332716.79</b>	<b>317926.95</b>
<b>Other Income</b>	<b>22</b>	<b>6129.39</b>	<b>8125.34</b>
<b>Total Revenue</b>		<b>338846.18</b>	<b>326052.29</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	213201.06	196755.55
Purchase of Stock-in-Trade	24	4074.64	7433.36
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(1143.79)	1098.86
Employee benefits expense	26	25575.64	22347.05
Finance costs	27	11646.10	16722.69
Depreciation and amortization expense		16394.48	14681.23
Other expenses	28	55077.77	52738.43
Expenses Allocated to Self Constructed Assets	29	(1535.42)	(1593.72)
<b>Total Expenses</b>		<b>323290.48</b>	<b>310183.45</b>
Profit before tax		15555.70	15868.84
<b>Less / (Add) : Tax expense:</b>			
- Current tax		4066.00	4757.00
- Deferred tax		(2463.21)	(1663.00)
- (Excess) Provision of Income Tax for earlier years		(245.35)	(160.80)
Profit for the year		14198.26	12935.64
<b>Earning Per Share</b>			
a) Basic (Rs.)		19.66	17.91
b) Diluted (Rs.)		19.66	17.91

The accompanying Notes from S.No. 1 to 46 form an Integral Part of the Financial Statements.

For and on behalf of the Board of Directors

**R.K. Jain**  
Group President  
(Corp. Finance & Accounts)

**S. K. Kaushik**  
Whole-time Director  
DIN 00027035

**Ashok Chaturvedi**  
Chairman & Managing Director  
DIN 00023452

**Rakesh Malhotra**  
Sr. General Manager  
(Corp. Accounts)

**Ajay Krishna**  
Sr. Vice President (Legal) &  
Company Secretary

This is the Statement of Profit & Loss referred to in our report of even date

For **Vijay Sehgal & Co.**  
Chartered Accountants

Place : NOIDA  
Dated : 28<sup>th</sup> May, 2015

**S.V. Sehgal**  
Partner



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

	(Rs. in Lacs)	
	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	15555.70	15868.84
<b>Adjustment for :</b>		
Depreciation & amortisation expense	16394.48	14681.23
Exchange rate fluctuations (Net)	(379.70)	(1324.17)
Loss on assets sold (Net)	329.95	416.77
Fixed Assets written Off	1.57	18.62
Finance Cost	11646.10	16722.69
Interest received from Banks / others	(1191.57)	(1250.70)
Dividend received on Trade Investments	(132.08)	(117.40)
Dividend received on Non- Trade Investments	(41.42)	(44.71)
Profit on sale of Investments (Net)	(4010.62)	(4554.21)
Provision for Doubtful Debt Written Back	(15.00)	(14.06)
Bad & Doubtful Debts (Provision)	2,016.89	463.47
Sundry Balances written off (Net)	(38.09)	690.56
<b>Operating Profit before Working Capital changes</b>	<b>40136.21</b>	<b>41556.93</b>
<b>Adjustment for :</b>		
Trade and other receivables	(4812.54)	(11715.35)
Inventories	(7211.80)	191.71
Trade and other payables	(7766.60)	(4420.00)
<b>Cash generated from operations</b>	<b>20345.27</b>	<b>25613.29</b>
Income Tax	(3820.65)	(4596.20)
Exchange rate fluctuations	379.70	1324.17
<b>Net Cash from operating activities (A)</b>	<b>16904.32</b>	<b>22341.26</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(18077.16)	(12350.69)
Sale proceeds of Fixed Assets	2349.48	2895.24
Inflow on Investments (Net)	12233.25	17506.56
Loans to body corporates (Net)	(106.52)	1325.47
Loans to subsidiaries (Net)	402.56	1890.82
Interest received from Banks / others	1191.57	1250.70
Dividend received on Trade Investments	132.08	117.40
Dividend received on Non- Trade Investments	41.42	44.71
<b>Net Cash used in Investing Activities (B)</b>	<b>(1833.32)</b>	<b>12680.21</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(1805.29)	(1733.08)
Dividend Distribution Tax	(306.81)	(294.54)
Finance Cost	(11646.10)	(16722.69)
Borrowings (Net)	(8454.36)	(10902.66)
<b>Net Cash used in Financing Activities (C)</b>	<b>(22212.56)</b>	<b>(29652.97)</b>
Net (Decrease) /Increase in Cash and Cash equivalents (A+B+C)	<b>(7141.56)</b>	<b>5368.50</b>
Opening Cash and Cash equivalents	14402.57	9034.07
Closing Cash and Cash equivalents #	7261.01	14402.57

# Includes Rs. 685.15 lacs (Previous Year Rs. 1833.64 lacs) in respect of amount lying in unclaimed dividend account / margin money account / fixed deposits pledged with banks as margin for letter of credits, guarantees & bills discounted.

For and on behalf of the Board of Directors

**R.K. Jain**  
Group President  
(Corp. Finance & Accounts)

**S. K. Kaushik**  
Whole-time Director  
DIN 00027035

**Ashok Chaturvedi**  
Chairman & Managing Director  
DIN 00023452

**Rakesh Malhotra**  
Sr. General Manager  
(Corp. Accounts)

**Ajay Krishna**  
Sr. Vice President (Legal) &  
Company Secretary

This is the Cash Flow Statement  
referred to in our report of even date

For **Vijay Sehgal & Co.**  
Chartered Accountants

Place : NOIDA  
Dated : 28<sup>th</sup> May, 2015

**S.V. Sehgal**  
Partner

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

### 1. GENERAL

#### A. COMPANY AND ITS BACKGROUND

The Company was registered with the ROC, Delhi & Haryana under the Registration number 55-32166 dated 21st June 1988. Old Registration number has been converted into new Corporate Identification number (CIN) L74899DL1988PLC032166

Registered office of the Company is situated at 305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash-I, New Delhi- 110 048

The Company has been engaged in the manufacture and sale of flexible packaging products & offer a complete flexible packaging solution to its customers across the globe.

#### B. SIGNIFICANT ACCOUNTING POLICIES

##### a. Basis of Preparation of Financial Statements

The financial Statements are prepared in accordance with the Indian Generally Accepted Accounting Principal (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies Act 2013 u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied.

##### b. Use of Estimates and Judgements

The preparation of the financial statements is in conformity with GAAP, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed ongoing concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, in the period of the revision and future periods if the revision affects both current and future.

##### c. Classification of Expenditure / Income

Except otherwise indicated:

- i) All expenditure and income are accounted for under the natural heads of account.
- ii) All expenditure and income are accounted for on accrual basis.

##### d. Valuation

###### i) Fixed Assets

- a) Fixed Assets are normally accounted for on cost basis (net of CENVAT credits) including the cost of installation, pre-operative expenses, identifiable trial run expenses where incurred, eligible adjustment on account of foreign exchange fluctuations and impairment losses. Pre-operative expenses and identifiable trial run expenses incurred by the company up to the date eligible assets are put to use for commercial production are allocated to them in proportion to their cost. The cost of fixed assets is adjusted for revaluation, if any, done in any year as decided by the management so as to show the fixed assets at their current value.
- b) Self-constructed Fixed Assets are valued at cost including overheads of the unit constructing the asset.

###### ii) Finished Goods

Finished goods are valued at lower of cost, based on weighted average method, (except in case of machine manufacturing where specific identification method is used) arrived after including depreciation on plant & machinery, electrical installation and factory building, repair

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

& maintenance on factory building, specific manufacturing expenses including excise duty and specific payments & benefits to employees or net realisable value.

### iii) Work-in-Progress

Work-in-Progress are valued at lower of cost, based on weighted average method, (except in case of machine manufacturing where specific identification method is used) arrived after including depreciation on plant & machinery, electrical installation and factory building, repair & maintenance on factory building, specific manufacturing expenses and specific payments & benefits to employees or net realisable value.

### iv) Raw Materials

Raw Materials are valued at lower of cost, based on first-in-first-out method arrived at after including freight inward and other expenditure directly attributable to acquisition or net realisable value.

Stores, fuel and packing materials are valued at lower of cost, based on first-in-first-out method or net realisable value.

Inter-unit transfers of goods and services / job work are valued at cost price / the price agreed to between the units.

### e. Cost of spares, tools, jigs & dies are charged to revenue.

### f. Leases

i) Lease rentals paid on operating leases are charged to revenue.

ii) Lease rentals received under operating lease are recognized in the statement of Profit & Loss.

### g. Expenses incurred for issue of financial securities are charged to Securities Premium Reserve.

### h. Foreign Currency Transactions

i) Foreign currency monetary items remaining unsettled at the year end are translated at year end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in foreign currency are reported using the exchange rates that existed when the values were determined.

ii) Exchange differences on settlement / translation of monetary items, are adjusted as income / expense through the Exchange Fluctuation Account in the year they arise.

iii) Difference between the forward and exchange rate on the date of transactions are adjusted over the period of the contract as an income / expense through the Exchange Fluctuation Account.

iv) Profit or loss on cancellation of forward contracts for transactions, are adjusted as income / expense through Exchange Fluctuation Account in the year they arise.

v) Exchanges difference arises on settlement / translation of foreign currency monetary items relating to acquisition of fixed assets till the period they are put to use for commercial production, are capitalized to the cost of assets acquired and provided for over the useful life of the fixed asset.

### i. Depreciation

i) Normal depreciation on all fixed assets, except land and extra shift depreciation on specific plant & machineries for the period of extra shift worked, are provided from the date of put to use for commercial production on straight line method at the useful life prescribed in Schedule-II to the Companies Act, 2013 except for the followings, where useful live is different than those prescribed in the Schedule II of the Companies Act 2013:

Particulars	Description
Rotogravure Cylinders & Shims (useful life 3 Years)	Over the useful life as technically specified by the management based on the past experience
Continuous process Plant (useful life of 20 Years)	Over the useful life as technically specified by the management based on the past experience

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

- ii) No depreciation is provided on leasehold land.
- iii) Depreciation on additions / deletions to fixed assets is provided on *pro-rata* basis from / to the date of additions / deletions.
- v) In case the financial year consists of the period less / more than the normal period of 12 months, depreciation on fixed assets existing at the beginning of the financial year as well as those acquired during the said period are provided for the period covered on *pro-rata* basis.

**j. Turnover**

- i) Gross sales are inclusive of inter-unit sale value and excise duty/cess recoveries and exclusive of sales tax.
- ii) Sales returns / rate differences are adjusted from the sales of the year in which the returns take place / rate differences accepted.
- iii) Gross job work is inclusive of inter-unit job work value and excise duty/cess recoveries.
- iv) Consignment Sales are considered as Sales when goods are sold to ultimate customer.

**k. Purchases**

- i) Purchases are inclusive of inter-unit purchase value and net of CENVAT credits and materials consumed during trial run.
- ii) Purchases returns / rebates are adjusted from the purchases of the year in which the returns take place / rebates allowed.

**l. Investments**

- i) Long term investments are valued at their cost including brokerage, fees and duty. However, if there is decline in value of investment, other than temporary, the carrying amount of investment is reduced recognizing the decline in value of each investment.
- ii) Current investments are valued at cost or market price, whichever is lower.

**m. Employee Benefits**

- i) Defined Long Term benefits recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Statement of Profit & Loss.
- ii) Defined Contribution Plans are charged to Statement of Profit & Loss based on the contribution made to the specified fund.
- iii) Short term employee benefits are charged to Statement of Profit & Loss at the undiscounted amount in the year in which the related service is rendered.

**n. Claims by / Against the Company**

Claims by / against the Company arising on any account are provided in the accounts on receipts / acceptances.

**o. Borrowing Cost**

Borrowing cost attributable to the acquisition or construction of qualifying /eligible assets, intended for commercial production are capitalised as part of the cost of such assets. All other borrowing costs are recognized as an expense and are charged to revenue in the year in which they are incurred.

**p. Earning Per Share**

In accordance with the Accounting Standard-20 (AS-20) "Earning Per Share" issued by The Institute of Chartered Accountants of India, Basic Earning Per Share is computed using the weighted average number of Shares outstanding during the period & Diluted Earning per share is computed using the weighted average number of shares outstanding after adjusting the effect of all dilutive potential equity shares that were outstanding during the period.

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**q. Deferred Tax Assets / Liabilities**

Deferred tax assets & liabilities are measured using the current tax rates. When there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty of realisation of deferred tax assets. Other deferred tax assets are recognised to the extent, there is reasonable certainty of realisation of deferred tax assets. Such deferred tax assets & other unrecognised deferred tax assets are re-assessed at each Balance Sheet date and the carrying value of the same are adjusted recognising the change in the value of each such deferred tax assets.

**r. Research & Development**

- i) All revenue expenditure on research & development activities are accounted for under their natural heads of revenue expenses accounts.
- ii) All capital expenditure related to research & development activities are accounted for under their natural heads of fixed assets accounts.

**s. Impairment**

Management periodically assesses using external and internal sources whether there is an indication that assets of concerned cash generating unit may be impaired. Impairment loss, if any, is provided as per Accounting Standard (AS-28) on Impairment of Assets.

**t. Provisions, Contingent Liabilities and Contingent Assets**

In accordance with the Accounting Standard AS – 29 issued by Institute of Chartered Accountants of India a) provisions are made for the present obligations where amount can be estimated reliably, and b) contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the company. Contingent assets are neither recognised nor disclosed in the financial statements.

**u. Intangible Assets**

- i) Customised or separately purchased software is classified as intangible assets at their cost and amortised over a period of five years from date of put to use.
- ii) All capital expenditures relating to patent / technology are capitalized under the natural head of fixed assets account and amortized over the period of contract.
- iii) All revenue expenditure relating to use of patent / technology are accounted for under the natural head of revenue expense account.

**2. Share Capital**
**A AUTHORISED**

The Company's Authorised Capital is of Rs.34000.00 Lacs (Previous Year Same) distributed into 1,90,00,000 (Previous Year Same) Preference Shares of Rs.100/- each and 15,00,00,000 (Previous Year Same) Equity Shares of Rs. 10/- Each.

**B ISSUED, SUBSCRIBED & PAID-UP**

The Issued, Subscribed and Paid-up Capital of the Company as at 31st March 2015 is of Rs.7221.15 Lacs, represented by 7,22,11,486 Equity Shares of Rs. 10/- each as at 31st March 2015. The reconciliation of the Equity Share Capital of the Company is given as under:

	Issued & Subscribed		Fully Paid-Up		Partly Paid-Up	
	Number	Amount	Number	Amount	Number	Amount
	(Rs in Lacs)		(Rs in Lacs)		(Rs in Lacs)	
Balance as at 31st March 2013	72211486	7221.15	72211486	7221.15	-	-
Balance as At 31st March 2014	72211486	7221.15	72211486	7221.15	-	-
<b>Balance as at 31st March 2015</b>	<b>72211486</b>	<b>7221.15</b>	<b>72211486</b>	<b>7221.15</b>	-	-

The Company's Issued, Subscribed and Paid-up Capital of 72211486 (previous Year Same) Equity Shares of Rs. 10/- each, is distributed as under:

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

	As At		As At	
	31 <sup>st</sup> March 2015		31 <sup>st</sup> March 2014	
	Number	%	Number	%
a) <b>Promoter &amp; Promoter Group</b>	<b>31784339</b>	<b>44.02</b>	<b>31386975</b>	<b>43.47</b>
<b>Of which Shareholders holding More than 5 % of the Paid-up Capital</b>				
Flex International Pvt. Ltd.	9197577	12.74	9197577	12.74
Anshika Investments Pvt. Ltd.	5771092	7.99	5771092	7.99
A.R. Leasing Pvt. Ltd.	4994891	6.92	4994891	6.92
Anshika Consultants Pvt. Ltd.	3778524	5.23	3778524	5.23
Apoorva Extrusion Pvt. Ltd.	4323162	5.99	4323162	5.99
b) <b>Public Shareholding *</b>	<b>40427147</b>	<b>55.98</b>	<b>40824511</b>	<b>56.53</b>
i) Institution	5662560	7.84	4536661	6.28
ii) Non- Institution	29298747	40.57	30822010	42.68
iii) GDRs (underlying shares)	5465840	7.57	5465840	7.57

\* *Of which Shareholder holding More than 5 % of the Paid-up Capital*

Further, the Issued, Subscribed and Paid-up Capital of the Company includes 54,65,840 (Previous Year Same) Equity Shares lying with Depository, representing 27,32,920 (Previous Year Same) Global Depository Receipts (GDRs), issued through an international offering in US Dollars, outstanding as at Balance Sheet date.

### C RESTRICTION ON VOTING RIGHTS

Holders of GDRs have no voting rights in respect of underlying shares represented by the GDRs. However, Depository can exercise the power to vote in respect of shares represented by the GDRs as directed by the Board, in terms of the conditions contained in offering circular. Registered holders of Shares, withdrawn from the deposit facility will be entitled to Vote and exercise other direct shareholder rights.

However, the holders of the GDRs are entitled to portion of the annual dividend, if any declared, on the shares represented by the outstanding GDRs.

### 3. RESERVES & SURPLUS

	(Rs. in Lacs)					
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Statement of Profit & Loss	Total
Balance as at 31st March 2013	10377.76	57110.63	3.15	15453.68	58381.84	141327.06
Profit for the Year					12935.64	12935.64
<b>(Less): Appropriations</b>						
Proposed Dividend					(1805.29)	(1805.29)
Dividend Distribution Tax					(306.81)	(306.81)
Amount transferred to General Reserve					(1293.56)	(1293.56)
Amount Transferred from Statement of Profit & Loss				1293.56		1293.56
Amount Transferred from Revaluation Reserve to General Reserve*			(0.07)	0.07		-
<b>Balance as at 31st March 2014</b>	<b>10377.76</b>	<b>57110.63</b>	<b>3.08</b>	<b>16747.31</b>	<b>67911.82</b>	<b>152150.60</b>
(Less): Amount in respect of carrying value of fixed assets where their useful life is reduced to NIL as on 01/04/2014 (Net of Tax )					(2450.13)	(2450.13)
Profit for the Year					14198.26	14198.26
<b>(Less): Appropriations</b>						
Proposed Dividend					(1949.71)	(1949.71)
Dividend Distribution Tax					(396.92)	(396.92)
Amount transferred to General Reserve					(1419.83)	(1419.83)
Amount Transferred from Statement of Profit & Loss				1419.83		1419.83
Amount Transferred from Revaluation Reserve to General Reserve*			(0.08)	0.08		-
<b>Balance as at 31st March 2015</b>	<b>10377.76</b>	<b>57110.63</b>	<b>3.00</b>	<b>18167.22</b>	<b>75893.49</b>	<b>161552.10</b>

\* Represent difference between depreciation charged on enhanced value of the revalued assets and the depreciation on their historical cost.



