



UFLEX LIMITED

Division/Office: CORPORATE - SECRETARIAL

Corporate Office: A-107-108, Sector-IV, Distt. Gautam Budh Nagar, NOIDA - 201301, (U.P.), India

Tel.: +91-120-4012345/2522558 Fax: +91-120-2442903

Website: www.uflexltd.com E-mail ID: secretarial@uflexltd.com

UFLEX/SEC/2019/

03 July, 2019

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/I, G-Block
Bandra-Kurla Complex
Bandra (E),
Mumbai – 400 051

The BSE Limited
Corporate Relationships Department
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code : UFLEX

Scrip Code : 500148

Subject: Notice of the 30th Annual General Meeting (AGM) and Annual Report 2018-2019 under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

Please find attached the Notice of the 30th Annual General Meeting (AGM) and Annual Report for the Financial Year 2018-2019. The same is also available in the Company's website at <https://uflexltd.com/pdf/financials/annual-reports/UFLEX-AR-2018-19.pdf>.

You are requested to take on record.

Thanking you,

Yours faithfully,
For UFLEX LIMITED

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

Encl : As above

THIRTIETH ANNUAL REPORT 2018-2019



'A part of your daily life'

UFLEX LIMITED



UFLEX LIMITED

CIN: L74899DL1988PLC032166

THIRTIETH ANNUAL REPORT 2018-2019

BOARD OF DIRECTORS

ASHOK CHATURVEDI
Chairman & Managing Director
ACHINTYA KARATI
INDU LIBERHAN
TARA SANKAR BHATTACHARYA
ARVIND MAHAJAN
V. ANISH BABU
Nominee IFCI
PRADEEP NARENDRA PODDAR
AMITAVA RAY
Whole-time Director

SR. VICE PRESIDENT (LEGAL) & COMPANY SECRETARY

AJAY KRISHNA

AUDITORS

Statutory Auditors

M/s KAAP & ASSOCIATES
89, Lower Ground Floor,
Gujarat Vihar, Delhi - 110092

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 : secretarial@uflexltd.com

CORPORATE OFFICE

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

SUBSIDIARY/JV 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.zo.o., Poland
UPET Holdings Ltd., Mauritius
UPET (Singapore) Pte. Ltd., Singapore
Flex Americas S.A. de C.V., Mexico
Flex Films Africa Privated Limited, Nigeria
Flex Chemicals Private Limited, Russia

Flex Films Rus, LLC, Russia
Flex Films Europa Korlatolt Feleossegu
Tarsasag, Hungary
UTech Developers Limited, India
SD Buildwell Pvt. Ltd., India
USC Holograms Pvt. Ltd., India
Digicyl Pte. Ltd, Singapore
Digicyl Limited, Israel

BANKERS

UFLEX Ltd., India - Bankers

Canara Bank
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
Union Bank of India
UCO Bank
South Indian Bank Ltd.
CTBC Bank Co. Ltd.
Woori Bank

Flex Middle East FZE, Dubai - Bankers

Commercial Bank of Dubai, Dubai
Habib Bank AG Zurich, Dubai
United Arab Bank, Dubai

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

BBVA Bancomer, Mexico
Flex P. Films (Egypt) S.A.E.,
Egypt - Bankers

KFW IPEX Bank, Germany
QNB Alahli, Egypt
ADIB, Egypt
Emirates NBD Egypt
Banque Misr, Egypt

Flex Films Europa Sp.zo.o., Poland - Bankers

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

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

Oldenburgische Landesbank 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.)

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

SM8 + SM10, Sanand, Gujarat

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

Bengaluru

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

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of UFLEX Limited will be held on **Thursday, 1st August, 2019** at 10:00 A.M. at Air Force Auditorium, Subroto Park, New Delhi - 110010 for transacting the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - a) The Audited Financial Statements of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and the Auditors thereon; and
 - b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon.
2. To declare the dividend for the year 2018-2019 on the equity shares of the Company.
3. To appoint a Director in place of Shri Amitava Ray (DIN: 00184143), who retires by rotation and, being eligible, offers himself for re-appointment

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of members be and is hereby accorded for re-appointment of Shri Ashok Chaturvedi (DIN: 00023452), Chairman & Managing Director of the Company as Chairman & Managing Director of the Company for a further period of five years with effect from February 01, 2019, on the terms and conditions, including remuneration as follows:

- (a) Salary including allowances, bonus etc. subject to a maximum of Rs.60,00,000/- (Rupees Sixty Lac) per month with an annual increment of upto Rs.6,00,000/-.
- (b) **Perquisites:**

House Rent Allowance or free furnished accommodation with gas, electricity, water and other amenities; car with driver & telephone at residence for other than official purposes; reimbursement of medical expenses incurred in India or abroad including hospitalization and surgical charges

for self & family and travel relating thereto; reimbursement of expenses on servants; leave travel including foreign travel; fees of clubs; personal accident insurance; children education allowance; any other benefits, amenities etc. subject to a ceiling of Rs.10,00,000/- (Rupees Ten Lac) per month.

The above perquisites shall be allowed in addition to the salary, to be evaluated as per Income Tax rules, wherever applicable, and in the absence of any such rule, perquisites shall be evaluated at actual cost.

- (c) In addition to the salary, perquisites and allowances as above, Shri Ashok Chaturvedi, Chairman & Managing Director shall also be entitled to receive commission.

However, the total remuneration paid to Shri Ashok Chaturvedi including salary, perquisites, allowances and commission shall not exceed 5% of the net profit of the Company as computed under Section 198 of the Companies Act, 2013 including the salary, perquisites & allowance as above.

- (d) Other benefits (Not to be included in Managerial Remuneration):

- i) Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these, whether singly or put together, are not taxable under the Income Tax Act, 1961.
- ii) Gratuity payable shall be in accordance with the rules of the Company.
- iii) Earned Leave : As per the rules of the Company at the end of the tenure.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Shri. Ashok Chaturvedi (DIN: 00023452), Chairman & Managing Director will be paid the salary and perquisites as minimum remuneration not exceeding the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013, by making such compliances as provided in the said schedule.”

5. To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Tara Sankar Bhattacharya (DIN: 00157305),

who was appointed as an Independent Director and who holds office of Independent Director upto 13th February, 2020 being eligible be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 3 (three) consecutive years i.e from 14th February, 2020 to 13th February, 2023 and whose office shall not be liable to retire by rotation.”

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Indu Liberhan (DIN: 03341420), who was appointed as an Independent Director and who holds office of Independent Director upto 27th May, 2020 being eligible be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of 3 (three) consecutive years i.e from 28th May, 2020 to 27th May, 2023 and whose office shall not be liable to retire by rotation.”

7. To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Pradeep Narendra Poddar (DIN: 00025199), who was appointed as an Independent Director and who holds office of Independent Director upto 29th May, 2020 being eligible be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of 3 (three) consecutive years i.e from 30th May, 2020 to 29th May, 2023 and whose office shall not be liable to retire by rotation.”

8. To consider and if thought fit, to pass 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, (including any statutory modification(s) or re-enactment thereof, for

the time being in force), M/s Jitender, Navneet & Co., Cost Accountants who was re-appointed as the Cost Auditors of the Company by the Board of Directors, for conducting the audit of the cost records of the Company for the financial year 2019-20, be paid the remuneration of Rs. 21.00 Lacs (Rupees Twenty One Lacs Only) excluding applicable taxes and out of pocket expenses that may be incurred.”

By Order of the Board

AJAY KRISHNA

Sr. Vice President (Legal) &

Company Secretary

ACS No. 3296

Place : NOIDA

Dated : 27th May, 2019

Regd. Office:

305, 3rd 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 **26th July, 2019 to 1st August, 2019 (both days inclusive)**.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF NOT EXCEEDING 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**
THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.
4. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to

be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.

5. The amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 45,80,280/- (Rupees Forty Five Lac Eighty Thousand Two Hundred Eighty Only) being the unpaid and unclaimed dividend amount pertaining to Dividend, 2010-11 to the Investor Education and Protection Fund of the Central Government.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
8. Electronic copy of the Annual Report of the 30th Annual General Meeting of the Company *inter alia* indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/ Depository 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 Notice of the 30th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
9. The Company has paid the Annual Listing Fees for the year 2019-2020 to the following Stock Exchanges, viz. the BSE Limited and the National Stock Exchange of India Limited (NSE) on which the Company's Securities are presently listed.
10. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority

(Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 including amendments thereto ('IEPF Rules 2016'). Amongst other things, the Rules provides for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case any dividend has not been paid/claimed by the shareholders on such shares during the last seven years to the designated Account as prescribed by the IEPF Authority. In pursuance of Compliance of said rules Company has transferred 55,945 (Fifty Five Thousand Nine Hundred Forty Five Only) Equity Shares to Investor Education and Protection Fund (IEPF) during the year.

11. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is providing the shareholders facility to exercise their right to vote on Resolutions proposed to be considered at the forthcoming Annual General Meeting by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited (CDSL).
 - II. That the facility for voting, through Ballot Paper shall also be made available at the Meeting & 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 **29th July, 2019 (9:00 AM)** and ends on **31st July, 2019 (5:00 PM)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 25th July, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iii) Click on "Shareholders/Members"
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- 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.
- ixi) Click on the EVSN of **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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com

and on approval of the accounts they would be able to cast their vote.

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

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

- 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. 25th July, 2019.
- 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.
- Shri Mahesh Gupta, Practicing Company Secretary (Membership No. 2870) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 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.
- 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.
- The Results along with the Scrutinizer’s Report shall be placed on the Company’s website www.uflexltd.com and on the website of CDSL immediately after declaration of results and communicated to the Stock Exchanges.
- 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. 4

The members at the Extra-Ordinary General Meeting (EGM) held on January 31, 2014, had re-appointed Shri. Ashok Chaturvedi as Chairman & Managing Director of the Company for a period of 5 years i.e. from February 01, 2014 till January 31, 2019.

The Board of Directors of the Company at their meeting held on November 03, 2018 after considering the recommendation of the Nomination & Remuneration Committee, the size of the operations of the Company, increased role and responsibilities, leadership capabilities and entrepreneur skills of Shri Ashok Chaturvedi, contribution made by him to the growth of the Company, his responsibility keeping in view the business complexities, track record of the Company, his experience, salary paid to the CEOs/MDs in other organizations of similar standing, has re-appointed Shri Ashok Chaturvedi as Chairman & Managing Director of the Company for a further period of five years w.e.f. February 01, 2019, subject to the approval of the Members and such other approvals as may be required on the terms and conditions, including minimum remuneration, as detailed hereunder:

Remuneration:

(a) Salary including allowances, bonus etc. subject to a maximum of Rs.60,00,000/- (Rupees Sixty Lac) per month with an annual increment of upto Rs.6,00,000/-.

(b) Perquisites:

House Rent Allowance or free furnished accommodation with gas, electricity, water and other amenities; car with driver & telephone at residence for other than official purposes; reimbursement of medical expenses incurred in India or abroad including hospitalization and surgical charges for self & family and travel relating thereto; reimbursement of expenses on servants; leave travel including foreign travel; fees of clubs; personal accident insurance; children education allowance; any other benefits, amenities etc. subject to a ceiling of Rs.10,00,000/- (Rupees Ten Lac) per month.

The above perquisites shall be allowed in addition to the salary, to be evaluated as per Income Tax rules, wherever applicable, and in the absence of any such rule, perquisites shall be evaluated at actual cost.

(c) In addition to the salary, perquisites and allowances as above, Shri Ashok Chaturvedi, Chairman & Managing Director shall also be entitled to receive commission.

However, the total remuneration paid to Shri Ashok Chaturvedi including salary, perquisites, allowances and commission shall not exceed 5% of the net profit of the Company as computed under Section 198 of the Companies Act, 2013 including the salary, perquisites & allowance as above.

- (d) Other benefits (Not to be included in Managerial Remuneration):
- i) Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these, whether singly or put together, are not taxable under the Income Tax Act, 1961.
 - ii) Gratuity payable shall be in accordance with the rules of the Company.
 - iii) Earned Leave : As per the rules of the Company at the end of the tenure.

The exact quantum of salary and perquisites etc. shall be decided by the Board/Nomination & Remuneration Committee from time to time within the limits set out at (a) to (d) above.

As per the provisions of Sections 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013, a Company having profits in a financial year, may pay any remuneration to the managerial person(s) by way of salary, perquisites, commission and other allowances which shall not exceed 5% of its net profit for one such managerial person and if there are more than one such managerial person, 10% of its net profits for all of them together. However, after the Commencement Notification of Section 67 of the Companies (Amendment) Act, 2017 w.e.f. September 12, 2018, the Company may pay remuneration to its managerial person(s) in excess of the said limits of 5% or 10% as the case may be by passing a Special Resolution and complying with the provisions of Schedule V in this regard. Accordingly, the remuneration proposed to be paid to Mr. Ashok Chaturvedi may be treated as the maximum remuneration payable in case the Company has no profits or its profits are inadequate.

Further, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if the annual remuneration payable to such Executive Director exceeds Rs.5 crore or 2.5 per cent of the net profits of the Company, whichever is higher.

Shri Ashok Chaturvedi is not debarred from holding the office of Director pursuant to any SEBI order.

None of the Directors or Key Managerial Personnel (KMPs) of the Company or their relatives, except Shri Ashok Chaturvedi, Chairman & Managing Director himself, is concerned or interested (financial & otherwise) in the resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The Board of Directors recommends the special resolution set out at item no.4 for your consideration and approval.

Statement with reference to the Special Resolution of the Notice of 30th Annual General Meeting of Uflex Limited as required under Schedule V of the Companies Act, 2013 are given hereunder:

I General Information:

1) Nature of Industry:

The Company is a pioneer and industrial leader in the field of flexible packing and registered exceptional growth for close to three decades with multi-dimensional expansions and facilities to produce wide range of products. Today the Company of the largest producer of plastic based flexible packaging materials and one of the top producers of polyester and BOPP films, basic raw material for flexible packaging materials in India.

2) Date of Expected date of commencement of commercial production:

Existing Company in operation since 1988.

3) In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus:

Not Applicable.