**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**4. LONG-TERM BORROWINGS**

	As At 31.03.2015	(Rs. in Lacs) As At 31.03.2014
<b>A. Secured</b>		
<b>Term Loans :</b>		
From Banks	<b>38040.91</b>	49505.08
From IFCI Limited	<b>11675.47</b>	17136.00
	<b>49716.38</b>	66641.08
<b>B Unsecured</b>		
From Bodies Corporate	<b>692.12</b>	2631.79
<b>Sub- Total</b>	<b>50408.50</b>	69272.87
Less: Current portion	<b>15653.69</b>	23546.54
<b>TOTAL :</b>	<b>34754.81</b>	45726.33

The Company is availing the Secured Term Loan Facilities from banks & others. Their repayment terms and other details are given as under:

						(Rs. in Lacs)
Name of the Institution / Banks / Others	Sanctioned Amount	O/s As At 31/03/2015	Current Portion	Long Term	Repayment Terms	
IFCI Limited	* 20000.00	<b>7925.47</b> (12136.00)	<b>4210.53</b> (4210.53)	<b>3714.94</b> (7925.47)	Repayable in 19 Equal Quarterly Installments of Rs. 1052.63 lacs each commencing from September 2012.	
IFCI Limited	* 5000.00	<b>3750.00</b> (5000.00)	<b>1250.00</b> (1250.00)	<b>2500.00</b> (3750.00)	Repayable in 16 Equal Quarterly Installments of Rs. 312.50 Lacs each commencing from Jun 2014.	
ICICI BANK LTD	* 16000.00	- (3000.00)	- (3000.00)		- Repayable in 16 Equal Quarterly Installments of Rs.1000.00 Lacs each commencing from Jan 2011	
Allahabad Bank	* 24000.00	<b>8381.16</b> (13188.65)	<b>4800.00</b> (4800.00)	<b>3581.16</b> (8388.65)	Repayable in 20 Equal Quarterly Installments of Rs. 1200.00 Lacs each commencing from Feb 2012.	
Bank of India	@ 10000.00	- (1874.90)	- (1874.90)		- Repayable in 16 Equal Quarterly Installments of Rs. 625.00 Lacs each commencing from Jan 2011.	
Jammu & Kashmir Bank Ltd.	* 5000.00	<b>1249.99</b> (3745.67)	<b>1249.99</b> (2500.00)	<b>51.71</b> (1245.67)	- Repayable in 8 Equal Quarterly Installments of Rs. 625.00 Lacs each commencing from Dec 2013.	
Jammu & Kashmir Bank Ltd.	* 5000.00	<b>4000.00</b> (5000.00)	<b>1000.00</b> (1000.00)	<b>3000.00</b> (4000.00)	Repayable in 20 Equal Quarterly Installments of Rs. 250.00 Lacs each commencing from Jun 2014.	
Jammu & Kashmir Bank Ltd.	# 93.00	<b>69.16</b> (84.71)	<b>17.45</b> (15.54)	<b>51.71</b> (69.17)	Repayable in 60 Equal Monthly Installments of Rs. 2.06 Lacs each commencing from Sep 2013 including interest amount.	
Jammu & Kashmir Bank Ltd.	# 138.00	<b>123.29</b> (-)	<b>23.25</b> (-)	<b>100.04</b> (-)	Repayable in 60 Equal Monthly Installments of Rs. 3.02 Lacs each commencing from Sep 2014 including interest amount.	
Canara Bank	* 12500.00	<b>9818.68</b> (8787.26)	<b>2500.00</b> (2500.00)	<b>7318.68</b> (6287.26)	Repayable in 20 Equal Quarterly Installments of Rs. 625.00 Lacs each commencing from Jun 2014.	
Canara Bank-London (ECB Facility)	* US \$ 23.175 Million	<b>14398.63</b> (13823.89)	- (-)	<b>14398.63</b> (13823.89)	Repayable in 12 Quarterly Installments Commencing from May 2017. First four installments are of US\$ 0.83 Million each, next four installments are of US\$ 1.42 Million each and next four installments are of US\$ 3.55 Million each	
<b>Total</b>		<b>49716.38</b>	<b>15051.22</b>	<b>34665.16</b>		
Previous Year		(66641.08)	(21150.97)	(45490.11)		

Previous Year figures have been given in brackets.

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

\* These are secured a) on *pari passu* basis by way of hypothecation of specific movable properties of the Company (save and except book debts), both present & future, subject to prior charges created and / or to be created in favour of Company's bankers for working capital facilities, b) by first *pari passu* equitable mortgage of specific immovable properties of the Company situated at Malanpur (M.P.), Jammu (J & K) and NOIDA (U.P.) and c) by guarantee of Chairman & Managing Director of the Company.

@ This is secured a) on *pari passu* basis by way of second hypothecation of specific movable properties of the Company (save and except book debts), both present & future, subject to prior charges created and / or to be created in favour of Company's Bankers for working capital facilities, b) by second *pari passu* equitable mortgage of specific immovable properties of the Company situated at Malanpur (M.P.), Jammu (J & K) and NOIDA (U.P.) and c) is guaranteed by Chairman & Managing Director of the Company.

\$ This is further secured by way of second *pari passu* charge on the current assets of the Company.

# These are secured by way of hypothecation of Vehicles of the Company.

### 5. DEFERRED TAX LIABILITIES (NET)

	As At 31.03.2015	As At 31.03.2014
Opening Balance	14269.38	15932.38
Add / (Less) : Provision of Deferred Tax charge / (Credit) for the year	(3724.83)	(1663.00)
<b>TOTAL :</b>	<b>10544.55</b>	<b>14269.38</b>

In accordance with the Accounting Standard-22 (AS-22), regarding 'Accounting for Taxes on Income', issued by The Institute of Chartered Accountants of India, the Cumulative Tax effects of significant timing differences, that resulted in Deferred Tax Asset & Liabilities and description of item thereof that creates these differences are as follows :

	Deferred Tax Assets / (Liabilities) As At 01.04.2014	Current Year (Charge) / Credit	(Rs. in Lacs) Deferred Tax Assets / (Liabilities) As At 31.03.2015
<b>Deferred Tax Assets</b>			
Other than unabsorbed depreciation & carry forward of losses.	684.51	783.59	1468.10
<b>Total (A)</b>	<b>684.51</b>	<b>783.59</b>	<b>1468.10</b>
<b>Deferred Tax Liabilities</b>			
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	(14953.89)	2941.24	(12012.65)
<b>Total (B)</b>	<b>(14953.89)</b>	<b>2941.24</b>	<b>(12012.65)</b>
<b>Net Deferred Tax (Liability) (A-B)</b>	<b>(14269.38)</b>	<b>3724.83</b>	<b>(10544.55)</b>

Deferred Tax credit for the year includes Rs.1261.62 Lacs (Previous Year NIL) credited to the opening reserve, in respect of Net Residual Value of Assets adjusted to the Opening Reserve as per Schedule II of the Companies Act, 2013.

### 6. OTHER LONG TERM LIABILITIES

	As At 31.03.2015	As At 31.03.2014
Securities Received	238.68	303.66
Retention Money	70.13	82.75
Lease Security Deposit	11.88	11.88
<b>TOTAL</b>	<b>320.69</b>	<b>398.29</b>

### 7. LONG-TERM PROVISIONS

Provision for Leave Encashment	1074.10	902.11
<b>TOTAL</b>	<b>1074.10</b>	<b>902.11</b>

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	As At 31.03.2015	(Rs. in Lacs) As At 31.03.2014
<b>8. SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Working Capital Facilities From Banks	25387.70	25385.54
From a Body Corporate	1050.00	-
<b>Unsecured</b>		
From Others	2350.00	1385.00
From a Related Party	500.00	-
<b>TOTAL :</b>	<u>29287.70</u>	<u>26770.54</u>

- Working capital facilities from banks are secured a) on *pari passu* basis, by way of hypothecation of stock of raw materials, semi-finished goods, finished goods and book debts of the Company, both present and future, b) by way of second *pari passu* charge on specific fixed assets of the Company, situated at Malanpur (M.P.), Jammu (J & K) and NOIDA (U.P.), and c) by guarantee of Chairman & Managing Director of the Company.
- Loan from a Body Corporate is secured by way of pledge of listed Equity Shares held as an Investment by the Company. (Refer Note No 13)

**9. TRADE PAYABLES**

Suppliers	38860.50	38180.37
Due to Suppliers under MSMEDA*	635.22	1263.78
Due to Related Parties	7077.54	5103.95
<b>TOTAL :</b>	<u>46573.26</u>	<u>44548.10</u>

\* The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the information given by the management, are as under:

Sr. Particulars No.	As at 31.03.2015	(Rs. in Lacs) As at 31.03.2014
1 Principal amount due and remaining unpaid	Nil	Nil
2 Interest due on (1) above and the unpaid interest	Nil	Nil
3 Interest paid on all delayed payment under the MSMED Act	Nil	Nil
4 Payment made beyond the appointed day during the year	Nil	Nil
5 Interest due and payable for the period of delay other than (3) above	Nil	Nil
6 Interest accrued and remaining unpaid	Nil	Nil
7 Amount of further interest remaining due and payable in succeeding years	Nil	Nil

	As At 31.03.2015	(Rs. in Lacs) As At 31.03.2014
<b>10. OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Borrowings	15653.69	23546.54
Capital Creditors	1148.10	779.18
Due to Employees	1013.40	1004.94
Interest Accrued but not due on Loans		
- From a Related Party	1.92	-
- From Others	118.19	313.46
Unclaimed Dividend*	152.42	159.65
Advances from Customers	4198.94	2329.53
Advances from Subsidiaries	1036.72	3548.45
Statutory Dues	810.67	849.15
Others Payable	5029.44	5620.88
<b>TOTAL :</b>	<u>29163.49</u>	<u>38151.78</u>

\* These figures do not include any amount, due and outstanding, required to be credited to Investor Education and Protection Fund.

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Rs. in Lacs)

	<b>As At 31.03.2015</b>	<b>As At 31.03.2014</b>
<b>11. SHORT-TERM PROVISIONS</b>		
Income Tax (Net)	<b>2474.95</b>	2224.18
Wealth Tax	<b>99.42</b>	100.68
Proposed Dividend	<b>1949.71</b>	1805.29
Proposed Dividend Distribution Tax	<b>396.92</b>	306.81
Leave Encashment	<b>169.82</b>	84.29
Staff Benefits	<b>384.29</b>	522.70
Warranty	<b>24.96</b>	9.70
Interest on Deferred Liabilities	<b>554.61</b>	1664.36
<b>TOTAL :</b>	<b>6054.68</b>	6718.01

**12. FIXED ASSETS**

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK					NET BLOCK		
	Value/cost As At 01.04.2014	Additions during the year	Deductions during the year	Value/cost As At 31.03.2015	Upto 31.03.2014	For the year	Adjust- ments #	Dedu- ctions	As At 31.03.2015	As At 31.03.2015	As At 31.03.2014	
<b>A. TANGIBLE ASSETS</b>												
Freehold Land	8.57	-	-	8.57	-	-		-	-	8.57	8.57	
Leasehold Land	4138.83	20.38	-	4159.21	-	-		-	-	4159.21	4138.83	
Building	28920.51	3304.18	311.75	31912.94	9359.02	836.54	13.42	300.36	9908.62	22004.32	19561.49	
Plant & Machinery	188549.71	18248.46	7851.78	198946.39	93884.03	13533.84	1542.03	5289.00	103670.90	95275.49	94665.68	
Electrical Installation	5288.99	215.92	128.99	5375.92	2927.75	283.77	538.18	113.47	3636.23	1739.69	2361.24	
Office Equipments	4746.83	309.25	808.77	4247.31	2015.00	547.52	1572.77	777.27	3358.02	889.29	2731.83	
Furniture & Fixtures	4985.66	107.83	220.44	4873.05	1954.64	679.90	26.02	216.88	2443.68	2429.37	3031.02	
Vehicles	2025.11	210.88	156.74	2079.25	950.69	259.45	19.33	100.49	1128.98	950.27	1074.42	
Sub-Total (A)	238664.21	22416.90	9478.47	251602.64	111091.13	16141.02	3711.75	6797.47	124146.43	127456.21	127573.08	
Previous Year	(242128.27)	(6523.86)	(9987.92)	(238664.21)	(103336.82)	(14411.60)	-	(6657.29)	(111091.13)	(127573.08)	(138791.45)	
<b>B. INTANGIBLE ASSETS</b>												
Software	1086.85	295.48	-	1382.33	828.80	93.59	-	-	922.39	459.94	258.05	
Patent	500.00	-	-	500.00	221.86	100.00	-	-	321.86	178.14	278.14	
Technical Know-How	265.55	-	-	265.55	121.79	59.87	-	-	181.66	83.89	143.76	
Sub- Total (B)	1852.40	295.48	-	2147.88	1172.45	253.46	-	-	1425.91	721.97	679.95	
Previous Year	(1852.40)	-	-	(1852.40)	(902.82)	(269.63)	-	-	(1172.45)	(679.95)	(949.58)	
<b>TOTAL</b>	240516.61	22712.38	9478.47	253750.52	112263.58	16394.48	3711.75	6797.47	125572.34	128178.18	128253.03	
Previous Year	(243980.67)	(6523.86)	(9987.92)	(240516.61)	(104239.64)	(14681.23)	-	(6657.29)	(112263.58)			
										Capital Work- in- Progress	2399.71	7271.50
										Intangible Assets under Development	236.57	-
										<b>TOTAL :</b>	<b>130814.46</b>	<b>135524.53</b>

- 1 Leasehold Land includes Rs.320.00 lacs (Previous Year Same) pending execution of title deed.
- 2 Building includes Rs. 5.30 lacs (Previous Year Same) acquired on ownership basis & Rs.19.85 lacs (Previous Year Same) pending execution of title deed.
- 3 Gross Block & Capital Work- in- Progress includes Pre-operative expenses, basis of which is certified by the Management.
- 4 Capital Work in Progress includes Rs 21.27 lacs (Previous year Rs. 1.61 lacs) in respect of Machinery in Transit.
- 5 Gross Block includes Rs. 5.08 lacs (Previous Year Same) added on revaluation of following assets:-
  - a. Rs. 2.27 Lacs (Previous Year Same) towards Building revalued as at 31st December 1987.
  - b. Rs. 2.81 lacs (Previous Year Same) towards Land revalued as at 31st December 1987.

#6 Represents net residual carrying value of assets where there useful life is reduced to NIL, as at 1/4/2014, in accordance with the Schedule II of the Companies Act 2013.

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**13. INVESTMENTS**

Particulars	Description	Face Value	As At 31.03.2015		As At 31.03.2014	
			Number	Amount (Rs. in Lacs)	Number	Amount (Rs. in Lacs)
<b>1. NON CURRENT INVESTMENTS (LONG TERM INVESTMENTS)</b>						
<b>A. QUOTED</b>						
<b>Fully Paid Up</b>						
<b>IN SHARES</b>						
<b>i) TRADE :</b>						
Flex Foods Ltd. (Associate)	Equity	Rs.10/-	<b>5870000</b>	<b>587.00</b>	5870000	587.00
<b>ii) NON-TRADE :</b>						
Reliance Industries Ltd. \$	Equity	Rs.10/-	<b>222892</b>	<b>2820.92</b>	222892	2820.92
Reliance Infrastructure Ltd.\$	Equity	Rs.10/-	<b>60000</b>	<b>1115.87</b>	60000	1115.87
Ansals Properties & Infrastructure Ltd.	Equity	Rs.5/-	<b>589910</b>	<b>1113.90</b>	589910	1113.90
Kothari Products Ltd.@	Equity	Rs.10/-	<b>228600</b>	<b>152.40</b>	76200	152.40
B.A.G.Films Ltd.	Equity	Rs.2/-	<b>49300</b>	<b>4.93</b>	49300	4.93
<b>TOTAL (A)</b>				<b>5795.02</b>		<b>5795.02</b>
<b>UNQUOTED</b>						
<b>Fully Paid Up</b>						
<b>i) IN WHOLLY OWNED SUBSIDIARIES</b>						
Flex Middle East FZE,Dubai	Equity	AED 1 Million	<b>107</b>	<b>12672.08</b>	107	12672.08
Uflex Europe Ltd.,UK	Equity	GBP 1	<b>995000</b>	<b>726.92</b>	995000	726.92
Uflex Packaging Inc,USA	Equity	US\$ 10	<b>367500</b>	<b>1690.92</b>	367500	1690.92
Utech Developers Ltd.	Equity	Rs.10/-	<b>100000000</b>	<b>10000.00</b>	100000000	10000.00
Upet Holding Ltd.	Equity	US\$ 1	-	-	38400001	17480.80
Flex Films (USA) Inc	Equity	US\$ 5000	-	-	1600	4150.88
Flex P Films (Brasil) Comercio De Films Plasticos Ltda	Equity	BLR 1/-	<b>800000*</b>	<b>215.72</b>	800000	215.72
<b>ii) IN OTHER SUBSIDIARIES</b>						
Upet Holding Ltd.	Equity	US\$ 1	<b>29500001</b>	<b>13409.05</b>	-	-
USC Holograms Pvt. Ltd.	Equity	Rs.10/-	<b>40800#</b>	<b>4.08</b>	40800#	4.08
<b>iii) TRADE :</b>						
<b>IN SHARES</b>						
Malanpur Captive Power Ltd.	Equity	Rs.10/-	<b>635650</b>	<b>297.17</b>	635650	297.17
<b>iv) NON-TRADE :</b>						
<b>IN SHARES</b>						
Fair Growth Financial Services Ltd.	Equity	Rs.10/-	<b>100000</b>	<b>10.00</b>	100000	10.00
Vijaya Home Loans Ltd.	Equity	Rs.10/-	<b>50000</b>	<b>5.00</b>	50000	5.00
<b>TOTAL (B)</b>				<b>39030.94</b>		<b>47253.57</b>
<b>TOTAL (A+B)</b>				<b>44825.96</b>		<b>53048.59</b>

Aggregate Market Value of Quoted Investment is Rs.5598.89 lacs (Previous Year Rs.4439.12 lacs). In the opinion of the Management, decline in the market value of the Investments is temporary.

\$ Pledge against the borrowing from a Body Corporate. (Refer Note No 8)

@ Increase in number of Equity Shares of 152400 is on account of Bonus Shares allotted on 10th April 2014.

\* Including 16000 Equity Shares held by nominees, nominated by the Company.

# Including 4 Equity Shares held by nominees, nominated by the Company.

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Rs. in Lacs)

	As At 31.03.2015	As At 31.03.2014
<b>14. LONG-TERM LOANS &amp; ADVANCES</b>		
(Unsecured, Considered Good)		
Capital Advances	4161.28	2816.29
Security Deposits	1381.27	1398.95
<b>Loans to :</b>		
- Subsidiary (Utech Developers Ltd). [Interest Free]	8735.00	9135.00
- Employees	148.69	180.26
- Others	405.08	831.47
<b>Deposits :</b>		
- With Excise Authority	355.85	326.68
- Others	216.95	132.90
Deposits / Advances with Income Tax Authorities	1210.95	861.23
<b>TOTAL :</b>	<u>16615.07</u>	<u>15682.78</u>
<b>15. OTHER NON-CURRENT ASSETS</b>		
Advances recoverable in cash or in kind or value to be received	145.80	428.47
<b>TOTAL :</b>	<u>145.80</u>	<u>428.47</u>
<b>16. INVENTORIES</b>		
Raw Materials	14150.96	11923.21
Work-in-Progress	7248.72	5942.48
Finished Goods	2009.55	2153.25
Traded Goods	3.63	3.81
Material-in-Transit :		
- Raw Materials	4306.96	563.36
- Raw Materials (Intra Group)	355.07	250.47
- Finished Goods (Intra Group)	6.75	25.32
Stores, Packing Material & Fuel	795.97	803.91
<b>TOTAL :</b>	<u>28877.61</u>	<u>21665.81</u>
<b>17. TRADE RECEIVABLES</b>		
(Unsecured, Considered Good)		
A. Trade receivable outstanding for a period exceeding six months	22164.89	14950.71
B. Other trade receivable	59038.89	66957.20
	<u>81203.78</u>	<u>81907.91</u>
Less : Provision for Bad & Doubtful Debts	3015.05	1013.16
<b>TOTAL : #</b>	<u>78188.73</u>	<u>80894.75</u>
# Includes due from :		
- Subsidiaries	9232.99	10377.58
- Related Parties	2810.95	1824.21



**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Rs. in Lacs)

	As At 31.03.2015	As At 31.03.2014
<b>18. CASH &amp; BANK BALANCES</b>		
<b>a) Cash &amp; Cash Equivalents</b>		
Cash in hand	81.49	55.15
Balances with Scheduled Banks:		
- On Current Accounts	3704.53	2506.62
- On Cash Credits Accounts	55.49	1113.95
- On Fixed Deposits Accounts	2734.35	8893.21
	<b>6575.86</b>	12568.93
<b>b) Other Bank Balances</b>		
- On Fixed Deposits Accounts*	386.61	1027.24
- On Fixed Deposits Accounts for a period more than 12 Months*	41.24	43.35
- On Unclaimed Dividend Account	152.42	159.65
- In Margin Money Accounts	104.88	603.40
	<b>685.15</b>	1833.64
<b>TOTAL :</b>	<b>7261.01</b>	<b>14402.57</b>

\* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.

**19. SHORT-TERM LOANS & ADVANCES**

(Unsecured, Considered Good)

Advances recoverable in cash or in kind or for value to be received

Advances recoverable in cash or in kind or for value to be received	10753.65	5829.28
Advances to Related Parties	9.61	0.43
Balances with Excise Authorities	4204.07	3275.03
Loans to Employees and others	70.78	0.30
Loans to Subsidiaries*	40.00	42.56
Loans to Other Body Corporates	4626.05	4519.53
<b>TOTAL :</b>	<b>19704.16</b>	<b>13667.13</b>

\* Represents loans given to followings :

	Applicable Rate of Interest	Applicable Rate of Interest
USC Hologram Pvt. Ltd.	15%	10%
	40.00	42.56
<b>TOTAL :</b>	<b>40.00</b>	<b>42.56</b>

**20. OTHER CURRENT ASSETS**

Interest accrued on :

- Loan to Subsidiary	1.05	-
- Loans to Others	-	183.31
- Deposits with Banks	56.76	65.60
Other Receivables	55.92	1292.75
<b>TOTAL :</b>	<b>113.73</b>	<b>1541.66</b>

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	(Rs. in Lacs)	
	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>21. REVENUE FROM OPERATIONS</b>		
<b>A. i) REVENUE FROM SALE OF PRODUCTS</b>		
Gross Sales	384961.17	363433.71
Less : Inter Unit Sales	<u>33103.32</u>	<u>32631.22</u>
	<b>351857.85</b>	330802.49
Less : Excise Duty / Cess	<u>31391.24</u>	<u>29941.05</u>
	<b>320466.61</b>	300861.44
<b>ii) REVENUE FROM SALE OF SERVICES</b>		
Gross Job work	7337.72	5733.24
Less : Inter Unit Job Work	<u>4561.63</u>	<u>3448.03</u>
	<b>2776.09</b>	2285.21
Less : Excise Duty / Service Tax / Cess	<b>230.01</b>	198.56
Technical Fees	-	2733.76
<b>TOTAL (A) :</b>	<b>323012.69</b>	305681.85
<b>B. OTHER OPERATING REVENUES</b>		
Scrap Sales	<b>2947.92</b>	2858.42
Less : Excise Duty / Cess	<u>216.13</u>	<u>219.77</u>
	<b>2731.79</b>	2638.65
Packing, Forwarding and Insurance Recoveries	<b>209.60</b>	184.31
Exchange Rate Fluctuation (Net)	<b>379.70</b>	1324.17
Export Incentive	<b>3228.44</b>	3633.36
Excise Duty Refund	<b>2206.38</b>	1803.62
Miscellaneous Operating Income	<b>182.31</b>	2214.19
Vat Refund	<b>379.39</b>	14.99
Support Fees	<u>386.49</u>	<u>431.81</u>
<b>TOTAL (B) :</b>	<b>9704.10</b>	12245.10
<b>TOTAL (A+B):</b>	<b>332716.79</b>	317926.95
<b>PRODUCT WISE DETAILS OF REVENUE FROM SALE OF MANUFACTURED PRODUCTS / SERVICES</b>		
Printed, Laminated, Metalised, Co-extruded, Coated, Embossed, Plain Plastic Films and Hologrammed Stricker Sheets	<b>271448.22</b>	244465.12
Packaging & Converting Machines	<b>17772.27</b>	23214.26
Printing Ink	<b>24780.28</b>	21382.43
Adhesive	<b>19201.69</b>	16217.13
Others	<b>16907.50</b>	21715.64
<b>TOTAL :</b>	<b>350109.96</b>	326994.58
<b>PRODUCT WISE DETAILS OF REVENUE FROM SALE OF STOCK-IN-TRADE</b>		
Paper	-	1113.43
Adhesive	<b>1722.34</b>	1727.60
Aluminium	-	5337.46
Machines	<b>2367.07</b>	0.00
Others	<b>434.57</b>	648.39
<b>TOTAL :</b>	<b>4523.98</b>	8826.88
<b>GROSS REVENUE FROM SALE OF PRODUCTS &amp; SERVICES</b>	<b>354633.94</b>	335821.46
Less : Excise Duty / Service Tax / Cess	<b>31621.25</b>	30139.61
<b>REVENUE FROM SALE OF PRODUCTS / SERVICES</b>	<b>323012.69</b>	305681.85

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	(Rs. in Lacs)	
	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>22. OTHER INCOME</b>		
Rent Received	222.09	211.71
<b>Profit on sale of Investments (Net)</b>		
- Non Current Investments	4010.62	4554.21
- Miscellaneous Income	531.61	1946.61
<b>Interest :</b>		
- from Banks	558.13	432.35
- from Others	633.44	818.35
<b>Investment Income:</b>		
- Dividend received on Trade Investments	132.08	117.40
- Dividend received on Non-Trade Investments	41.42	44.71
<b>TOTAL :</b>	<u>6129.39</u>	<u>8125.34</u>
<b>23. COST OF MATERIALS CONSUMED</b>		
Opening Stock	12173.68	11499.78
Add : Purchases	<u>248745.57</u>	<u>229138.53</u>
	260919.25	240638.31
Less : Inter Unit Purchases	<u>33212.16</u>	<u>31709.08</u>
	227707.09	208929.23
Less : Closing Stock	<u>14506.03</u>	<u>12173.68</u>
<b>TOTAL :</b>	<u>213201.06</u>	<u>196755.55</u>
<b>PRODUCT WISE DETAILS OF COST OF MATERIALS CONSUMED :</b>		
Fibre Chemicals	26825.20	30833.03
Plastic Granules	37069.01	39739.64
Plastic Films	42979.57	32040.56
Aluminium Foils	24029.49	18060.16
Paper	9518.16	9881.97
Solvents	15209.02	12890.73
Chemicals	14581.98	12716.01
Resin	10915.49	9814.01
Others	32304.47	30781.14
<b>TOTAL :</b>	<u>213432.39</u>	<u>196757.25</u>
Less : Materials Consumed during trial runs	231.33	1.70
<b>TOTAL :</b>	<u>213201.06</u>	<u>196755.55</u>
<b>24. PURCHASE OF STOCK-IN-TRADE</b>	<u>4074.64</u>	<u>7433.36</u>
<b>PRODUCT WISE DETAILS OF PURCHASE OF STOCK-IN-TRADE :</b>		
Paper	-	978.14
Adhesive	1465.09	1430.49
Aluminium	-	4488.49
Machines	2258.81	-
Others	350.74	536.24
<b>TOTAL :</b>	<u>4074.64</u>	<u>7433.36</u>

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	(Rs. in Lacs)	
	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>25. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening Stock :</b>		
Stock-in-Trade	3.81	1.51
Finished Goods	2178.57	2340.98
Work-in-Progress	5942.48	6881.23
	<u>8124.86</u>	<u>9223.72</u>
<b>Less: Closing Stock :</b>		
Stock-in-Trade	3.63	3.81
<b>Finished Goods</b>	<u>2016.30</u>	<u>2178.57</u>
Printed, Laminated, Metalised, Co-extruded, Coated, Embossed, Plain Plastic Films and Hologrammed Stricker Sheets	810.14	680.94
Printing Ink	388.79	373.01
Adhesive	333.09	320.32
Others	484.28	804.30
<b>Work-in-Progress</b>	<u>7248.72</u>	<u>5942.48</u>
Printed, Laminated, Metalised, Co-extruded, Coated, Embossed, Plain Plastic Films and Hologrammed Sticker Sheets	4275.51	3735.36
Packaging & Converting Machines	2709.01	1895.35
Printing Ink	110.67	134.64
Adhesive	46.68	57.47
Others	106.85	119.66
	<u>9268.65</u>	<u>8124.86</u>
<b>TOTAL :</b>	<u>(1143.79)</u>	<u>1098.86</u>
<b>26. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus, Benefits and Amenities	23988.88	20363.55
Contribution to Provident Fund and Other Funds	798.74	1271.31
Employee Welfare Expenses	788.02	712.19
<b>TOTAL :</b>	<u>25575.64</u>	<u>22347.05</u>
<b>27. FINANCE COSTS</b>		
Interest		
- On Loans for Fixed Period	7219.26	10384.33
- On Other Loans / Liabilities	3898.01	4250.13
- On Shortfall in payment of Advance Tax	127.00	113.00
	<u>11244.27</u>	<u>14747.46</u>
Short / (Excess) Provision of interest for earlier years		
- On Income Tax	117.22	182.29
- On Deferred Liabilities	(1198.72)	-
	<u>(1081.50)</u>	<u>182.29</u>
Discounting & Financial Charges	1483.33	1792.94
<b>TOTAL :</b>	<u>11646.10</u>	<u>16722.69</u>

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	For the Year Ended 31.03.2015	(Rs. in Lacs) For the Year Ended 31.03.2014
<b>28. OTHER EXPENSES</b>		
<b>A. OTHER MANUFACTURING EXPENSES</b>		
Power & Fuel Consumed	15310.96	17648.54
Repair & Maintenance-Machinery	3538.83	2977.18
Stores Consumed	3472.73	3118.87
Tools, Jigs & Dies	258.98	242.92
Packing Material Consumed	5996.37	5101.67
Processing Charges for Cylinders	2828.81	1958.57
Less : Inter Unit Charges	<u>2380.78</u>	<u>1735.04</u>
	448.03	223.53
Design & Development Charges	19.09	20.53
Excise Duty	24.08	3.24
Job Work Charges	1125.71	1343.18
Royalty Expenses	478.15	843.61
R & D Charges	25.79	45.12
<b>TOTAL (A) :</b>	<u><u>30698.72</u></u>	<u><u>31568.39</u></u>
<b>B. ADMINISTRATIVE, SELLING &amp; OTHER EXPENSES</b>		
Rent	705.93	644.40
Rates & Taxes	138.64	125.00
Insurance charges	648.88	626.78
Electricity & Water charges	356.82	315.73
Printing & Stationery	222.36	200.17
Postage, Telephone & Fax Expenses	407.43	435.39
Vehicle Running & Maintenance Expenses	439.60	410.35
Lease Rent -Vehicles	695.19	531.37
Conveyance & Travelling Expenses	2950.69	2341.77
Repair & Maintenance :		
- Building	562.30	336.03
- Others	1238.15	1288.29
Legal & Professional Charges	1411.44	1294.70
Directors' sitting fees	20.30	7.60
General Expenses	1719.16	1544.95
Commission on Sales	331.99	458.51
Advertisement & Publicity	438.22	327.46
Entertainment Expenses	278.11	318.52
Charity & Donation	22.63	176.71
Corporate Social Responsibility Expenditure	149.97	-
Rebate & Discount	1313.46	1236.14
Freight & Forwarding charges	8007.87	6733.17
Loss on Settlement of Fire Claim	21.75	202.13
Fixed Assets Written -off	1.57	18.62
Loss on assets sold (Net)	329.95	416.77
Provision for Doubtful Debt Written Back	(15.00)	(14.06)
Bad & Doubtful Debts (Provision)	2016.89	463.47
Sundry Balances written-off (Net)	(38.09)	690.56
Claim (Exports)	2.84	39.51
<b>TOTAL (B) :</b>	<u><u>24379.05</u></u>	<u><u>21170.04</u></u>
<b>TOTAL :</b>	<u><u>55077.77</u></u>	<u><u>52738.43</u></u>

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

	For the Year Ended 31.03.2015	(Rs. in Lacs) For the Year Ended 31.03.2014
<b>29. EXPENSES ALLOCATED TO SELF CONSTRUCTED ASSETS</b>		
Cost of Material Consumed	650.97	666.66
Employee Benefits Expense	454.73	387.54
Finance Costs	2.42	3.94
Depreciation and amortisation expense	131.05	124.27
Other Expenses	296.25	411.31
<b>TOTAL :</b>	<b>1535.42</b>	<b>1593.72</b>

	As At 31.03.2015	(Rs.in Lacs) As At 31.03.2014
<b>30. Contingent liabilities not provided for in respect of :</b>		
A i) Guarantees issued by Banks	1603.74	2124.05
ii) Corporate Guarantees issued for facilities taken by foreign subsidiaries / step down subsidiaries from Banks	186941.20	213907.50
iii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes	4232.24	2264.64
iv) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	8207.65	6121.32
B i) Show cause notice / demands of Excise Authorities in respect of Excise Duty & Service Tax not acknowledged by the Company and are contested / appealed / replied	5264.39	8038.09
ii) Additional demands raised by the Income Tax Department, which are under rectification & appeal	477.35	519.04
iii) Additional demands raised by the Sales Tax Department, which are under rectification & appeal	1584.63	791.91
iv) Demand raised by PF authority for alleged lower contribution of PF and is under appeal	27.73	27.73
v) Amount demanded by the erstwhile workers of the Company and are pending in labour Court	10.48	10.48
vi) Claims against the Company/disputed liabilities not acknowledged as debt	145.83	415.86
vii) Demand raised by the Concerned Development Corporation on surrender of unutilised Industrial Leasehold Land	62.69	-

### 31. Capital Commitments :

The estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for :	31163.29	11051.11
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### 32. Disclosures for Assets under Operating Leases

The Company has taken certain vehicles on Operating Lease. The disclosures required in terms of Accounting Standard (AS)-19- on "Leases" are as under:

Minimum future Lease Rentals on assets under Operating Leases taken:



**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	(Rs.in Lacs)			
	of which not later than one year	of which later than one year and not later than 5 years	of which later than 5 years	Total
Payables	<b>580.78</b>	<b>911.12</b>	-	<b>1491.90</b>
	<i>568.39</i>	<i>789.72</i>	-	<i>1358.11</i>

Previous Year figures have been given in Italic.

**33. Information in respect of CSR Expenditure required to be spent by the company:**

	(Rs.in Lacs)	
	Current Year	Previous Year
a) Gross Amount required to be spent by the Company during the Year	<b>328.47</b>	-
b) Amount spent during the year on:		
(i) construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	<b>149.97</b>	-
c) Amount Payable as at Year End	-	-

**34. Auditors Remuneration, as included in "Legal & Professional charges" under Note No."28(B)", is as under:-**

	(Rs.in Lacs)	
	Current Year	Previous Year
a) Audit Fees	<b>95.00</b>	80.00
b) Taxation Matters	<b>27.00</b>	22.50
c) Other Services	<b>30.78</b>	28.74
d) Out of Pocket Expenses	<b>4.94</b>	5.37

**35.** In the opinion of the Board and to the best of their knowledge, value on realisation of assets, other than fixed assets & non-current investments in the ordinary course of the business, would not be less than the amount at which they are stated in the Balance Sheet.