4) Financial performance based on given indicators:

(Amount Rs. in Crores)

S. No.	Particulars	2018-19	2017-18	2016-17
1	Turnover	4242.52	3894.56	3904.59
2	Profit/(Loss) before tax	72.70	110.65	203.95
3	Net Profit(loss) after tax	51.66	100.92	193.55
4	Paid-up share capital	72.21	72.21	72.21
5	Reserves & Surplus	2072.82	2045.82	1969.58

5) Foreign Investment or collaborations, if any:

The Company has invested equity shares in the following Wholly Owned Subsidiary / Joint Venture Companies as on 31st March, 2019:

Name of the WOS / JV Company	No. of Equity Shares	Amount (Rs. In Lacs)
Flex Middle East FZE, Dubai	107	12672.08
Uflex Europe Ltd., UK	995000	726.92
Uflex Packaging Inc, USA	367500	1690.92
Flex Chemicals Pvt. Ltd., Russia	50000	0.58
UPET Holdings Ltd., Mauritius	24220001	10993.45
Digicyl Pte. Ltd., Singapore	500000	337.50

II Information about the appointee:

1) Background details:

Shri Ashok Chaturvedi holds Bachelor's Degree in Science and has professional experience of 4 decades in packaging industry.

Shri Ashok Chaturvedi is the Chief Promoter and Architect of the Company, who had set up the business himself being the first generation entrepreneur. He could well be termed as the pioneer and visionary of the flexible packaging industry in India. As the chief promoter, he has been associated with the Company since inception and has been looking after the affairs of the Company and involved in business development and all major business strategies & policy decisions of the Company.

The tremendous growth and undisputed leadership that the Company has achieved in the field of flexible packaging – its core business over a short span, has been the result of dynamism, vision and untiring efforts of Shri Ashok Chaturvedi.

2) Past Remuneration:

Financial Year	Amount (Rs. in Lacs)
2018-19	434.98
2017-18	603.89
2016-17	1075.64

3) Recognition or Awards:

Shri Ashok Chaturvedi conferred with 'Father of Flexible Packaging' at 1st Global Conference on Plastic & Packaging 2019.

4) Job profiles and his suitability:

Shri Ashok Chaturvedi has been entrusted with substantial powers of the management of business and affairs of the Company. Shri Ashok Chaturvedi plays a major role in providing thought leadership and strategic input in the Company.

5) Remuneration proposed:

As stated in the Explanatory Statement.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

The remuneration to Shri Ashok Chaturvedi is in sync with his peers and is commensurate with his qualification, experience and the size of the company.

7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Shri Ashok Chaturvedi has pecuniary relationship with the Company as the Chairman & Managing

Director of the Company and eligible for remuneration as per the terms of appointment.

Shri Ashok Chaturvedi is the Promoter-Director, holding 502,533 equity shares of Rs. 10/- each representing about 0.70% of the total paid up capital of the Company and holds 16,94,051 Equity Shares of Rs. 10/- each representing about 2.35% of the total paid up capital of the Company in the capacity of Karta of HUF. He is not having any pecuniary relationship, directly or indirectly with the other managerial personnel of the Company.

III Other Information:

1) Reason of loss or inadequate profits:

Not Applicable

2) Steps taken or proposed to be taken for improvement:

The Company has been taking all measures within its control to maximize efficiencies and to minimize costs lowering the cost of production. In order to achieve & growth, the Company continues to focus on the development and innovation of new products.

3) Expected increase in productivity and profits in measurable terms:

Flexible packing industry is the fastest growing industry worldwide. The fundamentals of the Company are sound and it, being one of the largest producer of flexible packaging materials in the country, has the economies of scale in the packaging industry. It has well balanced and diversified businesses and had the potential of not being just profitable but achieving significant growth.

IV Disclosures:

The applicable disclosures have been provided under the Corporate Governance Section of the Directors Report attached to the Financial Statement.

Item No. 5

Shri Tara Sankar Bhattacharya was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He holds office as Independent Director of the Company up to 13th February, 2020 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act). Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Shri Tara Sankar Bhattacharya, has recommended re-appointment of Shri Tara Sankar Bhattacharya as Independent Director for a second term of 3 (three) consecutive years i.e. from 14th February, 2020 to 13th February, 2023. The Board, based on the performance evaluation of Shri Tara Sankar Bhattacharya and as per the recommendation of the Nomination and Remuneration Committee, considers that,

given his background and experience and contributions made by him during his tenure, the continued association of Shri Tara Sankar Bhattacharya would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Shri Tara Sankar Bhattacharya as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years on the Board of the Company. Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") *inter alia* prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Shri Tara Sankar Bhattacharya is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Shri Tara Sankar Bhattacharya for the office of Independent Director of the Company. The Company has also received declarations from Shri Tara Sankar Bhattacharya that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Shri Tara Sankar Bhattacharya fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Shri Tara Sankar Bhattacharya is an independent of the management.

Details of Shri Tara Sankar Bhattacharya is provided in the "Annexure" to the Notice pursuant to the provisions of (i) Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Shri Tara Sankar Bhattacharya is interested in the resolution set out respectively at Item No. 5 of the Notice with regard to his re-appointment. Save and except the above, None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No. 5 of the Notice.

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 Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with

the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She holds office as Independent Director of the Company up to 27th May, 2020 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act). Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Smt. Indu Liberhan, has recommended re-appointment of Smt. Indu Liberhan as Independent Director for a second term of 3 (three) consecutive years i.e. 28th May, 2020 to 27th May, 2023. The Board, based on the performance evaluation of Smt. Indu Liberhan and as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Smt. Indu Liberhan would be beneficial to the Company and it is desirable to continue to avail her services as Independent Director. Accordingly, it is proposed to re-appoint Smt. Indu Liberhan as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years on the Board of the Company. Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") *inter alia* prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Smt. Indu Liberhan is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Smt. Indu Liberhan for the office of Independent Director of the Company. The Company has also received declarations from Smt. Indu Liberhan that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Smt. Indu Liberhan fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Smt. Indu Liberhan is independent of the management.

Details of Smt. Indu Liberhan is provided in the "Annexure" to the Notice pursuant to the provisions of (i) Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Smt. Indu Liberhan is interested in the resolution set out at Item No. 6 of the Notice with regard to his re-appointment. Save and except the above, None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No. 6 of the Notice except to the extent of their shareholding in the Company.

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

Item No. 7

Shri Pradeep Narendra Poddar was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He holds office as Independent Director of the Company up to 29th May, 2020 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act). Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Shri Pradeep Narendra Poddar, has recommended re-appointment of Shri Pradeep Narendra Poddar as Independent Director for a second term of 3 (three) consecutive years i.e. 30th May, 2020 to 29th May, 2023. The Board, based on the performance evaluation of Shri Pradeep Narendra Poddar and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Shri Pradeep Narendra Poddar would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Shri Pradeep Narendra Poddar as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years on the Board of the Company. Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") *inter alia* prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Shri Pradeep Narendra Poddar is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Shri

Pradeep Narendra Poddar for the office of Independent Director of the Company. The Company has also received declarations from Shri Pradeep Narendra Poddar that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Shri Pradeep Narendra Poddar fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Shri Pradeep Narendra Poddar is independent of the management.

Details of Shri Pradeep Narendra Poddar is provided in the "Annexure" to the Notice pursuant to the provisions of (i) Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Shri Pradeep Narendra Poddar is interested in the resolution set out at Item No. 7 of the Notice with regard to his re-appointment. Save and except the above, None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No. 7 of the Notice 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.

Item No.8

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 2019-20. As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Cost Auditors is to be approved and ratified by the Shareholders. The Board accordingly recommends the Ordinary resolution set out at Item No. 8 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. 8 for the approval of the members.