**36. Defined Benefit Plan**
**a) Gratuity**

The employees' Group Gratuity Scheme is managed by ICICI Prudential Life Insurance Company Limited. The present value of obligation is determined based on actuarial valuation using the Projected Unit credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The additional disclosure in terms of Accounting Standard-15, "Employee Benefits" is as under:

	(Rs. in Lacs)	
	Current Year	Previous Year
<b>a. Reconciliation of opening and closing balances of obligation</b>		
<b>Obligations at period beginning</b>	<b>2110.83</b>	1575.14
Service cost	<b>245.16</b>	313.24
Interest cost	<b>163.44</b>	121.08
Actuarial (gain) / loss	<b>(193.28)</b>	224.59
Benefits paid	<b>(135.68)</b>	(123.22)
Obligations at period end	<b>2190.47</b>	2110.83
<b>b. Reconciliation of opening and closing balances of fair value assets</b>		
Plan assets at period beginning, at fair value	<b>1881.19</b>	1598.35
Expected return on plan assets	<b>150.49</b>	139.18
Actuarial gain / (loss)	<b>160.75</b>	22.20
Contributions	<b>272.24</b>	244.68
Benefits paid	<b>(135.68)</b>	(123.22)
Plan assets at period end, at fair value	<b>2328.99</b>	1881.19

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	<b>Current Year</b>	<b>(Rs. in Lacs) Previous Year</b>
<b>c. Amount Recognized in Balance Sheet</b>		
Present value of the defined benefit obligations at the end of the period	<b>2190.47</b>	2110.83
Fair value of plan assets at the end of the period	<b>(2328.99)</b>	(1881.19)
Liability recognized in the balance sheet	<b>(138.52)</b>	229.64
Assumptions		
Interest rate	<b>8% P.A.</b>	8% P.A.
Estimated rate of return on plan assets	<b>8% P.A.</b>	8% P.A.
<b>d. Gratuity cost for the period</b>		
Service cost	<b>245.16</b>	313.24
Interest cost	<b>163.44</b>	121.08
Expected return on plan assets	<b>(150.49)</b>	(139.18)
Actuarial (gain) / loss	<b>(354.03)</b>	202.39
<b>Net gratuity cost</b>	<b>(95.92)</b>	497.53

**b) Leave Encashment**

The Company has provided for its Liability towards Leave encashment, based on the actuarial valuation, disclosure whereof in terms of Accounting Standard (AS)-15, "Employee Benefits" is as under:

	<b>Current Year</b>	<b>(Rs. in Lacs) Previous Year</b>
<b>a. Reconciliation of opening and closing balances of obligation</b>		
<b>Obligations at period beginning</b>	<b>986.40</b>	901.83
Service cost	<b>581.53</b>	551.12
Interest cost	<b>70.41</b>	65.05
Actuarial (gain) / loss	<b>(181.96)</b>	(354.10)
Benefits paid	<b>(212.45)</b>	(177.50)
Obligations at period end	<b>1243.93</b>	986.40
<b>b. Amount Recognized in Balance Sheet</b>		
Present value of the defined benefit obligations at the end of the period	<b>1243.93</b>	986.40
Liability recognized in the balance sheet	<b>1243.93</b>	986.40
Assumptions		
Interest rate	<b>8% P.A.</b>	8% P.A.
<b>c. Leave Encashment cost for the period</b>		
Service cost	<b>581.53</b>	551.12
Interest cost	<b>70.41</b>	65.05
Actuarial (gain) / loss	<b>(181.96)</b>	(354.10)
<b>Net Leave Encashment cost for the period</b>	<b>469.98</b>	262.07

**37.** Aggregate claim bill of Rs.2568.23 lacs, was filed during the year ended 31st March, 2012, with insurance company, out of which Rs.2454.41 lacs is covered on re-instatement basis, towards machines, buildings, cables etc. destroyed during outbreak of fire in factory premises of the Company, situated at Sector 60, NOIDA and balance of Rs.113.82 lacs towards stock of materials, to be recovered from the Insurance Company. Up to the year end, Company has received interim claim of Rs.445.18 lacs from the Insurance Company.

**38.** Balances of some of the parties are subject to reconciliation & confirmations.

**39. a)** Rupees have been rounded off to the nearest thousand.

**b)** Previous Year figures have been recasted / regrouped/ reclassified, wherever considered necessary.

**40. EARNING PER SHARE**

The following disclosure is made, as required by Accounting Standard-20 (AS-20) on "Earning Per Share", issued by The Institute of Chartered Accountants of India :-

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	<u>Current Year</u>	<u>Previous Year</u>
(A) Profit for the year, after Adjustments, for computation of Basic Earning & Diluted Earning Per Share (Rs in Lacs);	<b>14198.26</b>	12935.64
(B) (i) Weighted Average Number of Equity Shares (viz. denominator) for Basic Earning Per Share	<b>72211486</b>	72211486
(ii) Opening Balance of Equity Shares (Numbers)	<b>72211486</b>	72211486
Weighted Average Number of Equity Shares (viz. denominator) for Diluted Earning Per Share	<b>72211486</b>	72211486
(C) Nominal Value Per Share	<b>Rs. 10/-</b>	Rs. 10/-
(D) Earning Per Share		
(a) Basic (A/B(i)) (Rs.)	<b>19.66</b>	17.91
(b) Diluted (A/B(ii)) (Rs.)	<b>19.66</b>	17.91

**41. SEGMENT DISCLOSURE**

Consequent upon the strategic business re-structuring, considering business synergies, risks & returns and assets of the Company, there is only one reportable segment. Accordingly, segment wise reporting is not applicable. However geographical distribution of revenue is as under :

	<u>Current Year</u>	<u>Previous Year</u>
Domestic Revenue	<b>301086.88</b>	281321.66
<b>Export Revenue :</b>		
USA	<b>15124.47</b>	15633.35
Europe	<b>17316.50</b>	17385.74
Asia	<b>14049.07</b>	14775.59
Africa	<b>9961.09</b>	9502.19
Others	<b>43.85</b>	61.35
Total Export Revenue	<b>56494.98</b>	57358.22
<b>Total Revenue*</b>	<b>357581.86</b>	338679.88

\* Includes Scrap Sales shown under the head "Other Operating Revenue " -Note No.-21B.

**42. Following disclosures are made, as per Accounting Standard-18 (AS-18), regarding, "Related Party Disclosures", issued by The Institute of Chartered Accountants of India:-**

(a) List of Related Parties:

- i) **Subsidiaries:** Flex Middle East FZE , Uflex Europe Ltd., Uflex Packaging Inc., Upet Holdings Ltd., UTech Developers Ltd., Flex P Films (Brasil) Comercio De Films Plasticos Ltda. and USC Hologram (P) Ltd.
- ii) **Fellow Subsidiaries:** Flex Films Europa Sp. Z.o.o., Flex P Films (Egypt) S.A.E., UPET (Singapore) PTE. Ltd., Flex Americas S.A. de C.V.,SD Buildwell Pvt.Ltd., Flex Films (USA) Inc. and Flex Industries (P) Ltd.
- iii) **Associates:** Flex Foods Limited and Reflex Energy (Rajasthan) (P) Ltd.
- iv) **Key Management Personnel & their relatives/ HUF (also exercising significant influence over the Company):** Mr. Ashok Chaturvedi, Chairman & Managing Director (relative Mrs. Rashmi Chaturvedi), Mr. Ashok Chaturvedi (HUF) and Mr. S.K. Kaushik, Whole-time Director

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

- v) **Enterprises in which the persons referred in (iv) along with their relatives exercise significant influence:** Flex International (P) Ltd., Anshika Investments (P) Ltd., Ultimate Flexipack Ltd., A.R.Infrastructure & Projects (P) Ltd., Anant Overseas (P) Ltd., Apoorva Extrusion (P) Ltd., Anshika Consultants (P) Ltd., A.R.Leasing (P) Limited, Cinflex Infotech (P) Ltd., Ultimate Enterprises (P) Ltd., AR Airways (P) Ltd., Kaya Kalpa Medical Services (P) Ltd., AC Infrastructures (P) Ltd., Club One Airways (P) Ltd., AC Infratech (P) Ltd., RC Properties (P) Ltd., A to Z Infratech (P) Ltd., Ultimate Infratech (P) Ltd., AKC Investments (P) Ltd., Ganadhipati Investments (P) Ltd., Ultimate Prepress LLP, AKC Retailers Ltd., Niksar Finvest (P) Ltd., A-One Infratech (P) Ltd., Ganadhipati Infraproject (P) Ltd., Nirman Overseas (P) Ltd., Holofix Urban Infrastructures (P) Ltd., Laurel Real Estates (P) Ltd., Sungrace Products (India) (P) Ltd., Virgin Infrastructures (P) Ltd., Vendee Builders (P) Ltd., Ultimate Energy Ltd., Modern Info technology (P) Ltd., Liberal Advisory Services (P) Ltd., Saga Realtors (P) Ltd., Genius Infratech (P) Ltd., Naveli Collections (P) Ltd., S K Buildpro (P) Ltd., Sungrace Buildwll (P) Ltd., Bundelkhand Projects (P) Ltd., Manpasand Marketing (P) Ltd., Gangotri Management (P) Ltd., A.R.Infrastruces & Projects (P) Ltd., Magic Consultants (P) Ltd., A.L.Consultants (P) Ltd., Naru Investments (P) Ltd., Sambhav Finlease (P) Ltd., Mahajan Polybag (P) Ltd., Moda Eleganza (P) Ltd. and Dedicated Investments (P) Ltd.
- (b) The Company has entered into transactions with certain parties listed above during the year under consideration. Details of these transactions are as follows :

(Rs. in Lacs)						
Transactions	Subsidiaries	Fellow Subsidiaries	Associates	Key Management Personnel & their Relatives / HUF	Enterprises as referred to in 'a (v)' above	Total
<b>i) Trade Transactions</b>						
Sale of Goods/Services (Net)	<b>16829.86</b> 19958.01	<b>7874.35</b> 7375.95	<b>25.35</b> 36.05	-	<b>7418.68</b> 7771.39	<b>32148.24</b> 35141.40
Purchase of Goods/Services (Net )	<b>977.07</b> 2275.28	<b>80.30</b> 8.84	-	-	<b>23629.03</b> 19094.87	<b>24686.40</b> 21378.99
Royalty	-	-	-	<b>370.00</b> 770.00	-	<b>370.00</b> 770.00
Purchase of Fixed Assets	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	26.70	26.70
Dividend Income	-	-	<b>132.08</b> 117.40	-	1114.19	<b>132.08</b> 1114.19
Lease Charges Received	-	-	-	-	140.00	140.00
Licence & Support fees Received	<b>61.16</b> 76.16	<b>325.32</b> 355.65	-	-	-	<b>386.48</b> 431.81
Rent Received	-	-	-	<b>36.00</b> 36.00	<b>4.08</b> 4.08	<b>40.08</b> 40.08
Rent Paid	-	-	-	<b>207.00</b> 207.00	<b>273.60</b> 149.67	<b>480.60</b> 356.67
Security Deposit Given	-	-	-	-	<b>69.00</b>	<b>69.00</b>
Interest Paid on Loans	-	-	-	-	<b>2.14</b>	<b>2.14</b>
Interest Received on Loans	<b>3.70</b> 133.79	-	1.96	-	92.02	<b>3.70</b> 133.79
Commission Received on extension of Corporate Guarantee	<b>24.82</b> 98.35	<b>500.93</b> 513.04	-	-	-	<b>525.75</b> 611.39
Remuneration	-	-	-	<b>1067.80</b> 826.92	-	<b>1067.80</b> 826.92
Recovery towards Excess Remuneration paid in past	-	-	-	1184.79	-	1184.79

**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Rs. in Lacs)

Transactions	Subsidiaries	Fellow Subsidiaries	Associates	Key Management Personnel & their Relatives / HUF	Enterprises as referred to in 'a (v)' above	Total
<b>ii) Non Trade Transactions</b>						
Investment in Shares / Share application money	-	-	-	-	-	-
	<i>4.08</i>	-	-	-	-	<i>4.08</i>
Sale of Investments	<b>12233.26</b>	-	-	-	-	<b>12233.26</b>
	<i>16325.84</i>	<i>984.80</i>	-	-	-	<i>17310.64</i>
Dividend Paid	-	-	-	<b>58.04</b>	<b>726.63</b>	<b>784.67</b>
	-	-	-	<i>16.95</i>	<i>736.33</i>	<i>753.28</i>
Loan Taken	-	-	-	-	<b>500.00</b>	<b>500.00</b>
	-	-	<i>500.00</i>	-	<i>4600.00</i>	<i>5100.00</i>
Repayment of Loan Taken	-	-	-	-	-	-
	-	-	<i>500.00</i>	-	<i>4600.00</i>	<i>5100.00</i>
Loan Given	<b>40.00</b>	-	-	-	-	<b>40.00</b>
	<i>1042.56</i>	-	-	-	-	<i>1042.56</i>
Recovery of Loan Given	<b>400.00</b>	-	-	-	-	<b>400.00</b>
	<i>2933.38</i>	-	-	-	-	<i>2933.38</i>
<b>Total</b>	<b>30569.87</b>	<b>8780.90</b>	<b>157.43</b>	<b>1738.84</b>	<b>32624.06</b>	<b>73871.10</b>
	<i>42847.45</i>	<i>9238.28</i>	<i>1155.41</i>	<i>3041.66</i>	<i>38329.25</i>	<i>94612.05</i>
<b>Balance as on 31.03.2015</b>						
Debit	<b>16903.71</b>	<b>1114.94</b>	<b>6.82</b>	-	<b>2804.13</b>	<b>20829.60</b>
	<i>18369.56</i>	<i>1186.01</i>	<i>7.50</i>	-	<i>1816.71</i>	<i>21379.78</i>
Credit	-	<b>1041.02</b>	-	<b>25.59</b>	<b>7549.57</b>	<b>8616.18</b>
	<i>373.04</i>	<i>3553.45</i>	-	<i>92.12</i>	<i>4633.79</i>	<i>8652.40</i>

Previous Year figures have been given in Italic.

AKC Developers Ltd., fellow subsidiary & Ultra Urban Infratech Ltd. an associate company are not reported above, since their parent Company has transferred the Management & ownership control under the agreement dated 21st May' 2010 with an understanding to transfer the entire Share Holding on payment of the amount due under the agreement.

Qcell Limited, a joint venture company of a Wholly Owned Subsidiary is not reported above since its controlling Company has transferred the Management & ownership control under the agreement dated 29th October, 2013 with an understanding to transfer the entire Share Holding on payment of the amount due under the agreement.

**43. Information u/s 186(4) of the Companies Act, 2013 in respect of Loans given, Investments made or Guarantees given or Security provided :**

S. No.	Name of the Company	Amount Rs in Lacs	Purpose of the Loan
<b>A</b>	<b>Loans Given</b>		
(i)	USC Holograms Pvt. Ltd.	<b>40.00</b>	General Corporate Purposes
<b>B</b>	<b>Investments Made</b>	-	
<b>C</b>	<b>Guarantees Given</b>		
	Flex Films (USA) Inc.	<b>US\$ 4.50 Million (Rs.2795.85 lacs)</b>	Amendment to corporate guarantee issued to their bankers, J.P.Morgan Chase Bank N.A.(KY) USA., on enhancement of Working Capital facilities from US\$ 10 Million to US \$ 14.50 Million.
<b>D</b>	<b>Securities Provided</b>	-	

**44.** Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st April' 2014, reviewed and revised the estimated useful lives of its fixed assets, generally in accordance with the provisions of Schedule II to the Act. Accordingly, the carrying amount of Rs.2450.13 Lacs (Net of Tax benefit of Rs.1261.62 lacs) in respect of assets with NIL revised remaining useful life as at 1st April 2014, is reduced from the retained earnings as at such date. Further as a result of this change, the depreciation for the year is higher by Rs. 1719.51 Lacs and profit for the year is lower by the same amount.

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

### 45. Information in respect of Imported & Indigenous Material Consumed (Rs. in Lacs)

Description	Current Year		Previous Year	
	Value	Percentage	Value	Percentage
<b>a) Raw Material</b>				
Imported	<b>61461.09</b>	<b>28.80</b>	53127.94	27.00
Indigenous	<b>151971.30</b>	<b>71.20</b>	143629.31	73.00
<b>TOTAL #</b>	<b>213432.39</b>	<b>100.00</b>	196757.25	100.00

# Includes Material Consumed during Trial Runs of Rs. 231.33 lacs (Previous Year Rs.1.70 lacs).

<b>b) Stores, Spares, Tools, Jigs &amp; Dies Consumed</b>				
Imported *	<b>1609.00</b>	<b>31.57</b>	1172.25	27.25
Indigenous	<b>3487.97</b>	<b>68.43</b>	3129.02	72.75
<b>TOTAL</b>	<b>5096.97</b>	<b>100.00</b>	4301.27	100.00

\* Includes spares of Rs.1365.26 lacs (Previous year Rs.939.47 lacs) charged to Repair & Maintenance-Machinery.

### 46. Other Particulars

Description	(Rs. in Lacs)	
	Current Year	Previous Year
<b>a) CIF Value of Imports</b>		
i) Raw Materials / Stock - in - Trade	<b>58657.39</b>	52103.58
ii) Capital Goods	<b>8149.35</b>	4224.72
iii) Stores & Spares	<b>1262.10</b>	1072.35
iv) Material-in-Transit - Raw Materials	<b>4060.20</b>	378.57
v) Material-in-Transit - Spare Parts	-	5.78
vi) Material-in-Transit - Machinery	<b>10.45</b>	-
<b>b) Expenditure in Foreign Currency</b>		
i) Travelling expenses	<b>231.06</b>	322.90
ii) Advertisement & Publicity	<b>71.12</b>	32.56
iii) General expenses	<b>35.40</b>	29.35
iv) Commission on Sales	<b>82.25</b>	68.31
v) Discounting & Bank charges	<b>71.51</b>	77.04
vi) Entertainment Expenses	-	1.42
vii) Legal & Professional Charges	<b>24.99</b>	89.88
viii) Repair & Maint. -Others	<b>111.77</b>	68.79
ix) Claim Exports	<b>2.84</b>	39.51
x) Rent	<b>71.43</b>	69.98
xi) Charity & Donation	-	3.40
xii) Repair & Maint. -Machinery	<b>53.18</b>	70.62
xiii) Royalty	<b>92.58</b>	45.85
xiv) Interest on ECB	<b>757.85</b>	12.29



**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

Description	(Rs. in Lacs)	
	Current Year	Previous Year
<b>c) Earning in Foreign Exchange</b>		
i) F.O.B. value of Export of Manufactured goods / Stock - in - Trade	<b>51242.85</b>	50234.01
ii) Sales of Services	<b>142.06</b>	2838.97
iii) Support Fees	<b>386.49</b>	431.81
iv) Interest on loans granted to Subsidiaries	-	133.79
v) Commission for extension of Corporate Guarantee for Subsidiaries	<b>525.75</b>	611.39
vi) Discount Received	<b>4.16</b>	-

Signatories to Notes 1 to 46

For and on behalf of the Board of Directors

**R.K. Jain**  
*Group President*  
 (Corp. Finance & Accounts)

**S. K. Kaushik**  
*Whole-time Director*  
 DIN 00027035

**Ashok Chaturvedi**  
*Chairman & Managing Director*  
 DIN 00023452

**Rakesh Malhotra**  
*Sr. General Manager*  
 (Corp. Accounts)

**Ajay Krishna**  
*Sr. Vice President (Legal) &*  
*Company Secretary*

For **Vijay Sehgal & Co.**  
 Chartered Accountants

Place : NOIDA  
 Dated : 28<sup>th</sup> May, 2015

**S.V. Sehgal**  
 Partner

## AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UFLEX LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Uflex Limited (herein referred to as "the Holding Company") and its subsidiaries, Flex Middle East FZE, Uflex Europe Ltd., Uflex Packaging Inc., UPET Holdings Ltd., UTech Developers Ltd., Flex P Films (Brasil) Comercio De Filmes Plasticos Ltda., USC Holograms (P) Ltd., Flex Films Europa Sp. Z. o.o., Flex P. Films (Egypt) S.A.E., UPET (Singapore) PTE Limited, Flex Americas S.A. De C.V., SD Buildwell (P) Ltd., Flex Films (USA) Inc. and Flex Industries(P) Ltd. (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, Flex Foods Ltd. and Refex Energy (Rajasthan) (P) Ltd., comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated Financial position, Consolidated Financial Performance and Consolidated Cash Flows of the Group, including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement. An audit involves performing procedures

to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31<sup>st</sup> March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

#### Emphasis of Matter

Without modifying their opinion, Auditors of SD Buildwell (P) Ltd., one of the Indian Subsidiary Company, have drawn attention to following matter, appearing by way of a note in the concerned Financial Statements:

Dispute over leasehold land between the company and the Rail Land Development Authority (RLDA) is pending for decision by Honourable High Court of Delhi. In their opinion and according to the information and explanations given by the management, there would not be any diminution in the cost of the land & the same will not have any effect on the going concern concept of the company.

#### Other Matters

We did not audit the financial statements / financial information of all the above referred subsidiaries forming part of the group, whose financial statements / financial information reflect total assets of Rs. 5,30,369.31 Lacs as at 31<sup>st</sup> March, 2015, total revenues of Rs. 3,69,548.32 lacs and net cash flows amounting to Rs. 5,617.91 Lacs for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of Rs. 445.23 Lacs for the year ended 31<sup>st</sup> March, 2015, as considered in the Consolidated Financial Statements, in respect of above referred two associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial

Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order"), issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, based on the comments in the Auditors' Reports of the Holding company, subsidiary companies, incorporated in India, viz., UTech Developers Ltd., SD Buildwell (P) Ltd., Flex Industries (P) Ltd. and USC Holograms(P) Ltd. and its associates, incorporated in India, viz., Flex Foods Ltd. and Reflex Energy (Rajasthan) (P) Ltd., we give in the Annexure, a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable (For the purpose of these paragraphs of this order, Holding Company, Indian Subsidiaries and Indian Associates, together are referred as "Indian Enterprises under Report").
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial position of the Group and its associates – Refer Note No. 30-I(B) & 30-II(i) to the Consolidated Financial Statements.
  - ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. (a) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.  
(b) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and associate companies, incorporated in India.

For **VIJAY SEGHAL & CO.,**  
Chartered Accountants  
Firm Regn.No. 000374N

**CA. S. V. SEHGAL**

Partner

Place : NOIDA  
Date : 28<sup>th</sup> May, 2015

Membership No. 080329

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date]

1. In respect of Fixed Asset of the Indian Enterprises under Report:
  - a) They have maintained proper records showing full particulars including quantitative details and situation of their fixed assets;
  - b) The Fixed Assets have been physically verified by the respective Management at reasonable intervals, having regard to their respective size and nature of their assets and no material discrepancies were noticed during such verification.

2. In respect of inventories of the Indian Enterprises under Report:-
  - a) The inventories have been physically verified during the year by the respective management, at reasonable intervals;
  - b) In our opinion and as per the reports of other Auditors, the procedures of physical verification of inventory followed by the respective management are reasonable and adequate in relation to their respective size and the nature of their business;
  - c) They are maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory,

as compared to book records were not significant and were properly dealt with in the books of accounts.

3. The Indian Enterprises under Report have not granted any loan during the year to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanation given to us and as per the reports of other auditors, there is an adequate internal control system, commensurate with the size of the Indian Enterprises under Report and the nature of their respective business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit and as per the reports of other auditors, no major weaknesses have been noticed in internal control system.
5. The Indian Enterprises under Report have not accepted any deposits, under the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under during the year under report.
6. We have broadly reviewed the cost records maintained by the Holding Company under Section 148(1) of the Companies Act, 2013 and are of the opinion that *prima-facie* the prescribed records have been made and maintained. In respect of other Indian Enterprises under report, as per the reports of other auditors, Section 148(1) of the Companies Act, 2013, regarding maintenance of cost records is not applicable to any one of them.
7. In respect of Statutory dues:
  - A. According to the records of the Holding Company & as per records examined by other auditors, undisputed statutory dues including Provident Fund, Employee's State Insurance, and Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other applicable statutory dues of Indian Enterprises under Report, have been generally deposited regularly with the appropriate authorities.
  - B. According to the information and explanation given to us and as per the reports of other auditors, there are no dues of Wealth Tax or Cess, which have not been deposited on account of any dispute. However, following amount are involved (Gross of amount deposited under protest, if any) with under-mentioned forums, in respect of the disputed statutory dues:
    - a) In respect of Holding company and it's Indian Subsidiaries: -
      - i. Aggregate Sale Tax/ Value Added Tax of Rs.1584.63 lacs, pending before (a) Various High Courts (Rs.852.79 lacs), (b) Tribunal (Rs.188.02 lacs) & Assessing Authorities (Rs.543.82 lacs).
      - ii. Aggregate Income Tax of Rs 489.21 lacs, pending before (a) High Courts (Rs. 145.51 lacs), (b) ITAT (Rs.38.33 lacs), & (c) CIT (Appeals) (Rs.305.37 lacs).
      - iii. Aggregate Excise duty of Rs.4983.44 lacs, pending before (a) Supreme Court (Rs.134.82

lacs) (b) High Courts (Rs. 72.56 lacs), Tribunal (Rs.555.57 lacs), (c) Commissioner (Appeals) (Rs.3953.20 lacs), & (d) Assessing Authorities (Rs.267.29 lacs).

- iv. Aggregate Service Tax of Rs.280.95 lacs, pending before (a) Tribunal (Rs.219.75 lacs), (b) Commissioner (Appeals) (Rs.54.86 lacs), & (c) Assessing Authorities (Rs.6.34 lacs).
- b) In respect of Indian Associates: -
  - i. Disputed Income tax Dues: Aggregate Income tax of Rs. 21.57 lacs, pending before (a) ITAT (Rs. 16.63 lacs) and (b) CIT (Appeals) Bangalore (Rs.4.94 lacs).
  - ii. Disputed demand raised by the Commissioner Custom and Central Excise aggregating to Rs.595.58 Lacs pending with the Custom, Excise and Service Tax Appellate Tribunal, Delhi
- C. The amount required to be transferred to Investor Education and Protection Fund, in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
8. As per the Consolidated Financial Statements of the Indian Enterprises under Report put together, they have neither accumulated losses as at the year-end nor they have incurred cash losses in the financial year under report and in the immediate preceding financial year.
9. Based on the audit procedure and according to the information and explanation given to us and as per the reports of other auditors, the Indian Enterprises under Report have not defaulted in repayment of dues to financial institutions, banks or debenture holders.
10. The Group, with it's Associates, have not given any guarantee, for loan taken by others (viz. parties outside the Group/ Associates), from banks or financial institutions.
11. To the best of our knowledge & belief and according to the information and explanations given to us & other auditors and the records examined by us and other auditors, Indian Enterprises under Report examined by us, the term loans availed by the Indian Enterprises under Report during the year, have been applied for the purposes for which loans were obtained.
12. To the best of our knowledge and belief and according to the information and explanation given to us and as per the reports of other auditors, no material fraud on or by any of the Indian Enterprises under Report was noticed or reported during the year.

For **VIJAY SEHGAL & CO.**,  
Chartered Accountants  
Firm's Regn. No.: 000374N

**CA. S.V. SEHGAL**

Place : NOIDA  
Date : 28<sup>th</sup> May, 2015

Partner  
Membership No. 080329

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015**

Particulars	Note No.	(Rs. in Lacs)	
		As At 31st March 2015	As At 31st March 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
a) Share Capital	2	7221.15	7221.15
b) Reserves and Surplus	3	<u>293548.31</u>	<u>275069.21</u>
		<b>300769.46</b>	282290.36
<b>(2) Minority Interest</b>	4	<b>74.62</b>	0.98
<b>(3) Non-Current Liabilities</b>			
a) Long-term borrowings	5	100649.37	132883.99
b) Deferred tax liabilities (Net)	6	12006.67	14118.32
c) Other Long term liabilities	7	325.35	398.29
d) Long-term provisions	8	<u>1074.10</u>	<u>902.11</u>
		<b>114055.49</b>	148302.71
<b>(4) Current Liabilities</b>			
a) Short-term borrowings	9	80620.81	59509.17
b) Trade payables	10	75975.88	86997.58
c) Other current liabilities	11	69046.04	75543.76
d) Short-term provisions	12	<u>6251.89</u>	<u>6815.24</u>
		<b>231894.62</b>	228865.75
<b>Total:</b>		<u><b>646794.19</b></u>	<u>659459.80</u>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
a) Fixed assets	13		
i) Tangible assets		323215.20	337114.63
ii) Intangible assets		769.49	698.82
iii) Capital work-in-progress		3005.39	7406.13
iv) Intangible assets under development		236.57	-
b) Non-current investments	14	13802.87	12586.15
c) Long-term loans and advances	15	16037.17	16486.98
d) Other non-current assets	16	<u>331.58</u>	<u>700.53</u>
		<b>357398.27</b>	374993.24
<b>(2) Current assets</b>			
a) Inventories	17	66097.02	61073.94
b) Trade receivables	18	150871.29	150517.75
c) Cash and Bank Balances	19	19218.84	20742.49
d) Short-term loans and advances	20	53056.86	50571.45
e) Other current assets	21	<u>151.91</u>	<u>1560.93</u>
		<b>289395.92</b>	284466.56
<b>Total:</b>		<u><b>646794.19</b></u>	<u>659459.80</u>

The accompanying Notes from S.No. 1 to 39 form an Integral Part of the Consolidated Financial Statements.

For and on behalf of the Board of Directors

**R.K. Jain**  
Group President  
(Corp. Finance & Accounts)

**S. K. Kaushik**  
Whole-time Director  
DIN 00027035

**Ashok Chaturvedi**  
Chairman & Managing Director  
DIN 00023452

**Rakesh Malhotra**  
Sr. General Manager  
(Corp. Accounts)

**Ajay Krishna**  
Sr. Vice President (Legal) &  
Company Secretary

This is the Consolidated Balance Sheet referred to in our report of even date

For **Vijay Sehgal & Co.**  
Chartered Accountants

Place : NOIDA  
Dated : 28<sup>th</sup> May, 2015

**S.V. Sehgal**  
Partner



**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

(Rs. in Lacs)

Particulars	Note No.	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
<b>Revenue from Operations</b>			
Gross Sales & Job Work	22 (A)	672714.90	637279.55
Less : Inter-unit Sales & Job Work		37664.95	36079.25
Less : Excise Duty		31739.35	30139.61
Net Sales & Job Work		603310.60	571060.69
Other Operating Income	22 (B)	14723.29	15264.44
<b>Revenue from Operations</b>		<b>618033.89</b>	<b>586325.13</b>
<b>Other Income</b>	23	<b>1660.57</b>	<b>2863.36</b>
<b>Share in Profit of Associates for the Year</b>		<b>445.23</b>	<b>487.97</b>
<b>Total Revenue</b>		<b>620139.69</b>	<b>589676.46</b>
<b>Expenses:</b>			
Cost of materials consumed	24	371407.42	358453.31
Purchase of Stock-in-Trade		6923.92	18055.29
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	4309.26	(7726.85)
Employee benefits expense	26	43730.76	39026.82
Finance costs	27	18692.70	23331.30
Depreciation and amortization expense		27939.52	26708.37
Other expenses	28	120036.39	111747.05
Expenses Allocated to Self Constructed Assets	29	(1535.42)	(1593.72)
<b>Total Expenses</b>		<b>591504.55</b>	<b>568001.57</b>
Profit before tax		28635.14	21674.89
<b>Less / (Add) : Tax expense:</b>			
- Current tax		4176.66	4790.00
- Deferred tax		(850.03)	(3080.74)
- (Excess) Provision of Income Tax for earlier years		(240.82)	(197.13)
Profit for the year before Minority Interest		25549.33	20162.76
Minority Interest- Share in (Profit) / Loss for the year		(73.64)	0.94
Profit for the year		<b>25475.69</b>	<b>20163.70</b>
<b>Earning Per Share</b>			
a) Basic (Rs.)		35.28	27.92
b) Diluted (Rs.)		35.28	27.92

The accompanying Notes from S. No. 1 to 39 form an Integral Part of the Consolidated Financial Statements.

For and on behalf of the Board of Directors

**R.K. Jain**  
Group President  
(Corp. Finance & Accounts)

**S. K. Kaushik**  
Whole-time Director  
DIN 00027035

**Ashok Chaturvedi**  
Chairman & Managing Director  
DIN 00023452

**Rakesh Malhotra**  
Sr. General Manager  
(Corp. Accounts)

**Ajay Krishna**  
Sr. Vice President (Legal) &  
Company Secretary

This is the Consolidated Statement of Profit & Loss referred to in our report of even date

For **Vijay Sehgal & Co.**  
Chartered Accountants

Place : NOIDA  
Dated : 28<sup>th</sup> May, 2015

**S.V. Sehgal**  
Partner



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Rs. in Lacs)

	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	28635.14	21674.89
<b>Adjustment for :</b>		
Depreciation & Amortisation expense	27939.52	26708.37
Exchange Rate fluctuations (Net)	1787.58	316.80
Foreign Currency Translation Reserve	3802.47	(5473.28)
Loss on assets sold (Net)	332.61	449.19
Fixed Assets written Off	1.57	18.62
Finance Costs	18692.70	23331.30
Interest received from Banks / others	(1323.82)	(1228.13)
Dividend received on Non- Trade Investments	(41.42)	(44.71)
Provision for Doubtful Debt Written Back	(23.65)	(14.06)
Bad & Doubtful Debts (Provision)	2,079.02	690.01
Sundry Balances written off (Net)	1356.79	1267.26
<b>Operating Profit before Working Capital changes</b>	<b>54603.37</b>	<b>46021.37</b>
<b>Adjustment for :</b>		
Trade and other receivables	(3916.81)	(38165.94)
Inventories	(5023.08)	(14053.67)
Trade and other payables	(18218.25)	22500.32
<b>Cash generated from operations</b>	<b>56080.37</b>	<b>37976.97</b>
Income Tax	(3935.84)	(4592.87)
Exchange rate fluctuations (Net)	(1787.58)	(316.80)
<b>Net Cash from operating activities (A)</b>	<b>50356.95</b>	<b>33067.30</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(22376.34)	(19351.94)
Sale proceeds of Fixed Assets	2380.01	4558.01
(Outflow) on Investments (Net)	(1216.72)	(2397.66)
Loans to bodies corporate (Net)	(106.52)	1625.47
Capital Reserve / (Goodwill) arising on acquisition (Net)	1.51	-
Interest received from Banks / others	1323.82	1228.13
Dividend received on Non- Trade Investments	41.42	44.71
<b>Net Cash used in Investing Activities (B)</b>	<b>(19952.82)</b>	<b>(14293.28)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Addition in Minority Interest	-	1.92
Dividend Paid	(1805.29)	(1733.08)
Dividend Distribution Tax	(306.81)	(294.54)
Finance Costs	(18692.70)	(23331.30)
Borrowings (Net)	(11122.98)	11103.39
<b>Net Cash used in Financing Activities (C)</b>	<b>(31927.78)</b>	<b>(14253.61)</b>
Net (Decrease) / Increase in Cash and Cash equivalents (A+B+C)	(1523.65)	4520.41
Opening Cash and Cash equivalents	20742.49	16222.08
Closing Cash and Cash equivalents #	19218.84	20742.49

# Includes Rs. 1021.58 lacs (Previous Year Rs. 2814.93 lacs) in respect of amount lying in unclaimed dividend account / margin money account / fixed deposits pledged with banks.

For and on behalf of the Board of Directors

**R.K. Jain**  
Group President  
(Corp. Finance & Accounts)

**S. K. Kaushik**  
Whole-time Director  
DIN 00027035

**Ashok Chaturvedi**  
Chairman & Managing Director  
DIN 00023452

**Rakesh Malhotra**  
Sr. General Manager  
(Corp. Accounts)

**Ajay Krishna**  
Sr. Vice President (Legal) &  
Company Secretary

This is the Consolidated Cash Flow Statement referred to in our report of even date

For **Vijay Sehgal & Co.**  
Chartered Accountants

Place : NOIDA  
Dated : 28<sup>th</sup> May, 2015

**S.V. Sehgal**  
Partner

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES OF CONSOLIDATED ACCOUNTS**

**a) Basis of Preparation of Financial Statements**

The financial Statements are prepared in accordance with the Indian Generally Accepted Accounting Principal (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies Act 2013 U/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied.

**b) Principles of Consolidation**

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of the consolidated financial statements as laid down under the Accounting Standard (AS)-21 on “Consolidation of Financial Statements” issued by the Institute of Chartered Accountants of India on the following main lines:

- I. The financial statements of the holding company and its subsidiaries, for the financial year ending 31st March, have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, subject to regrouping & netting of certain items, which present the consolidation in a fair manner without affecting the materiality, after eliminating the intra-group transactions and also unrealized profit or losses resulting from intra-group transactions included in the carrying amount of assets.
- II. The financial statements of Joint Venture have been combined by applying proportionate consolidation method on a line-by-line basis on items of assets, liabilities, income and expenses after eliminating proportionate share of unrealized profits or losses in accordance with Accounting Standard -27 on “Financial Reporting of Interests in Joint Ventures” issued by the Institute of Chartered Accountants of India.
- III. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as that of holding company’s financial statements.
- IV. The excess / shortfall of cost to the holding company of its investment over its share of equity in the respective subsidiary companies and joint venture companies is recognized in the financial statements as goodwill / capital reserve respectively as per the equity method of valuation.
- V. All the figures of assets, liabilities, revenue & expenses of subsidiaries, which are stated in foreign currency in its separate financial statements, are converted into Indian Rupees in accordance with the Accounting Standard (AS)-11 “The Effects of Changes in Foreign Exchange Rates”, issued by the Institute of Chartered Accountants of India.
- VI. Investment in the associate companies have been accounted under the Equity Method as per Accounting Standard 23- “Accounting for Investments in Associates in Consolidated Financial Statements”, issued by the Institute of Chartered Accountants of India. The excess / shortfall of cost to the company of its investment over its share of equity in the respective associate company is recognized in the financial statements as goodwill / capital reserve respectively.
- VII. The principles of consolidation are consistently followed except for the changes required by statute and / or Accounting Standards.