By Order of the Board

AJAY KRISHNA

Sr. Vice President (Legal) &
Company Secretary

Place : NOIDA
Dated : 27th May, 2019

ACS No. 3296

Regd. Office:

305, 3rd 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 Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and SS-2 issued by ICSI

Name of Director	Shri Ashok Chaturvedi	Shri Amitava Ray	Shri Tara Sankar Bhattacharya	Smt. Indu Liberhan	Shri Pradeep Narendra Poddar
Date of Birth	15.10.1956	30.10.1945	24.01.1948	28.05.1950	09.09.1954
Date of Appointment	21.06.1988	02.02.2016	14.02.2015	28.05.2015	30.05.2017
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	He has served at Uflex Limited as President & Chief Executive Officer of Flexible Packaging Business. In this role he led the Company's Flexible Packaging business, driving its growth strategy in Domestic and Exports markets with particular emphasis on globalization, innovation and industry leadership	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	He has vast experience at the highest levels of Management and is a veteran of the consumer goods industry.
Qualification	B.Sc.	Shri Amitava Ray is an Honours Graduate in Economics & Mathematics from Presidency College Kolkata and PGDM from Kolkata University.	M.Sc.(Nuclear Physics), P.G. Diploma in Management Science	M.A.(Eng.) & M.Phil. (Public Administration)	Shri Poddar holds a Degree in Chemical Engineering & PGDM (MBA) from IIM, Ahmedabad.
Terms and Conditions of appointment or re-appointment	Re-appointment as Chairman & Managing Director of the Company for a term of 5 years, w.e.f. 01/02/2019.	Shri Amitava Ray retires by rotation at the ensuing Annual General Meeting	Shri Bhattacharya is proposed to be re-appointed as an Independent Director for 2 nd Term,	Smt Liberhan is proposed to be re-appointed as an Independent Director for 2 nd Term,	Shri Poddar is proposed to be re-appointed as an Independent Director for 2 nd Term,
Remuneration sought to be paid	As detailed on Explanatory Statement item No 4	Shri Amitava Ray retires by rotation at the ensuing Annual General Meeting. Remuneration is being paid as per Terms and Conditions earlier approved by the Shareholders.	Nil	Nil	Nil
Remuneration last drawn	Rs. 434.98 (during FY 2018-19)	As above	Nil	Nil	Nil
Shareholding in the Company	502533 Equity Shares	Nil	Nil	Nil	Nil
Relationship with other Directors, Manager and other key managerial personnel	Not related to any other Directors and other Key Managerial Personnel of the Company	Not related to any other Directors and other Key Managerial Personnel of the Company	Not related to any other Directors and other Key Managerial Personnel of the Company	Not related to any other Directors and other Key Managerial Personnel of the Company	Not related to any other Directors and other Key Managerial Personnel of the Company

Name of Director	Shri Ashok Chaturvedi	Shri Amitava Ray	Shri Tara Sankar Bhattacharya	Smt. Indu Liberhan	Shri Pradeep Narendra Poddar
No. of Meeting of the Board attended	4	2	3	4	3
Directorship in other Public Limited Companies / excluding private companies which are subsidiary of public company	1) Flex Foods Ltd. 2) U Tech Developers Ltd.	1) CICO Technologies Limited 2) Bengal Ceramics Limited 3) CICO Technotrade Limited 4) FRC Composites India Ltd	1) Surya Roshni Limited 2) Arshiya Limited 3) IDFC Projects Limited 4) Jindal Stainless Limited 5) Nandan Denim Limited 6) Bajaj Energy Limited	Nil	1) Monsanto India Limited, 2) Polycab India Limited, 3) Welspun India Limited, 4) Welspun Flooring Limited
Member / Chairman of Committee of the Board of the Public Limited Companies on which he is Director	Committee of Directors Chairman - UFLEX Limited - Flex Foods Limited Nomination and Remuneration Committee Member - Flex Foods Limited	Audit Committee Member - UFLEX Limited Committee of Directors Member - UFLEX Limited Corporate Social Responsibility (CSR) Committee Member - UFLEX Limited Stakeholders' Relationship Committee Member - UFLEX Limited	Audit Committee Member - UFLEX Limited - Surya Roshni Limited - Arshiya Limited - Jindal Stainless Limited - Bajaj Energy Limited- Nomination and Remuneration Committee Member - Jindal Stainless Limited Corporate Social Responsibility (CSR) Committee Member - Arshiya Limited	Audit Committee Chairperson - UFLEX Limited Nomination and Remuneration Committee Chairperson - UFLEX Limited Stakeholders' Relationship Committee Member - UFLEX Limited Corporate Social Responsibility (CSR) Committee Chairperson - UFLEX Limited	Audit Committee Chairman - Monsanto India Limited Member - UFLEX Limited - Welspun India Limited - Polycab India Limited Corporate Social Responsibility (CSR) Committee Member - Monsanto India Limited - Polycab India Limited Stakeholders' Relationship Committee Chairman - Polycab India Limited Member - Monsanto India Limited Nomination & Remuneration Committee Member - Monsanto India Limited - Welspun India Limited

**DETAILS OF SHAREHOLDING/OTHER CONVERTIBLE INSTRUMENTS OF
NON-EXECUTIVE DIRECTORS OF THE COMPANY AS ON 31.03.2019**

(Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Sl. No.	Name of Director	No. of Equity Shares	Other convertible Instruments
01	Shri Achintya Karati	Nil	Nil
02	Shri Anish Babu Venugopal (Nominee – IFCI)	Nil	Nil
03	Shri Tara Sankar Bhattacharya	Nil	Nil
04.	Smt. Indu Liberhan	Nil	Nil
05	Shri Arvind Mahajan	Nil	Nil
06	Shri Pradeep Narendra Poddar	Nil	Nil

DIRECTORS' REPORT

To the Members,

Your Directors have the pleasure of presenting this Thirtieth Annual Report together with the Standalone & Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019.

FINANCIAL RESULTS

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

	[Rs. in Crores]			
	Consolidated Year Ended		Standalone Year Ended	
	2019	2018	2019	2018
Revenue from Operations	7957.22	6779.71	4220.97	3878.21
Other Income	20.71	19.98	21.55	16.35
Share in Profit of Associates for the Year	5.20	3.21	--	-
Share in (Loss) of Joint Venture for the Year	(8.33)	--	--	--
Total Income	7974.80	6822.91	4242.52	3894.56
Profit before Finance Cost, Depreciation & Tax	1007.53	902.58	480.57	476.15
Finance Cost	217.93	197.09	167.94	144.22
Depreciation	380.85	351.59	239.93	221.28
Profit before Tax	408.75	353.90	72.70	110.65
Less: Tax Expenses	93.54	41.70	21.04	9.73
Profit for the year before Minority Interest	315.21	312.20	51.66	100.92
Non Controlling Interest	(1.38)	(1.72)	--	--
Profit for the year	313.84	310.48	51.66	100.92
Total Other Comprehensive Income for the Year	26.91	65.82	(7.25)	5.73
Total Comprehensive Income for the Year	340.75	376.30	44.41	106.65

During the year under review, your Company achieved consolidated total income and net profit of Rs. 7974.80 crore and Rs. 313.84 crore respectively as against total income and net profit of 6822.91 crore and Rs. 310.48 crore respectively during the previous financial year ended 31st March, 2018.