**c) The Consolidated Financial Statements include the Results of the following Entities:**

Sr. No.	Name of the Company	Country of Incorporation	Relation	Ownership Interest
1	Uflex Europe Limited	London-UK	Subsidiary	100%
2	Uflex Packaging Inc.	USA	Subsidiary	100%
3	Flex Middle East FZE	Dubai-UAE	Subsidiary	100%
4	Flex P. Films (Egypt) S.A.E.	Egypt	Subsidiary	100%
5	Flex Films Europa Sp. Z.o.o.	Polland	Subsidiary	100%

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

Sr. No.	Name of the Company	Country of Incorporation	Relation	Ownership Interest
6	UPET Holdings Limited	Mauritius	Subsidiary	100%
7	UPET (Singapore) PTE Ltd.	Singapore	Subsidiary	100%
8	Flex Americas S.A.de C.V.	Mexico	Subsidiary	100%
9	Flex Films (USA) Inc.	USA	Subsidiary	100%
10	Flex P Films (Brasil) Comercio De Films Plasticos Ltda	Brasil	Subsidiary	100%
11	UTech Developers Limited	India	Subsidiary	100%
12	SD Buildwell Private Limited	India	Subsidiary	54%
13	USC Hologram (P) Ltd.	India	Subsidiary	68%
14	Flex Industries Private Limited	India	Subsidiary	100%
15	Flex Foods Limited	India	Associate	47.15%
16	Refex Energy (Rajasthan) Private Limited	India	Associate	31.14%

**d) Other Significant Accounting Policies**

These are set out in the separate financial statements of UFLEX Limited and its subsidiaries.

**2. SHARE CAPITAL**
**A AUTHORISED**

The Holding Company's authorised Capital is of Rs.34000.00 Lacs (Previous Year Same) distributed into 1,90,00,000 (Previous Year Same) Preference Shares of Rs.100/- each and 15,00,00,000 (Previous Year Same) Equity Shares of Rs. 10/- Each.

**B ISSUED, SUBSCRIBED & PAID-UP**

The Issued, Subscribed and Paid-up Capital of the Holding Company as at 31st March 2015 is of Rs.7221.15 Lacs, represented by 7,22,11,486 Equity Shares of Rs. 10/- Each . The reconciliation of the Equity Share Capital of the Holding Company is given as under:

	Issued & Subscribed		Fully Paid-Up		Partly Paid-Up	
	Number	Amount	Number	Amount	Number	Amount
	(Rs in Lacs)		(Rs in Lacs)		(Rs in Lacs)	
Balance as at 31st March 2013	72211486	7221.15	72211486	7221.15	-	-
Balance as At 31st March 2014	72211486	7221.15	72211486	7221.15	-	-
<b>Balance as at 31st March 2015</b>	<b>72211486</b>	<b>7221.15</b>	<b>72211486</b>	<b>7221.15</b>	-	-

The Holding Company's Issued, Subscribed and Paid-up Capital of 72211486 (Previous Year Same) Equity Shares of Rs. 10/- each, is distributed as under:

	As At 31st March 2015		As At 31st March 2014	
	Number	%	Number	%
<b>a) Promoter &amp; Promoter Group</b>	<b>31784339</b>	<b>44.02</b>	31386975	43.47
<b>Of which Shareholders holding More than 5 % of the Paid-up Capital</b>				
Flex International Pvt. Ltd.	9197577	12.74	9197577	12.74
Anshika Investments Pvt. Ltd.	5771092	7.99	5771092	7.99
A.R. Leasing Pvt. Ltd.	4994891	6.92	4994891	6.92
Anshika Consultants Pvt. Ltd.	3778524	5.23	3778524	5.23
Apoorva Extrusion Pvt. Ltd.	4323162	5.99	4323162	5.99

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	As At 31st March 2015		As At 31st March 2014	
	Number	%	Number	%
<b>b) Public Shareholding*</b>	<b>40427147</b>	<b>55.98</b>	<b>40824511</b>	<b>56.53</b>
i) Institution	5662560	7.84	4536661	6.28
ii) Non- Institution	29298747	40.57	30822010	42.68
iii) GDRs (underlying shares)	5465840	7.57	5465840	7.57
<b>* Of which Shareholders holding More than 5 % of the Paid-up Capital</b>				

Further, the Issued, Subscribed and Paid-up Capital of the Holding Company includes 54,65,840 (Previous Year Same) Equity Shares lying with Depository, representing 27,32,920 (Previous Year Same) Global Depository Receipts (GDRs), issued through an international offering in US Dollars, outstanding as at Balance Sheet date.

**C RESTRICTION ON VOTING RIGHTS**

Holders of GDRs have no voting rights in respect of underlying shares represented by the GDRs. However, Depository can exercise the power to vote in respect of shares represented by the GDRs as directed by the Board, in terms of the condition contained in offering circular. Registered holders of Shares, withdrawn from the deposit facility will be entitled to Vote and exercise other direct shareholder rights.

However, the holders of the GDRs are entitled to portion of the annual dividend, if any declared, on the shares represented by the outstanding GDRs.

**3. RESERVES & SURPLUS**

	(Rs. in Lacs)								
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	Legal Reserve	Foreign Currency Translation Reserve (Arising on Consolidation)	General Reserve	Statement of Profit & Loss	Total	
Balance as at 31st March 2013	10395.85	57110.63	3.15	808.57	15149.97	15955.35	143215.75	242639.27	
Profit for the Year							20163.70	20163.70	
<b>(Less): Appropriations</b>									
Proposed Dividend							(1805.29)	(1805.29)	
Dividend Distribution Tax							(306.81)	(306.81)	
Amount transferred to Legal Reserve							(82.30)	(82.30)	
Amount transferred to General Reserve							(1293.56)	(1293.56)	
Amount Transferred from Statement of Profit & Loss				82.30			1293.56	1375.86	
Amount Transferred from Revaluation Reserve to General Reserve *			(0.07)				0.07	-	
Addition during the year					14378.34			14378.34	
Balance as at 31st March 2014	10395.85	57110.63	3.08	890.87	29528.31	17248.98	159891.49	275069.21	
(Less): Amount in respect of carrying value of fixed assets where their useful life is reduced to NIL as on 1/04/2014 (Net of Tax)							(2451.10)	(2451.10)	
Addition during the year	4.57							4.57	
[Arising on Consolidation]									
Profit for the Year							25475.69	25475.69	
<b>(Less): Appropriations</b>									
Proposed Dividend							(1949.71)	(1949.71)	
Dividend Distribution Tax							(396.92)	(396.92)	
Amount transferred to Legal Reserve							(306.12)	(306.12)	
Amount transferred to General Reserve							(1552.68)	(1552.68)	
Amount Transferred from Statement of Profit & Loss				306.12			1552.68	1858.80	
Amount Transferred from Revaluation Reserve to General Reserve*			(0.08)				0.08	-	
Addition during the year					(2203.43)			(2203.43)	
<b>Balance as at 31st March 2015</b>	<b>10400.42</b>	<b>57110.63</b>	<b>3.00</b>	<b>1196.99</b>	<b>27324.88</b>	<b>18801.74</b>	<b>178710.65</b>	<b>293548.31</b>	

\*Represent difference between depreciation charged on enhanced value of the revalued assets and the depreciation on their historical cost.

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	<b>As At 31.03.2015</b>	<b>(Rs. in Lacs) As At 31.03.2014</b>
<b>4. MINORITY INTEREST</b>		
<b>Share Capital</b>		
Equity Share Capital	<b>2.38</b>	2.38
<b>Statement of Profit &amp; Loss</b>		
Balance on Acquisition	<b>(0.35)</b>	(0.35)
Add: Post acquisition profit / (loss) till year end	<b>72.59</b>	(1.05)
	<b>72.24</b>	(1.40)
	<b>74.62</b>	0.98
<b>5. LONG-TERM BORROWINGS</b>		
<b>A. Secured</b>		
Term Loans :		
From Banks	<b>128009.49</b>	162339.20
From IFCI Limited	<b>11675.47</b>	17136.00
	<b>139684.96</b>	179475.20
<b>B. Unsecured</b>		
From Bodies Corporate	<b>692.12</b>	2631.79
	<b>140377.08</b>	182106.99
Less: Current portion	<b>39727.71</b>	49223.00
<b>TOTAL :</b>	<b>100649.37</b>	132883.99
<b>6. DEFERRED TAX LIABILITIES (NET)</b>		
Opening Balance	<b>14118.32</b>	17199.06
Add / (Less) : Provision of Deferred Tax charge / (Credit) for the year	<b>(2111.65)</b>	(3080.74)
<b>TOTAL :</b>	<b>12006.67</b>	14118.32
Deferred Tax credit for the year includes Rs.1261.62 Lacs (Previous Year NIL) credited to the opening reserve, in respect of Net Residual Value of Assets adjusted to the Opening Reserve as per Schedule II of the Companies Act, 2013.		
<b>7. OTHER LONG TERM LIABILITIES</b>		
Securities Received	<b>238.68</b>	303.66
Retention Money	<b>74.79</b>	82.75
Lease Security Deposit	<b>11.88</b>	11.88
<b>TOTAL :</b>	<b>325.35</b>	398.29

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	(Rs. in Lacs)	
	As At 31.03.2015	As At 31.03.2014
<b>8. LONG-TERM PROVISIONS</b>		
Provision for Leave Encashment	1074.10	902.11
<b>TOTAL :</b>	<u>1074.10</u>	<u>902.11</u>
<b>9. SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Working Capital Facilities From Banks	75706.70	55954.17
From a Body Corporate	1050.00	-
<b>Unsecured</b>		
From Others	3364.11	3555.00
From a Related Party	500.00	-
<b>TOTAL :</b>	<u>80620.81</u>	<u>59509.17</u>
<b>10. TRADE PAYABLES</b>		
Suppliers	67394.95	81007.89
Due to Suppliers under MSMEDA	635.22	1263.78
Due to Related Parties	7945.71	4725.91
<b>TOTAL :</b>	<u>75975.88</u>	<u>86997.58</u>
<b>11. OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Borrowings	39727.71	49223.00
Capital Creditors	1834.13	1215.98
Due to Employees	1711.46	1445.58
Interest Accrued but not due on Loans		
- From a Related Party	1.92	-
- From Others	706.14	795.75
Unclaimed Dividend*	152.42	159.65
Advances from Customers	5300.43	3686.92
Advances from Others	9460.78	7151.64
Statutory Dues	1459.99	1175.50
Others Payable	8691.06	10689.74
<b>TOTAL :</b>	<u>69046.04</u>	<u>75543.76</u>
<i>*These figures do not include any amount, due and outstanding, required to be credited to Investor Education and Protection Fund.</i>		
<b>12. SHORT-TERM PROVISIONS</b>		
Income Tax (Net)	2565.64	2224.18
Wealth Tax	99.42	100.68
Proposed Dividend	1949.71	1805.29
Proposed Dividend Distribution Tax	396.92	306.81
Leave Encashment	276.34	181.52
Staff Benefits	384.29	522.70
Warranty	24.96	9.70
Interest on Deferred Liabilities	554.61	1664.36
<b>TOTAL :</b>	<u>6251.89</u>	<u>6815.24</u>



**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**13. FIXED ASSETS**

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK	
	Value/cost As At 01.04.2014	Additions during the year	Deductions during the year	Adjustments	Value/cost As At 31.03.2015	Upto 31.03.2014	For the year	Deductions	Adjustments	As At 31.03.2015	As At 31.03.2015	As At 31.03.2014
<b>A. TANGIBLE ASSETS</b>												
Freehold Land	3658.88	<b>635.59</b>	-	(188.17)	<b>4106.30</b>	-	-	-	-	-	<b>4106.30</b>	3658.88
Leasehold Land	12987.27	<b>20.38</b>	-	241.66	<b>13249.31</b>	-	-	-	-	-	<b>13249.31</b>	12987.27
Building	70770.99	<b>4611.24</b>	311.75	(1373.34)	<b>73697.14</b>	13352.02	<b>2182.76</b>	300.36	(123.78)	<b>15110.64</b>	<b>58586.50</b>	57418.97
Plant & Machinery	369934.92	<b>19742.68</b>	7868.19	(4792.61)	<b>377016.80</b>	125064.28	<b>22988.87</b>	5295.00	1052.49	<b>143810.64</b>	<b>233206.16</b>	244870.64
Electrical Installation	13995.28	<b>215.92</b>	128.99	(618.11)	<b>13464.10</b>	4103.28	<b>645.49</b>	113.47	418.50	<b>5053.80</b>	<b>8410.30</b>	9892.00
Office Equipments	5996.73	<b>396.66</b>	809.95	4.02	<b>5587.46</b>	2450.80	<b>733.69</b>	778.49	1570.04	<b>3976.04</b>	<b>1611.42</b>	3545.93
Furniture & Fixtures	5721.08	<b>163.50</b>	220.84	2.02	<b>5665.76</b>	2305.54	<b>780.31</b>	216.93	22.42	<b>2891.34</b>	<b>2774.42</b>	3415.54
Vehicles	2633.48	<b>414.97</b>	210.39	(25.21)	<b>2812.85</b>	1308.08	<b>344.95</b>	132.78	21.81	<b>1542.06</b>	<b>1270.79</b>	1325.40
Sub-Total (A)	485698.63	<b>26200.94</b>	9550.11	(6749.74)	<b>495599.72</b>	148584.00	<b>27676.07</b>	6837.03	2961.48	<b>172384.52</b>	<b>323215.20</b>	337114.63
Previous Year	(462934.78)	(15778.61)	(14982.68)	(21967.92)	(485698.63)	(130030.43)	(26422.15)	(9988.02)	(2119.44)	(148584.00)	(337114.63)	(332904.35)
<b>B. INTANGIBLE ASSETS</b>												
Goodwill (Arising on Consolidation)	-	<b>3.06</b>	-	-	<b>3.06</b>	-	-	-	-	-	<b>3.06</b>	-
Software	1120.62	<b>339.57</b>	1.11	(9.60)	<b>1449.48</b>	843.70	<b>103.58</b>	-	(2.20)	<b>945.08</b>	<b>504.40</b>	276.92
Technical Know-How	265.55	-	-	-	<b>265.55</b>	121.79	<b>59.87</b>	-	-	<b>181.66</b>	<b>83.89</b>	143.76
Patent	500.00	-	-	-	<b>500.00</b>	221.86	<b>100.00</b>	-	-	<b>321.86</b>	<b>178.14</b>	278.14
Sub- Total (B)	1886.17	<b>342.63</b>	1.11	(9.60)	<b>2218.09</b>	1187.35	<b>263.45</b>	-	(2.20)	<b>1448.60</b>	<b>769.49</b>	698.82
Previous Year	(1997.29)	(1.11)	(116.48)	(4.25)	(1886.17)	(985.34)	(286.22)	(85.32)	(1.11)	(1187.35)	(698.82)	(1011.95)
<b>TOTAL</b>	487584.80	<b>26543.57</b>	9551.22	(6759.34)	<b>497817.81</b>	149771.35	<b>27939.52</b>	6837.03	2959.28	<b>173833.12</b>	<b>323984.69</b>	337813.45
Previous Year	(464932.07)	(15779.72)	(15099.16)	(21972.17)	(487584.80)	(131015.77)	(26708.37)	(10073.34)	(2120.55)	(149771.35)		
Capital Work-in-Progress											<b>3005.39</b>	7406.13
Intangible Assets under Development											<b>236.57</b>	-
<b>TOTAL :</b>											<b>327226.65</b>	345219.58

- Leasehold Land includes Rs.320.00 lacs (Previous Year Same), pending execution of title deed.
- Freehold Land includes Rs.2373.18 lacs (Previous Year Rs.1668.23 lacs), pending execution of title deed.
- Building includes Rs. 5.30 lacs (Previous Year Same), acquired on ownership basis & Rs.19.85 lacs (Previous Year Same), pending execution of title deed.
- Gross Block & Capital Work-in-Progress includes Pre-operative expenses, basis of which is certified by the Management.
- Capital Work in Progress includes Rs 21.27 lacs (Previous year Rs.1.70 lacs) in respect of Machinery in Transit.
- Gross Block includes Rs. 5.08 lacs (Previous Year Same), added on revaluation of following assets:
  - Rs. 2.27 lacs (Previous Year Same), towards Building revalued as at 31st December 1987.
  - Rs. 2.81 lacs (Previous Year Same), towards Land revalued as at 31st December 1987.
- Adjustments in Gross Block & Depreciation Block represents exchange rate fluctuations, arising on translation of Foreign subsidiaries / Joint Venture net of Rs. 3712.72 Lacs in respect of net residual carrying value of assets where their useful life is reduced to NIL, as at 1/4/2014, in accordance with the Companies Act, 2013

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	<b>As At 31.03.2015</b>	<b>As At 31.03.2014</b>
		<b>(Rs. in Lacs)</b>
<b>14. INVESTMENTS</b>		
<b>NON-CURRENT INVESTMENTS</b>		
<b>(LONG TERM INVESTMENTS)</b>		
<b>i) INVESTMENT IN ASSOCIATES</b>		
In Equity Shares- Quoted, fully paid up		
Carrying Value of Investment	<b>443.73</b>	443.73
Addition during the year	<b>899.30</b>	-
Pre Acquisition Profit On Investment	<b>4.57</b>	-
Add : Share in Post acquisition Profits	<b>3473.04</b>	3027.81
	<b>4820.64</b>	3471.54
Less : Dividend received upto the year end	<b>(836.48)</b>	(704.40)
Carrying Amount of Investment	<b>3984.16</b>	2767.14
<b>ii) INVESTMENT IN OTHERS</b>		
a) Quoted Fully Paid-up Equity Shares	<b>5208.02</b>	5208.02
b) Un-Quoted Fully Paid-up Equity Shares	<b>4610.69</b>	4610.99
	<b>9818.71</b>	9819.01
<b>TOTAL :</b>	<b>13802.87</b>	12586.15
<b>15. LONG-TERM LOANS &amp; ADVANCES</b>		
(Unsecured, Considered Good)		
Capital Advances	<b>4512.48</b>	3365.04
Security Deposits	<b>2030.79</b>	2004.30
Security Deposits with lender banks	<b>6946.74</b>	8035.21
<b>Loans to :</b>		
- Related Party	<b>40.00</b>	-
- Employees	<b>175.49</b>	180.26
- Others	<b>405.08</b>	1434.47
<b>Deposits :</b>		
- With Excise Authority	<b>355.85</b>	326.68
- Others	<b>216.95</b>	132.90
MAT Credit Entitlement	<b>134.79</b>	134.79
Deposits / Advances with Income Tax Authorities	<b>1219.00</b>	873.33
<b>TOTAL :</b>	<b>16037.17</b>	16486.98
<b>16. OTHER NON-CURRENT ASSETS</b>		
Advances recoverable in cash or in kind or value to be received	<b>145.80</b>	428.47
Other Receivables	<b>185.78</b>	272.06
<b>TOTAL :</b>	<b>331.58</b>	700.53