Further, your Company has achieved standalone total income of Rs. 4242.52 crore and net profit of Rs. 51.66 crore as against total income of Rs. 3894.56 crore and net profit of Rs. 100.92 crore during the previous financial year ended 31st March, 2018.

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

The Details of financial performance of all subsidiaries and associates are contained in Note No. 45 of the Notes to Accounts to the Consolidated Financial Statements.

TRANSFER OF UNCLAIMED DIVIDEND TO AUTHORITY

An amount of Rs. 45,80,280/- (Rupees Forty Five Lac Eighty Thousand Two Hundred Eighty Only) was transferred to Investor Education and Protection Fund (IEPF) during the year under review.

TRANSFER OF UNCLAIMED SHARES TO AUTHORITY

As per the Provision of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the Company has transferred 55,945 (Fifty Five Thousand Nine Hundred Forty Five Only) Equity Shares on which Dividend was not paid/claimed for more than seven years, to the Investor Education and Protection Fund (IEPF) during the year under review.

DIVIDEND

Your Directors are pleased to recommend a dividend @ Rs 2/- per share for the financial year ended 31st March 2019 after considering future needs of the company for growth.

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 25th July, 2019. 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.

CHANGE IN NATURE OF BUSINESS

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

SHARE CAPITAL

The paid-up equity share capital outstanding as on 31st March, 2019 was Rs. 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 31st March, 2019 none of the Directors of the Company except the following, held shares or convertible instruments of the Company:

Mr. Ashok Chaturvedi, Chairman & Managing Director	5,02,533 Equity Shares
--	------------------------

FIXED DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of the directors of the company are disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Amitava Ray, Whole-Time Director of the Company due for retirement by rotation and being eligible, offers himself for reappointment.

Shri Ashok Chaturvedi has been re-appointed as a Chairman & Managing Director of the Company w.e.f 1st February 2019 for a period of five (5) years on the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company in their meeting held on 3rd November, 2018, subject to the approval of shareholders.

First term as being Independent Director of Shri Tara Sankar Bhattacharya, Smt Indu Liberhan and Shri Pradeep Narendra Poddar is expiring on 13th February, 2020, 27th May, 2020 and 29th May, 2020 respectively. On the recommendations of Nomination and Remuneration Committee, the Board has proposed the re-appointment of all the above directors for the approval of Shareholders through Special Resolution for a second term of three years each.

The brief resume and other details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 are provided in the Notice of Annual General Meeting of the Company.

RELATIONSHIP BETWEEN DIRECTORS INTER-SE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

a. that in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable

accounting standards have been followed along with proper explanation relating to material departures, if any;

- b. that the Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the Profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis;
- e. that proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

The Company's Internal Auditors conducted periodic audits to provide reasonable assurance that the Company's established policies and procedures are followed. The Audit Committee constituted by the Board reviewed the internal controls and financial reporting issues with Internal Auditors and Statutory Auditors.

STATUTORY AUDIT & AUDITORS

There is no change in Statutory Auditors. M/s. KAAP & Associates, Chartered Accountants (Firm Registration No. 019416N), will continue as the Statutory Auditors of the Company as appointed for a term of five consecutive years from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the Company pursuant to Section 139 of the Companies Act, 2013.

The Report given by M/s. KAAP & Associates, Chartered Accountants (Firm Registration No. 019416N), Statutory Auditors on the financial statement of the Company for the year 2018-19 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors has not reported any matter under section 143 (12) of the Act, therefore, no details is required to be disclosed in the Boards Report.

The Report of the Auditors on the financial statements including relevant notes on the accounts for the Financial

CIN: L74899DL1988PLC032166

Year ended 31st March, 2019 are self-explanatory and therefore do not call for any further comments.

COST AUDITORS

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained every year.

The Board of Directors of your Company has re-appointed M/s. Jitender, Navneet & Co., Delhi, Cost Accountants (Firm Registration No.00119) as Cost Auditors of the Company for the financial year 2019-2020.

SECRETARIAL AUDITORS

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

SUBSIDIARY COMPANIES

Flex Middle East FZE, United Arab Emirates, UFlex Europe Limited, UK, UFlex Packaging Inc., USA, UPET Holdings Limited, Mauritius, Digicyl Pte Limited, Singapore (upto 27th June, 2018); UTech Developers Limited, India and USC Holograms Pvt. Ltd., India are Subsidiary Companies u/s 2(87) of the Companies Act, 2013. Flex Chemicals Private Limited, Russia, (w.e.f. – 9th August, 2018) has been incorporated / acquired as Wholly Owned Subsidiary of the Company and Status of Digicyl Pte Limited, Singapore has been changed to Joint Venture Company from Wholly Owned Subsidiary Company (w.e.f. 28th June, 2018) during the year under review.

Further, Flex Americas S.A. De C.V., Mexico, Flex P. Films (Egypt) S.A.E, Arab Republic of Egypt, Flex Films (USA) Inc., USA, Flex Films Europa Sp. Zo.o., Poland, UPET (Singapore) Pte. Limited, Singapore and S.D. Buildwell Pvt. Ltd., India are step-down subsidiaries of the Company. Flex Films Africa Private Limited, Nigeria, (w.e.f. 11th May, 2018), Flex Films Rus, LLC, Russia (w.e.f. 23rd November, 2018), Flex Films Europa Korlatolt Feleossegu Tarsasag, Hungary (w.e.f. 2nd August, 2018) have been incorporated as step-down subsidiaries of the Company & Digicyl Limited, Israel (w.e.f. 18th July, 2018) as the JV Company during the year under review.

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 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

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given at note No. 46 of the Consolidated Financial Statements in Form AOC-1 and thus forms an integral part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of Section 135 of the Companies Act, 2013, your Company has a Corporate Social Responsibility (CSR) Committee, which comprises Mrs. Indu Liberhan, Chairperson; Mr. Achintya Karati, Member and Mr. Amitava Ray, Member. The terms of reference of the Corporate Social Responsibility (CSR) Committee is provided in the Corporate Governance Report. Your Company has also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at <http://www.uflexltd.com/pdf/Policies/UFLEX-CSR-Policy.PDF>

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

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

Accordingly, the Company was supposed to undertake CSR Activities utilizing Rs. 363.85 Lacs based on the average profits of the three preceding financial years. However, the Company spent Rs. 36.25 Lac upto 31st March, 2019. The balance amount of Rs. 327.60 Lac, could not be spent as the Company was not able to identify meaningful CSR interventions.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance

as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

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

DISCLOSURE UNDER COMPANIES ACT, 2013

(i) Extracts of Annual Return

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

(ii) Meetings

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

(iii) Composition of Audit Committee

The Board has constituted an Audit Committee, which comprises Mrs. Indu Liberhan as the Chairperson and Mr. A. Karati; Mr. T. S. Bhattacharya; Mr. Pradeep Poddar and Mr. Amitava Ray as the Members. More details about the Committee are given in the Corporate Governance Report appended hereto.

(iv) Related Party Transactions

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

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website: www.uflexltd.com at the web-link <http://www.uflexltd.com/pdf/Policies/UFLEX-RELATED-PARTY-TRANSACTIONS-POLICY.pdf>

(v) Particulars of Loans, Guarantees and Investments

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

INTERNAL FINANCIAL CONTROLS

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

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Fraud-free and corruption-free work culture has been at 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 is uploaded on the Company's website www.uflexltd.com at web-link <http://www.uflexltd.com/pdf/Policies/UFLEX-Whistle-Blower-Policy.pdf>

BOARD EVALUATION

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

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

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

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

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

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

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

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

RISK MANAGEMENT

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

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

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

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

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

POLICY ON REMUNERATION

The Company has in place Nomination and Remuneration Policy for Directors, Key Management Personnel and Senior Management Personnel. The said Policy is available at www.uflexltd.com (weblink <https://www.uflexltd.com/pdf/Policies/Uflex-Nomination-Remuneration-Policy.pdf>).

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 till the date of the ensuing Annual General Meeting. Members interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **Annexure 'F'**.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo

stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed as "**Annexure 'G'**".

AWARDS

During the year under review, your Company & its subsidiaries received 27 Awards and Accolades conferred by reputable organizations/ bodies based out of India and Overseas for excellence, Some of these awards & accolades includes:.

- **Uflex Chairman & Managing Director Mr. Ashok Chaturvedi conferred with 'Father of Flexible Packaging' at 1st Global Conference on Plastic & Packaging 2019**
- Dow 2018 30th Awards for Packaging Innovation adjudged biodegradable Waterless Internet Flower Packaging by Uflex as the Diamond Finalist Winner.
- 'Best Sustainable Packaging Innovation' & 'Resource Efficiency' Title at Sustainability Awards 2018 for Waterless Internet Flower Packaging by Uflex.
- The Economic Times Polymers Awards 2019 for 'Excellence in Packaging Beverages - Large Enterprises' to Asepto Spark Fresca.
- Asia's Most Trusted Company 2018 by International Brand Consulting Corporation, USA.

The details of all Awards and Accolades conferred upon the Company are provided on the company's website at <http://www.uflexltd.com/awards.php>.

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 all the Indian and International Financial Institutions & Banks, Government Authorities both in India & overseas where company's operations are carried out, Shareholders, Customers, Suppliers and other Business Associates for their continued co-operation and patronage.

For & On behalf of the Board

Ashok Chaturvedi

Place : NOIDA Chairman & Managing Director
Dated : 27th May, 2019 (DIN 00023452)

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

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

To
The Members
UFLEX LIMITED
(CIN: L74899DL1988PLC032166)
305, 3rd Floor, Bhanot Corner,
Pamposh Enclave, Greater Kailash-I,
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 **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable as the Company did not issue any securities during the financial year under review.**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable as the Company has not granted any Options to its employees during the financial year under review.**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable as the Company has not issued any debt securities during the financial year under review.**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- **Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable as the Company has not got delisted its equity shares from any stock exchange during the financial year under review.**

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 & The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**
- vi) The management has identified and informed the following laws as being specifically applicable to the Company:
1. Indian Boilers Act, 1923 and Rules made thereunder
 2. The Petroleum Act, 1934 and Rules and Regulations made thereunder
 3. Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2016
 4. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
 5. Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder
 6. Air (Prevention and Control of Pollution) Act, 1981
 7. Environment (Protection) Act, 1986 and Rules made thereunder
 8. Legal Metrology Act, 2009 and Rules made thereunder
 9. The Plastic Waste Management Rules, 2016
 10. The E-waste (Management) Rules, 2016

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above. However, the Company has spent an amount of Rs 36.25 Lacs as against Rs.363.85 Lacs, which the Company was required to spend pursuant to Section 135(5) of the Companies Act, 2013 during the financial year 2018-19.

We further report that

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

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

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

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

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

**For Mahesh Gupta and Company
Company Secretaries**

**Mahesh Kumar Gupta
Proprietor**

FCS No.: 2870

C.P. No.: 1999

Place : Delhi

Date : 27th May, 2019

This report is to be read with our letter of even date which is annexed as “**Annexure –A-1**” and forms an integral part of this report.

ANNEXURE - A-1

To
The Members
UFLEX LIMITED
(CIN: L74899DL1988PLC032166)
305, 3rd Floor, Bhanot Corner,
Pamposh Enclave, Greater Kailash-I,
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) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 5) Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
- 6) The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Mahesh Gupta and Company
Company Secretaries

Mahesh Kumar Gupta
Proprietor

Place : Delhi
Date : 27th May, 2019

FCS No.: 2870
C.P. No.: 1999

ANNEXURE - B

CSR REPORT FOR THE FY 2018-19

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 http://www.uflexltd.com/pdf/Policies/UFLEX-CSR-Policy.PDF
2.	The Composition of the CSR Committee	Mrs. Indu Liberhan, Chairperson Mr. A. Karati, Member Mr. Amitava Ray, Member
3.	Average net profit of the company for last three financial years: Average net profit	Rs 18,192.50 Lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs.363.85 Lacs
5.	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year;	The Company has spent Rs 36.25 Lacs
	b) Amount unspent, if any;	Rs. 327.6 Lacs
	c) Manner in which the amount spent during the financial year is detailed below:	The manner in which the amount is spent in detailed in the ANNEXURE "B-1"

ANNEXURE - B-1

CSR ACTIVITIES AT UFLEX

(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: Local area or other 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 Direct expenditure on projects or programs Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Village Ecosystem Restoration through community action	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water [including contribution to the clean ganga Fund set-up by the Central Government for rejuvenation of river ganga];	District: Gautam Budha Nagar, Greater Noida, Uttar Pradesh	Rs. 20 Lakhs	Direct Expenditure: Rs. 1,41,588/-	Rs.1,41,588/-	AROH FOUNDATION with FIINOVAION

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2	Village Ecosystem Restoration through community action	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water [including contribution to the clean ganga Fund set-up by the Central Government for rejuvenation of river ganga];	District: Bhind; Near Malanpur	Rs. 10 Lakhs	Direct Expenditure: Rs. 2,50,000/-	Rs. 2,50,000/-	BAL MAHILA VIKAS SAMITI with FIINOVIATION
3	Village Ecosystem Restoration through community action	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water [including contribution to the clean ganga Fund set-up by the Central Government for rejuvenation of river ganga];	District: Gautam Budha Nagar, Greater Noida, Uttar Pradesh	Rs. 7.5 Lakhs	Direct Expenditure: Rs. 5,62,500/-	Rs. 5,62,500/-	Bharti Consultancy Services
4	Village Ecosystem Restoration through community action	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water [including contribution to the clean ganga Fund set-up by the Central Government for rejuvenation of river ganga];	District: Gautam Budha Nagar, Greater Noida, Uttar Pradesh	Rs. 12 Lakhs	Direct Expenditure: Rs.9,00,000/-	Rs.9,00,000/-	Eko Pro Engineers Pvt Ltd

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
5	Promoting Education	Companies Act 2013; Section 135, Schedule VII, item ii promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Sector-27, Noida, Uttar Pradesh	Rs. 10 Lakhs	Direct Expenditure: Rs. 9,71,134/-	Rs. 9,71,134/-	A & A Associates
6	Promoting Education (Network Quality Education Foundation)	Companies Act 2013; Section 135, Schedule VII, item ii promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	State: Delhi	Rs. 5 Lakhs	Direct Payment: Rs. 5 Lakhs	Rs. 5,00,000/-	Direct
7	Promoting Education (Blue bells Education Society)	Companies Act 2013; Section 135, Schedule VII, item ii promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	State: Delhi	Rs. 3 Lakhs	Direct Payment : Rs. 3 Lakhs	Rs. 3,00,000/-	Direct
Total				Rs. 67.5 Lakhs		Rs. 36,25,222/-	

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

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

The Company was required to spend Rs.363.85 Lacs during the year, but could spent Rs.36.25 Lacs, reason for which is provided in the Directors' Report to the members for the Financial Year 2018-19.