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	(Rs. in Lacs)	
	As At 31.03.2015	As At 31.03.2014
<b>17. INVENTORIES</b>		
Raw Materials	24867.24	21801.69
Work-in-Progress	12783.71	13077.85
Finished Goods	8866.15	12555.37
Stock - in - Trade	5903.67	5903.85
Material-in-Transit :-		
- Raw Materials	6493.08	2317.97
- Raw Materials (Intra Group)	2831.67	703.46
- Finished Goods (Intra Group)	2180.34	2506.06
- Stores, Packing Material & Fuel	2171.16	2207.69
<b>TOTAL :</b>	<b><u>66097.02</u></b>	<b><u>61073.94</u></b>
<b>18. TRADE RECEIVABLES</b>		
(Unsecured, Considered Good)		
A. Trade receivables outstanding for a period exceeding six months	48859.56	31685.64
B. Other trade receivables	105425.11	120119.72
	<b><u>154284.67</u></b>	<b><u>151805.36</u></b>
Less : Provision for Bad & Doubtful Debts	3413.38	1287.61
<b>TOTAL : #</b>	<b><u>150871.29</u></b>	<b><u>150517.75</u></b>
# Includes dues from Related Parties	2810.95	1824.21
<b>19. CASH &amp; BANK BALANCES</b>		
<b>a) Cash &amp; Cash Equivalents</b>		
Cash in hand	119.39	73.07
<b>Balances with Bank</b>		
- On Current Accounts	10454.31	7079.64
- On Cash Credits Accounts	55.49	1113.95
- On Fixed Deposits Accounts	7493.82	9523.11
	<b><u>18123.01</u></b>	<b><u>17789.77</u></b>
<b>b) Remittance in Transit</b>	74.25	137.79
<b>c) Other Bank Balances</b>		
- On Fixed Deposits Accounts*	388.28	1027.24
- On Fixed Deposits Accounts a period for more than 12 Months*	41.24	43.35
- On Unclaimed Dividend Account	152.42	159.65
- In Margin Money Accounts	439.64	1584.69
	<b><u>1021.58</u></b>	<b><u>2814.93</u></b>
<b>TOTAL :</b>	<b><u>19218.84</u></b>	<b><u>20742.49</u></b>
* Pledged with Banks as margin for Letters of Credits, Guarantees & Bills Discounted.		
<b>20. SHORT-TERM LOANS &amp; ADVANCES</b>		
(Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received	44155.96	42776.59
Advances to Related Parties	-	-
Balances with Excise Authorities	4204.07	3275.03
Loans to Employees and others	70.78	0.30
Loans to Body Corporates	4626.05	4519.53
<b>TOTAL :</b>	<b><u>53056.86</u></b>	<b><u>50571.45</u></b>

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	(Rs. in Lacs)	
	As At 31.03.2015	As At 31.03.2014
<b>21. OTHER CURRENT ASSETS</b>		
Interest accrued on :		
- Loans to Others	1.25	201.74
- Deposits with Banks	94.74	66.44
Other Receivables	55.92	1292.75
<b>TOTAL :</b>	<u>151.91</u>	<u>1560.93</u>
		(Rs. in Lacs)
	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>22. REVENUE FROM OPERATIONS</b>		
<b>A. i) REVENUE FROM SALE OF PRODUCTS</b>		
Gross Sales	662708.04	620820.15
Less : Inter Unit Sales	33103.32	32631.22
	<u>629604.72</u>	588188.93
Less : Excise Duty / Cess	31509.34	29941.05
	<u>598095.38</u>	558247.88
<b>ii) REVENUE FROM SALE OF SERVICES</b>		
a Gross Job work	7337.72	5733.24
Less : Inter Unit Job Work	4561.63	3448.03
	<u>2776.09</u>	2285.21
Less : Excise Duty / Service Tax / Cess	230.01	198.56
	<u>2546.08</u>	2086.65
b Technical Fees	2669.14	10726.16
<b>TOTAL (A) :</b>	<u>603310.60</u>	571060.69
<b>B. OTHER OPERATING REVENUES</b>		
Scrap Sales	5081.52	3962.13
Less : Excise Duty / Cess	216.13	219.77
	<u>4865.39</u>	3742.36
Packing, Forwarding and Insurance Recoveries	824.78	430.80
Export Incentive	6083.02	6830.09
Excise Duty Refund	2206.38	1803.62
Miscellaneous Operating Income	364.33	2442.58
Sales Tax Refund	379.39	14.99
<b>TOTAL (B) :</b>	<u>14723.29</u>	15264.44
<b>TOTAL (A+B):</b>	<u>618033.89</u>	<u>586325.13</u>
<b>23. OTHER INCOME</b>		
Rent Received	222.09	211.71
Miscellaneous Income	73.24	1378.81
<b>Interest :</b>		
- from Banks	689.05	470.75
- from Others	634.77	757.38
<b>Investment Income:</b>		
- Dividend received on Non-Trade Investments	41.42	44.71
<b>TOTAL :</b>	<u>1660.57</u>	<u>2863.36</u>

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	<b>(Rs. in Lacs)</b>	
	<b>For the Year Ended 31.03.2015</b>	<b>For the Year Ended 31.03.2014</b>
<b>24. COST OF MATERIALS CONSUMED</b>		
Opening Stock	<b>22505.15</b>	17883.56
Add : Purchases	<b>409813.34</b>	394783.98
	<b>432318.49</b>	412667.54
Less : Inter Unit Purchases	<b>33212.16</b>	31709.08
	<b>399106.33</b>	380958.46
Less : Closing Stock	<b>27698.91</b>	22505.15
<b>TOTAL :</b>	<b>371407.42</b>	358453.31
	<b>371407.42</b>	358453.31
<b>25. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening Stock :</b>		
Stock-in-Trade	<b>5903.85</b>	36.68
Finished Goods	<b>15061.43</b>	13347.35
Work-in-Progress	<b>13077.85</b>	12932.25
	<b>34043.13</b>	26316.28
<b>Less : Closing Stock :</b>		
Stock-in-Trade	<b>5903.67</b>	5903.85
Finished Goods	<b>11046.49</b>	15061.43
Work-in-Progress	<b>12783.71</b>	13077.85
	<b>29733.87</b>	34043.13
<b>TOTAL :</b>	<b>4309.26</b>	(7726.85)
	<b>4309.26</b>	(7726.85)
<b>26. EMPLOYEES BENEFITS EXPENSE</b>		
Salaries,Wages,Bonus,Benefits and Amenities	<b>40489.06</b>	35269.27
Contribution to Provident Fund and Other Funds	<b>1945.95</b>	2481.25
Employees Welfare Expenses	<b>1295.75</b>	1276.30
<b>TOTAL :</b>	<b>43730.76</b>	39026.82
	<b>43730.76</b>	39026.82
<b>27. FINANCE COSTS</b>		
Interest		
- On Loans for Fixed Period	<b>11205.40</b>	14292.96
- On Other Loans / Liabilities	<b>4798.78</b>	5299.83
- On Shortfall in payment of Advance Tax	<b>127.00</b>	113.00
	<b>16131.18</b>	19705.79
Short / (Excess) Provision of interest for earlier years		
- On Income Tax	<b>117.22</b>	182.29
- On Deferred Liabilities	<b>(1198.72)</b>	-
	<b>(1081.50)</b>	182.29
Discounting & Financial Charges	<b>3643.02</b>	3443.22
<b>TOTAL :</b>	<b>18692.70</b>	23331.30
	<b>18692.70</b>	23331.30

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	<b>(Rs. in Lacs)</b>	
	<b>For the Year Ended 31.03.2015</b>	<b>For the Year Ended 31.03.2014</b>
<b>28. OTHER EXPENSES</b>		
<b>A. OTHER MANUFACTURING EXPENSES</b>		
Power & Fuel Consumed	<b>30480.76</b>	32672.73
Repair & Maintenance-Machinery	<b>5854.06</b>	4824.32
Stores Consumed	<b>4766.96</b>	4279.75
Tools, Jigs & Dies	<b>260.64</b>	265.62
Packing Material Consumed	<b>17136.15</b>	15998.65
Processing Charges for Cylinders	<b>2828.81</b>	1958.57
Less : Inter Unit Charges	<b>2380.78</b>	1735.04
	<b>448.03</b>	223.53
Design & Development Charges	<b>19.09</b>	20.53
Excise Duty	<b>24.08</b>	3.24
Job Work Charges	<b>2260.48</b>	1649.20
Royalty Expenses	<b>478.15</b>	839.11
Other Direct Charges	<b>360.61</b>	353.62
R & D Charges	<b>31.47</b>	56.42
<b>TOTAL (A) :</b>	<b>62120.48</b>	61186.72
<b>B. ADMINISTRATIVE, SELLING &amp; OTHER EXPENSES</b>		
Rent	<b>1406.34</b>	1496.78
Rates & Taxes	<b>353.06</b>	542.01
Insurance charges	<b>1750.99</b>	1674.75
Electricity & Water charges	<b>449.72</b>	370.58
Printing & Stationery	<b>266.94</b>	274.42
Postage, Telephone & Fax Expenses	<b>947.46</b>	1236.16
Vehicle Running & Maintenance Expenses	<b>566.13</b>	561.44
Lease Rent -Vehicles	<b>695.19</b>	531.37
Conveyance & Travelling Expenses	<b>5022.62</b>	4214.07
Repair & Maintenance :		
- Building	<b>668.72</b>	388.42
- Others	<b>2876.87</b>	3059.52
Legal & Professional Charges	<b>3245.94</b>	3407.51
Directors' sitting fees	<b>20.30</b>	7.60
General Expenses	<b>2843.67</b>	2610.71
Commission on Sales	<b>1142.18</b>	1887.84
Advertisement & Publicity	<b>786.84</b>	546.90
Entertainment Expenses	<b>343.73</b>	423.27
Charity & Donation	<b>35.10</b>	236.46



**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

	For the Year Ended 31.03.2015	(Rs. in Lacs) For the Year Ended 31.03.2014
Corporate Social Responsibility Expenditure	149.97	-
Rebate & Discount	5010.91	3775.31
Freight & Forwarding charges	23574.55	20042.98
Loss on Settlement of Fire Claim	21.75	202.13
Fixed Assets Written -off	1.57	18.62
Loss on Assets Sold (Net)	332.61	449.19
Exchange Rate Fluctuations (Net)	1787.58	316.80
Provision for Doubtful Debts Written Back	(23.65)	(14.06)
Bad & Doubtful Debts (Provision)	2079.02	690.01
Sundry Balances Written-off (Net)	1356.79	1267.26
Claim (Exports)	203.01	297.77
Marketing Expenses	-	43.71
Preliminary Expenses Written-off	-	0.80
<b>TOTAL (B) :</b>	<b>57915.91</b>	<b>50560.33</b>
<b>TOTAL :</b>	<b>120036.39</b>	<b>111747.05</b>

**29. EXPENSES ALLOCATED TO SELF CONSTRUCTED ASSETS**

Cost of Material Consumed	650.97	666.66
Employee Benefits Expense	454.73	387.54
Finance Costs	2.42	3.94
Depreciation and Amortisation Expense	131.05	124.27
Other Expenses	296.25	411.31
<b>TOTAL :</b>	<b>1535.42</b>	<b>1593.72</b>

	As At 31.03.2015	(Rs. in Lacs) As At 31.03.2014
<b>30. I Contingent liabilities not provided for in respect of :</b>		
<b>A</b> i) Guarantees issued by Banks	1725.59	2124.05
ii) Corporate Guarantees given to IFCl on behalf of the Associate	5000.00	-
iii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes	4232.24	2264.64
iv) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	11658.31	6368.49
<b>B</b> i) Show cause notices / demands of Excise Authorities in respect of Excise Duty & Service Tax not acknowledged by the Holding Company and are contested / appealed / replied.	5264.39	8038.09
ii) Additional demands raised by the Income Tax Department, which are under rectification & appeal	489.21	530.90
iii) Additional demands raised by the Sales Tax Department, which are under rectification & appeal	1584.63	791.91

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Rs. in Lacs)

	As At 31.03.2015	As At 31.03.2014
iv) Demand raised by PF authority for alleged lower contribution of PF and is under appeal	27.73	27.73
v) Amount demanded by the erstwhile workers of the Holding Company and are pending in labour Court	10.48	10.48
vi) Claims against the Company/disputed liabilities not acknowledged as debt.	145.83	415.86
vii) Demand raised by the Concerned Development Corporation on surrender of unutilised Industrial Leasehold Land.	62.69	-
II The share in the aggregate contingent liability of the Associates	487.31	351.39
i) For Litigations	329.39	198.79
ii) For Others	157.92	152.60

**31. Capital Commitments :**

a) The estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for :	31163.29	11051.11
b) The share in the aggregate capital commitments of the Associates	369.84	11.96

32. a) Rupees have been rounded off to the nearest thousand.  
 b) Previous Year figures have been recasted / regrouped/ reclassified, wherever considered necessary.  
 c) The results for the current year are not strictly comparable with that of the previous year as the current year figures includes the results of the followings:

Name of the Company	Nature of Relationship	% of ownership Interest	Investment / Disinvestment
Flex Industries (P) Ltd.	Wholly owned Subsidiary	100%	Investment
Reflex Energy (Rajasthan) (P) Ltd.	Associate	31.44%	Investment

**33. EARNING PER SHARE**

The following disclosure is made, as required by Accounting Standard-20 (AS-20) on "Earning Per Share", issued by The Institute of Chartered Accountants of India :-

	Current Year	Previous Year
(A) Profit for the year, after Adjustments, for computation of Basic Earning & Diluted Earning Per Share (Rs. In lacs);	25475.69	20163.70
(B) (i) Weighted Average Number of Equity Shares (viz. denominator) for Basic Earning Per Share	72211486	72211486
(ii) Opening Balance of Equity Shares (Numbers)	72211486	72211486
Weighted Average Number of Equity Shares (viz. denominator) for Diluted Earning Per Share	72211486	72211486
(C) Nominal Value Per Share	Rs. 10/-	Rs. 10/-
<b>(D) Earning Per Share</b>		
(a) Basic (A/B (i)) (Rs.)	35.28	27.92
(b) Diluted (A/B (ii)) (Rs.)	35.28	27.92

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

34. Due to strategic reasons, UTech Developers Ltd., wholly owned subsidiary, had entered into Share sale and purchase Agreement (Agreement) on 29th October 2013 for the sale and transfer of its entire holding of Equity in the Joint Venture Company Qcell Limited for a total consideration of US\$16.07 millions, to its Joint Venture partner. Out of the Total consideration an amount of US\$ 4.83 millions (Equivalent to Rs.2960.78 lacs), was received by UTech Developers Ltd. upto date of Balance Sheet, which is included in the Note No.11- " Other Current Liabilities".

As per the Agreement, UTech Developers Ltd. has transferred the management and control of it's Joint Venture to the Joint Venture Partner and accordingly the financial statements of Qcell Limited are not incorporated into the consolidated financial results .

Profit on the sale of ownership will be recognized upon transfer of shareholding of Joint Venture of UTech Developers Ltd., to Joint Venture Partner and compliance of all other conditions under the Agreement.

35. Due to strategic reasons, UTech Developers Ltd., wholly owned subsidiary, had entered into Share Sale and Purchase Agreement on 21st May 2010 for the sale and transfer of its entire shareholding of Equity Shares and Preference Shares of it's subsidiary (which was in Joint Venture for handling Municipal Solid Waste processing) at a total consideration of Rs. 7416.85 lacs to its Joint Venture partner. Out of the Total consideration an amount of Rs. 4000.00 lacs was received by UTech Developers Ltd. upto date of Balance Sheet, which is included in the Note No.11- " Other Current Liabilities". However due to non payment of further sum by Joint Venture Partner in accordance with the said Agreement, the Company has contested and filed Civil and Criminal cases against the Joint Venture Partner in the Honourable Courts of Delhi.

As per the Agreement, UTech Developers Ltd. has transferred the Management and Control of it's subsidiary to the Joint Venture Partner and accordingly the financial statements of the subsidiary of UTech Developers Ltd., are not incorporated into the Consolidated Financial Results.

Profit on the sale of ownership will be recognized upon transfer of shareholding of subsidiary of UTech Developers Ltd., to Joint Venture Partner and compliance of all other conditions under the agreement.

36. Following disclosures are made, as per Accounting Standard-18 (AS-18), regarding, "Related Party Disclosures", issued by The Institute of Chartered Accountants of India:-

(a). List of Related Parties:

- i) **Associates** : Flex Foods Limited and Refex Energy (Rajasthan) (P) Ltd.
- ii) **Key Management Personnel & their relatives / HUF (also exercising significant influence over the Company)**: Mr. Ashok Chaturvedi, Chairman & Managing Director (relative Mrs. Rashmi Chaturvedi), Mr. Ashok Chaturvedi (HUF), Mr. S.K. Kaushik, Whole-time Director, Mr. Pradeep Tyle (Director of Flex Middle East FZE), Mr. R.K. Jain (Director of Flex Middle East FZE), Mr. P.L. Sirsamkar (Director of Flex Middle East FZE), Mr. Pradeep Srivastava (Director of Uflex Europe Ltd.) and Mr. S.K. Sharma (Manager of Utech Developers Limited)
- iii) **Enterprises in which the persons referred in (ii) along with their relatives exercise significant influence**: Flex International (P) Ltd., Anshika Investments (P) Ltd., Ultimate Flexipack Ltd., A.R. Infrastructure & Projects (P) Ltd., Anant Overseas (P) Ltd., Apoorva Extrusion (P) Ltd., Anshika Consultants (P) Ltd., A.R. Leasing (P) Limited, Cinflex Infotech (P) Ltd., Ultimate Enterprises (P) Ltd., AR Airways (P) Ltd., Kaya Kalpa Medical Services (P) Ltd., AC Infrastructures (P) Ltd., Club One Airways (P) Ltd., AC Infratech (P) Ltd., RC Properties (P) Ltd., A to Z Infratech (P) Ltd., Ultimate Infratech (P) Ltd., AKC Investments (P) Ltd., Ganadhipati Investments (P) Ltd., Ultimate Prepress LLP, AKC Retailers Ltd., Niksar Finvest (P) Ltd., A-One Infratech (P) Ltd., Ganadhipati Infraproject (P) Ltd., Nirman Overseas (P) Ltd., Holofix Urban Infrastructures (P) Ltd., Laurel Real Estates (P) Ltd., Sungrace Products (India) (P) Ltd., Virgin Infrastructures (P) Ltd., Vendee Builders (P) Ltd., Ultimate Energy Ltd., Modern Info technology (P) Ltd., Liberal Advisory Services (P) Ltd., Saga Realtors (P) Ltd., Genius Infratech (P) Ltd., Naveli Collections (P) Ltd., S K Buildpro (P) Ltd., Sungrace Buildwll (P) Ltd., Bundelkhand Projects (P) Ltd., Manpasand Marketing (P) Ltd., Gangotri Management (P) Ltd., A.R. Infrastructures & Projects (P) Ltd., Magic Consultants (P) Ltd., A.L. Consultants (P) Ltd., Naru Investments (P) Ltd., Sambhav Finlease (P) Ltd., Mahajan Polybag (P) Ltd., Moda Eleganza (P) Ltd. and Dedicated Investments (P) Ltd.

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(b) The Group has entered into transactions with certain parties listed above during the year under consideration. Details of these transactions are as follows :

		(Rs. in Lacs)			
Transactions		Associates	Key Management Personnel & their Relatives / HUF	Enterprises as referred to in 'a (iii)' above	Total
<b>i)</b>	<b>Trade Transactions</b>				
	Sale of Goods/Services (Net)	25.35	-	7418.68	7444.03
		36.05	-	7771.39	7807.44
	Purchase of Goods/Services (Net )	-	-	23629.03	23629.03
		-	-	19475.96	19475.96
	Purchase of Fixed Assets	-	-	-	-
		-	-	26.70	26.70
	Sale of Fixed Assets	-	-	0.90	0.90
		-	-	1114.19	1114.19
	Lease Charges Received	-	-	-	-
		-	-	140.00	140.00
	Security Deposit Given	-	-	69.00	69.00
		-	-	-	-
	Rent Received	-	36.00	4.08	40.08
		-	36.00	4.08	40.08
	Rent Paid	-	207.00	273.60	480.60
		-	207.00	149.67	356.67
	Royalty Expenses	-	370.00	-	370.00
		-	770.00	-	770.00
	Interest Paid on Loans	-	-	2.14	2.14
		1.96	-	92.02	93.98
	Dividend Income	132.08	-	-	132.08
		117.40	-	-	117.40
	Consultancy Charges	-	145.80	-	145.80
		-	144.77	-	144.77
	Remuneration	-	1458.30	-	1458.30
		-	1157.62	-	1157.62
	Recovery towards Excess Remuneration paid in past	-	-	-	-
		-	1184.79	-	1184.79
<b>ii)</b>	<b>Non Trade Transactions</b>				
	Loan Taken	-	-	500.00	500.00
		500.00	-	4600.00	5100.00
	Repayment of Loan Taken	-	-	-	-
		500.00	-	4600.00	5100.00
	Dividend Paid	-	58.04	726.63	784.67
		-	16.95	736.33	753.28
	<b>Total</b>	<b>157.43</b>	<b>2275.14</b>	<b>32624.06</b>	<b>35056.63</b>
		1155.41	3517.13	38710.34	43382.88
	<b>Balance as on 31.03.2015</b>				
	Debit	6.82	-	2804.13	2810.95
		7.50	-	1816.71	1824.21
	Credit	-	44.23	7549.57	7593.80
		-	110.02	4790.84	4900.86

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

Ultra Urban Infratech Ltd., an associate company is not reported above, since the Investor, UTech Developers Limited, has transferred the Management & Ownership control to Joint Venture Partner, under the agreement dated 21st May' 2010, with an understanding to transfer the entire Share Holding on receipt of the amount due under the Agreement.

Previous Year figures have been given in Italic.

- 37.** Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st April' 2014, reviewed and revised the estimated useful lives of its fixed assets, generally in accordance with the Provisions of Schedule II to the Act. Accordingly, the carrying amount of Rs.2451.10 Lacs (Net of Tax benefit of Rs.1261.62 lacs) in respect of assets with NIL revised remaining useful life as at 1st April 2014, is reduced from the retained earnings as at such date. Further as a result of this change, the depreciation for the year is higher by Rs. 1718.89 Lacs and Profit for the year is lower by the same amount.
- 38.** Additional Information as required under Schedule III of the Companies Act, 2013 of enterprises consolidated as Subsidiary/ Associates / Joint Ventures

S. No	Name of the Enterprises	Net Assets i.e. Total Assets minus Total Liabilities		Share in profit or loss	
		As % of Consolidated Net Assets	Amount (Rs in Lacs)	As % of Consolidated Profit or Loss	Amount (Rs in Lacs)
<b>Parent</b>	<b>UFLEX Limited</b>	56.11%	1,68,773.25	55.73%	14,198.26
<b>Subsidiary Indian</b>					
1	UTech Developers Limited	3.56%	10,721.67	-0.97%	(248.16)
2	USC Holograms Pvt. Ltd.	0.08%	233.17	0.90%	230.11
3	S.D. Buildwell Private Limited	0.04%	129.23	-0.03%	(7.62)
4	Flex Industries Private Limited	0.00%	(6.97)	-0.04%	(9.93)
<b>Foreign</b>					
1	Flex Middle East FZE	42.95%	1,29,174.48	19.12%	4,870.99
2	Flex Americas S.A. de C.V.	8.23%	24,765.78	10.43%	2,657.14
3	Flex P. Films Egypt S.A.E.	11.14%	33,506.71	12.97%	3,305.32
4	Flex Films Europa Sp. Z.o.o.	7.75%	23,318.79	16.30%	4,151.35
5	Flex Films (USA) Inc.	6.34%	19,073.91	6.07%	1,547.04
6	UFlex Europe Limited	0.21%	624.24	3.86%	982.26
7	UFLEX Packaging Inc.	-0.02%	(55.92)	0.73%	186.39
8	UPET Holdings Limited	7.91%	23,795.79	0.02%	6.21
9	UPET Singapore Pte. Ltd.	7.88%	23,715.02	0.02%	6.21
10	Flex P. Films (Brasil) Comercio De Films Plasticos Ltda	0.05%	151.20	0.00%	-
Minority Interest in Subsidiaries		-0.02%	(74.62)	-0.29%	(73.64)
<b>Associates (Investment as per Equity Method)</b>					
1	Flex Foods Limited	1.05%	3,166.37	1.74%	443.84
2	Reflex Energy (Rajasthan) Private Limited	0.30%	905.14	0.01%	1.39

**Notes:**

- Loss to Minority Shareholders is allocated to the extent of their paid up capital.
- Net Assets & Share in Profit or Loss of the Foreign subsidiaries are converted to INR based on the Closing Exchange Rates mention in the Note No.39.
- Since this being the first year of reporting, therefore previous year figures are not reported above.

**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

**39. Statement containing salient features of financial Statements of Subsidiary / Associates / Joint Ventures, as per first proviso to Section 129(3) of Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014.**

**Part "A" : Subsidiaries**

**INR in Lacs**

**FC in Million**

Sl. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries		Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after taxation	Proposed dividend	% of Share holding
			Currency	Exch. Rate											
<b>Subsidiary</b>															
<b>Indian</b>															
1	UTech Developers Limited	Not Applicable	INR		10,000.00	721.67	32,768.90	22,047.23	7,478.47	5.99	(369.29)	(121.13)	(248.16)	-	100%
2	USC Holograms Pvt. Ltd.	Not Applicable	INR		6.00	227.17	3,527.93	3,294.76		3,306.14	339.47	109.36	230.11	-	68%
3	SD Buildwell Private Limited	Not Applicable	INR		201.00	(71.77)	3,250.34	3,121.11		8.89	(7.62)	-	(7.62)	-	54%
4	Flex Industries Private Limited	Not Applicable	INR		6.00	(12.97)	60.86	67.83		14.27	(9.93)	-	(9.93)	-	100%
<b>Foreign</b>															
1	Flex Middle East FZE	Not Applicable	INR		18,117.11	1,11,057.38	1,67,937.39	38,762.91		64,068.46	4,870.99	-	4,870.99	-	100%
			US \$	62.13	29.16	178.75	270.30	62.39		103.12	7.84	-	7.84	-	
2	Flex Americas S.A. de C.V.	Not Applicable	INR		17,087.41	7,678.37	60,004.83	35,239.06		60,753.60	3,795.57	1,138.43	2,657.14	-	100%
			MXP	4.076	419.22	188.38	1,472.15	864.55		1,490.52	93.12	27.93	65.19	-	
3	Flex P. Films Egypt S.A.E.	Not Applicable	INR		29,766.48	3,740.23	92,654.47	59,147.76		78,886.46	4,119.22	813.90	3,305.32	-	100%
			US \$	62.13	47.91	6.02	149.13	95.20		126.97	6.63	1.31	5.32	2.36	
4	Flex Films Europa Sp. Z.o.o.	Not Applicable	INR		16,729.05	6,589.73	54,983.14	31,664.36		55,126.58	2,997.28	(1,154.07)	4,151.35	-	100%
			PLN	16.4867	101.47	39.97	333.50	192.06		334.37	18.18	(7.00)	25.18	-	
5	Flex Films (USA) Inc.	Not Applicable	INR		19,881.60	(807.69)	53,897.78	34,823.87		81,160.42	2,485.20	938.16	1,547.04	-	100%
			US \$	62.13	32.00	(1.30)	86.75	56.05		130.63	4.00	1.51	2.49	-	
6	UFlex Europe Limited	Not Applicable	INR		918.00	(293.76)	3,047.76	2,423.52		8,831.16	982.26	-	982.26	-	100%
			GBP	91.8	1.00	(0.32)	3.32	2.64		9.62	1.07	-	1.07	-	
7	UFLEX Packaging Inc.	Not Applicable	INR		2,286.38	(2,342.30)	3,696.74	3,752.65		7,766.25	186.39	-	186.39	-	100%
			US \$	62.13	3.68	(3.77)	5.95	6.04		12.50	0.30	-	0.30	-	
8	UPET Holdings Limited	Not Applicable	INR		23,857.92	(62.13)	23,795.79	-	23,721.23	-	6.21	-	6.21	-	100%
			US \$	62.13	38.40	(0.10)	38.30	-	38.18	-	0.01	-	0.01	-	
9	UPET (Singapore) Pte. Ltd.	Not Applicable	INR		23,733.66	(18.64)	23,715.02	-	23,640.47	-	6.21	-	6.21	-	100%
			US \$	62.13	38.20	(0.03)	38.17	-	38.05	-	0.01	-	0.01	-	
10	Flex P. Films (Brasil) Comercio De Filmes Plasticos Ltda	Not Applicable	INR		153.11	(1.91)	151.20	-	-	-	-	-	-	-	100%
			BLR	19.1393	0.80	(0.01)	0.79	-	-	-	-	-	-	-	

**Notes :**

- Name of subsidiaries which are yet to commence operations** Flex P. Films (Brasil) Comercio De Filmes Plasticos Ltda
- Names of Subsidiaries which have been liquidated or sold during the year** NIL
- Name of Subsidiary not considered for Consolidation**

Name of The company	Reason for Non Consolidation
AKC Developers Ltd.	Its Parent Company has transferred the Management & Ownership Control under the Agreement dated 21st May' 2010 with an understanding to transfer the entire Share Holding on payment of the amount due under the Agreement.

Since this being the first year of reporting, therefore previous year figures are not reported above.



**NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**Part "B": Associates and Joint Ventures**
**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sl No.	Name of the Associates / Joint Ventures	Latest Audited Balance Sheet Date	Share of Associates / Joint Ventures held by the Company on the year end			Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Networth attributable to Shareholding as per latest Audited Balance Sheet	Profit or Loss for the Year	
			No	Amount of Investment in Associates / Joint Venture	Extent of Holding %				Considered in Consolidation	Not Considered in Consolidation
			Rs in Lacs			Rs in Lacs		Rs in Lacs	Rs in Lacs	
1	Flex Foods Limited	31-Mar-15	5870000	587.00	47.15%	By Virtue of Shareholding	NA	3,166.37	443.84	-
2	Refex Energy (Rajasthan) Private Limited	31-Mar-15	8993000	899.30	31.44%	By Virtue of Shareholding	NA	905.14	1.39	-

**Notes:**

- Name of Associates / Joint Ventures which are yet to commence operations Refex Energy (Rajasthan) Private Limited
- Names of Associates / Joint Ventures which have been liquidated or sold during the year **NIL**
- Name of Associate / Joint Venture which are not considered for consolidation

Relationship	Name of The company	Reason for Non Consolidation
Associate	Ultra Urban Infratech Ltd	Its Parent Company has transferred the Management & Ownership control under the Agreement dated 21st May' 2010 with an understanding to transfer the entire Share Holding on payment of the amount due under the Agreement.
Joint Venture	Qcell Limited	Its contolling Company has transferred the Management & Ownership control under the Agreement dated 29th October, 2013 with an understanding to transfer the entire Share Holding on payment of the amount due under the Agreement.

Since this being the first year of reporting, therefore previous year figures are not reported above.

## Signatories to Notes 1 to 39

**R.K.Jain**  
 Group President  
 (Corp. Finance & Accounts)

**S. K. Kaushik**  
 Whole-time Director  
 DIN 00027035

**Ashok Chaturvedi**  
 Chairman & Managing Director  
 DIN 00023452

**Rakesh Malhotra**  
 Sr. General Manager  
 (Corp. Accounts)

**Ajay Krishna**  
 Sr. Vice President  
 (Legal) & Company Secretary

 For **VIJAY SEHGAL & CO.**  
 Chartered Accountants

 Place : Noida  
 Dated : 28<sup>th</sup> May, 2015

**S.V.Sehgal**  
 Partner



# UFLEX LIMITED

CIN: L74899DL1988PLC032166

Regd. Office : 305, Third Floor, Bhanot Corner, Pamposh Enclave,  
Greater Kailash - I, New Delhi - 110 048

## ATTENDANCE SLIP

26<sup>th</sup> Annual General Meeting

Reg. Folio/DP & Client No:..... No .of Shares Held:.....

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 26th Annual General Meeting of the Company being held on **Wednesday, the 22<sup>nd</sup> day of July, 2015 at 10:00 A.M.** at Air Force Auditorium, Subroto Park, New Delhi - 110010 and at any adjournment thereof.

Member's Name : .....

Proxy's Name : .....

Member's/ Proxy's Signature

- Note :
1. Please fill this attendance slip and hand it over at the entrance of the Hall.
  2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting .
  3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.



Form No. MGT-11

# UFLEX LIMITED

CIN: L74899DL1988PLC032166

Regd. Office : 305, Third Floor, Bhanot Corner, Pamposh Enclave,  
Greater Kailash - I, New Delhi - 110 048

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) : .....

Registered Address : .....

E.Mail Id :..... Folio No./Client Id :..... DP ID.....

I/We,being the Member(s) holding ..... shares of the above named Company, hereby appoint

1. Name :..... Address:.....

..... E.mail ID:..... Signature:..... or failing him

2. Name:..... Address:.....

..... E.mail ID:..... Signature:..... or failing him

3. Name:..... Address:.....

..... E.mail ID:..... Signature:..... as my/

our Proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on **Wednesday, the 22<sup>nd</sup> day of July, 2015 at 10:00 A.M.** at Air Force Auditorium, Subroto Park, New Delhi - 110010 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Sl. No.	Resolutions Ordinary Business	Optional	
		For	Against
1	To adopt the Audited Financial Results for the year ended 31st March, 2015		
2	To declare the dividend		
3	To appoint a Director in place of Shri Ashok Chaturvedi (holding DIN 00023452), who retires by rotation and being eligible offers himself for re-appointment.		
4	Ratification of Appointment of Statutory Auditors.		
	<b>Special Business</b>		
5	Appointment of Shri Tara Sankar Sudhir Battacharya (DIN 00157305) as an independent Director of the Company for five consecutive years for a term up to 13th February, 2020		
6	Appointment of Smt Indu Liberhan (DIN 03341420) as an independent Director of the Company for five consecutive years for a term up to 27th May, 2020		
7	Ratification of Remuneration to the Cost Auditors		

Signed this.....day of.....2015

Affix  
Revenue  
stamp

Signature of Proxy holder(s)


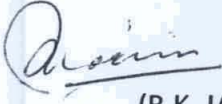
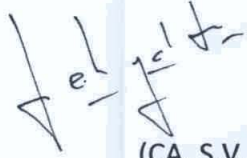
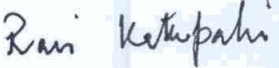
Signature of the Shareholder

- Note:**
1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
  2. For Resolutions, Explanatory Statements and Notes, please refer to the Notice of 26th Annual General Meeting of the Company.
  3. It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
  4. Please complete all details including details of Member(s) in above box before submission.



**FORM A**

**Format of Covering Letter of the Annual Audit Report to be filed with the Stock Exchanges**

1.	Name of the Company	UFLEX LIMITED
2.	Annual Financial Statements for the Year Ended	31 <sup>st</sup> March, 2015
3.	Type of Audit Observation	Unqualified
4.	Frequency of Observation	NIL
5.	To be Signed by :	
	<ul style="list-style-type: none"><li>• CEO / Managing Director</li></ul>	 (ASHOK CHATURVEDI)
	<ul style="list-style-type: none"><li>• CFO</li></ul>	 (R.K. JAIN)
	<ul style="list-style-type: none"><li>• Auditor of the Company</li></ul>	For VIJAY SEHGAL & CO., Chartered Accountants Firm's Regn. No. : 000374N  (CA. S.V. SEHGAL) Partner Membership No. 080329
	<ul style="list-style-type: none"><li>• Audit Committee Chairman</li></ul>	 (RAVI KATHPALIA)

Certified True Copy  
For UFLEX LIMITED  
  
SUBHASH KHATUA  
Dy. General Manager (Secretarial)