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

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

(INDU LIBERHAN)

Chairperson of CSR Committee
DIN: 03341420

Place : NOIDA
Dated : 27th May, 2019

ANNEXURE - C REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“**the Listing Regulations**”), the Company submits the Report on Corporate Governance followed by the Company.

1. Company’s Philosophy on Code of Governance

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 & Category of the Board (As on March 31, 2019)

The Board of Directors of the Company comprises of Eight Directors, consisting of two Executive Directors (including Executive Chairman), five Independent Non-Executive Directors (including one Woman Director) and one Nominee Director of IFCI being lender to the Company. 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 Independent Directors of the Company serve as an Independent Director in more than Seven Listed Companies and where any Independent Director is serving as a Whole-time Director in any Listed Company, such Director is not serving as an Independent Director in more than three Listed Companies. 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 31.03.2019 are as follows:

Name of Director	Designation	Category
Mr. Ashok Chaturvedi DIN : 00023452	Chairman & Managing Director	Promoter/Executive Chairman
Mr. Amitava Ray DIN : 00184143	Whole-time Director	Executive Director
Mr. Achintya Karati DIN : 00024412	Director	Independent, Non-Executive
Mr. Anish Babu Venugopal DIN : 02830575	Nominee Director – IFCI Limited	Non-Executive
Mr. Tara Sankar Bhattacharya DIN : 00157305	Director	Independent, Non-Executive
Mrs. Indu Liberhan DIN : 03341420	Director	Independent, Non-Executive
Mr. Arvind Mahajan DIN : 02410540	Director	Independent, Non-Executive
Mr. Pradeep Narendra Poddar DIN : 00025199	Director	Independent, Non-Executive

b) Board Meetings and Attendance Record of each Director

Four Board Meetings were held during the financial year 2018-2019. The dates on which the meetings were held are 28.05.2018, 10.08.2018, 03.11.2018 and 07.02.2019 and the gap between the two meetings was not more than 120 days.

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 public companies and the names of the Listed Entities where the Person is a Director and the Category of Directorship are as follows:

(i) **Attendance of each Director at the Meeting of the Board of Directors and the Last Annual General Meeting**

Name of the Director	No. of Board Meetings held during the Year	Attendance Particulars	
		Board Meetings	Last AGM
Mr. Ashok Chaturvedi	4	4	No
Mr. Amitava Ray	4	2	Yes
Mr. Achintya Karati	4	4	Yes
Mr. Anish Babu Venugopal	4	1	No
Mr. Tara Sankar Bhattacharya	4	3	No
Mrs. Indu Liberhan	4	4	Yes
Mr. Arvind Mahajan	4	4	No
Mr. Pradeep Narendra Poddar	4	3	No

(ii) **Directorships and Committee Memberships/Chairmanships in other Public Limited Companies / the names of the Listed Entities where the Person is a Director and the Category of Directorship**

Name of the Director	No. of other Directorship and Committee Membership / Chairpersonship			Names of the listed entities where the person is a director and the category of directorship
	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	2	--	--	1) Uflex Limited, (Executive Chairman) 2) Flex Foods Limited, (Non-Executive Chairman)
Mr. Amitava Ray	4	--	--	Uflex Limited, (Executive Director)
Mr. Achintya Karati	7	6	1	1) Uflex Limited, (Independent, Non-Executive) 2) J. K. Cement Limited, (Independent, Non-Executive) 3) Jay Bharat Maruti Limited, (Independent, Non-Executive) 4) Delton Cables Limited, (Independent, Non-Executive) 5) Shyam Telecom Limited, (Independent, Non-Executive) 6) Sangam (India) Limited, (Independent, Non-Executive)
Mr. Anish Babu Venugopal	--	--	--	Uflex Limited, (Nominee, Non-Executive)
Mr. Tara Sankar Bhattacharya	6	4	--	1) Uflex Limited, (Independent, Non-Executive) 2) Surya Roshni Limited, (Independent, Non-Executive) 3) Arshiya Limited, (Independent, Non-Executive) 4) Jindal Stainless Limited, (Independent, Non-Executive) 5) Nandan Denim Limited, (Independent, Non-Executive)

Name of the Director	No. of other Directorship and Committee Membership / Chairpersonship			Names of the listed entities where the person is a director and the category of directorship
	Other Directorship (in Public Co.)	No of Member-ship(s) of Board Committees in other Companies (*)	No. of Chairmanship(s) of Board Committees in other Companies (*)	
Mrs. Indu Liberhan	--	--	--	Uflex Limited, (Independent , Non-Executive)
Mr. Arvind Mahajan	--	--	--	Uflex Limited, (Independent , Non-Executive)
Mr. Pradeep Narendra Poddar	4	3	2	1) Uflex Limited, (Independent , Non-Executive) 2) Monsanto India Limited, (Independent , Non-Executive) 3) Welspun India Limited, (Independent , Non-Executive)

Note: (*) In accordance with the Listing Regulations, Membership and Chairpersonship of the Audit Committee and Stakeholders' Relationship Committee alone in all Public Limited Companies whether Listed or not (excluding UFLEX Limited) have been considered. Further, every Director has informed the Company about the Committee positions he / she occupies in other Companies as on 1st April, 2019.

c) Disclosure of relationships between directors inter-se;

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

d) Number of shares and convertible instruments held by Non-Executive Directors:

As on 31st March, 2019, none of the Non-Executive Directors of the Company held shares and convertible instruments of the Company.

e) 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 along with requisite details are placed before the Board.

f) Information supplied to the Board

The Board has complete access to all information of the Company, including *inter-alia*, the information to be placed before the Board of Directors as required under the Listing Regulations.

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

g) Skills / Expertise / Competence of the Board of Directors

The Company is engaged in manufacturing, sale and export of packaging materials, therefore requires skills / expertise not only in engineering but also areas such as finance, quality, operations, research & development, marketing and logistics.

Company's Board of Directors possess the requisite Skills / Expertise / Competence, in fact Company's Chairman & Managing Director Mr. Ashok Chaturvedi, conferred with 'Father of Flexible Packaging' at 1st Global Conference on Plastic & Packaging 2019.

h) Compliance reports of all laws applicable 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 Audit Committee and the Board.

i) Compensation or Profit Sharing

No Employee including Key Managerial personnel or director or promoter of the Company has entered into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

j) Independent Directors

Independent Directors plays an important role in the governance processes of the Board. They bring their expertise and experience in the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination & Remuneration Committee identifies potential candidates based on certain laid down criteria and takes into consideration the diversity of the Board. The terms and conditions of appointment of Independent Directors are available on the website of the Company www.uflexltd.com (weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-terms-conditions-of-appointment-of-independent-directors.pdf>)

The Independent Directors have confirmed that they meet with the criteria of independence laid down under the provisions of Companies Act, 2013 and the Listing Regulations.

Separate Meetings of Independent Directors

As stipulated the Code of Conduct for Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 7th February, 2019 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Boards which is necessary to effectively and reasonably perform and discharge their duties.

k) Familiarization Programme for Independent Directors

The Independent directors of UFLEX are eminent personalities having wide experience in the field of business, finance, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. The Independent 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. Independent Directors are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at website of the Company 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.

Further the company has familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the Company nature of the industry in which the Company operates, the business model of the Company etc. The details of familiarization programme imparted to the Independent directors during the year are available on the website of the Company (weblink : <https://www.uflexltd.com/pdf/Policies/UFLEX-FP-Independent-Directors-18-19.pdf>).

3. Audit Committee

Presently, the Audit Committee comprises of Five Members Directors viz., Mrs. Indu Liberhan, Mr. Amitava Ray, Mr. Achintya Karati, Mr. Tara Sankar Bhattacharya & Mr. Pradeep Narendra Poddar. All the Members of the Audit Committee are Non-Executive and Independent Directors except Mr. Amitava Ray (Executive, Whole-time Director). Mrs. Indu Liberhan is the Chairperson of the Audit Committee. Majority of the members of Audit Committee have accounting and financial management expertise. The Company Secretary acts as the Secretary to the Audit Committee.

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 the Listing Regulations, which include the following:

Role of Audit Committee

- 1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 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 and auditor's report thereon 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 in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - 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. modified opinion(s) 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) approval or any subsequent modification of transactions of the Company with related parties;
- 9) scrutiny of inter-corporate loans and investments;
- 10) valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) evaluation of internal financial controls and risk management systems;
- 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) 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;
- 14) discussion with internal auditors of any significant findings and follow up thereon;
- 15) 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;
- 16) 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;
- 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) to review the functioning of the whistle blower mechanism;
- 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

In addition to the above, Audit Committee reviews the following information:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses; and
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 6) statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- 21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

Powers of Audit Committee

- 1) To investigate any activity within its terms of reference.
- 2) To seek any information from any employee.
- 3) To obtain outside legal or other professional advice.
- 4) 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 28.05.2018, 10.08.2018, 03.11.2018 & 07.02.2019. The attendance of each Committee members is as under:

Name of Member	Meetings Attended
Mrs. Indu Liberhan	4
Mr. Achintya Karati	4
Mr. Amitava Ray	2
Mr. Tara Sankar Bhattacharya	3
Mr. Pradeep Narendra Poddar	3

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

Terms of Reference

The terms of reference of Committee includes, responsibility of recommend/review the remuneration of executive directors and Senior Management Personnel after taking into consideration, inter-alia, various factors such as qualification, experience, expertise of the Director / Senior Management Personnel prevailing remuneration in the corporate world and financial positions of the company etc., formulate criteria for performance evaluation of independent directors and the Board and to carry out evaluation of every director's performance, Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc. and formulate criteria for determining qualifications, positive attitude and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

Composition and details of Meetings

Presently, the Nomination and Remuneration Committee consists of three Members viz. Mrs. Indu Liberhan (Chairperson), Mr. Achintya Karati and Mr. Arvind Mahajan. All the members of the Nomination and Remuneration Committee are Non-Executive Directors and all are Independent. Mrs. Indu Liberhan (Chairperson of Nomination and Remuneration Committee) was present in the last Annual General Meeting held on 2nd August, 2018. The Company Secretary acts as the Secretary to the Committee.

During the year, the Nomination and Remuneration Committee had met twice on 28.05.2018 & 03.11.2018. All the Members have attended these Meetings.

Performance Evaluation for Independent Director

The criteria for performance evaluation covers the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation, the directors who are subject to evaluation had not participated.

5. Remuneration of Directors

Details of Remuneration paid to Managing/Whole-time Directors for the year ended 31.03.2019 are given below:

(Rs. In Lacs)

Name	Sitting Fee (Rs.)	Salaries, Allowances and Employer's Contribution to PF (Rs.)	Perquisites (Rs.)	Total (Rs.)	Date of Appointment/ Re-Appointment	Service Term
Mr. Ashok Chaturvedi (Chairman & Managing Director)	--	410.96	24.02	434.98	1st February, 2019	5 Years
Mr. Amitava Ray (Whole-time Director)	--	231.22	--	231.22	2nd February, 2016	5 Years

For any termination the Company or the Executive Director is required to give notice of 3 months to the other party. The company does not have any stock option scheme.

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.

Sitting fees is paid to Non-executive directors for attending each meeting of the Board and Committees thereof. The criteria for making payment to Non-Executive Directors is available at the Company's website www.uflexltd.com (weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-criteria-for-making-payment-to-non-executive-directors.pdf>).

Details of sitting fees paid to the Non-Executive Directors during the financial year are as follows:

(Amount in Rs.)

Name of Directors	Board Meetings	Committee Meetings*	Total
Mr. Achintya Karati	2,00,000	7,50,000	9,50,000
Mr. Anish Babu Venugopal Nominee – IFCI Limited	50,000	--	50,000
Mr. Tara Sankar Bhattacharya	1,50,000	2,00,000	3,50,000
Mrs. Indu Liberhan	2,00,000	6,50,000	8,50,000
Mr. Arvind Mahajan	2,00,000	1,50,000	3,50,000
Mr. Pradeep Narendra Poddar	1,50,000	2,00,000	3,50,000

* Includes the sitting fees paid to attend the separate meeting of Independent Directors.

6. Stakeholders' Relationship Committee

Presently the Stakeholders' Relationship Committee consists of three Members viz. Mr. Achintya Karati (Chairman), Mr. Amitava Ray and Mrs. Indu Liberhan.

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.

In order to expedite the process of share transfers, the Committee has nominated a Sub-Committee of two officers, who normally attend to the transfer and other related matters within a period of 10 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 02.04.2018, 26.07.2018, 19.11.2018, 24.01.2019 and 29.03.2019. All the Members had attended the meetings.

The total numbers of complaints received and resolved during the year under review were 27. Outstanding complaints as on 31.03.2019 were Nil. There were no valid share transfers pending for registration for more than 10 days as on the said date.

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

7. Corporate Social Responsibility (CSR) Committee

Presently, the CSR Committee has three Members consisting of Mrs. Indu Liberhan (Chairperson), Mr. Achintya Karati and Mr. Amitava Ray.

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 as specified in Schedule VII of the Companies Act, 2013. CSR Policy is available on the website of the Company www.uflexltd.com (Weblink: <https://www.uflexltd.com/pdf/Policies/UFLEX-CSR-Policy.PDF>).

One meeting of the Corporate Social Responsibility Committee was held on 29.03.2019 during the year and all the members had attended this Meeting. The Company was required to spend Rs.363.26 Lacs during the year, but could spend Rs. 36.25 Lacs, as Company was not able to identify meaningful CSR interventions, as clarified in the Directors' Report to the members for the Financial Year 2018-19.

8. Subsidiary Companies

All subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage 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 in 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 two un-listed Indian Subsidiary Companies i.e. Utech Developers Limited & USC Holograms Private Limited and one Step-down Indian Subsidiary Company, i.e. S.D. Buildwell Private Limited. These Companies do not fall under the category of 'material unlisted subsidiary company'.

Further, Policy for determining material subsidiaries has been posted on the website of the Company www.uflexltd.com (weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-policy-for-determining-material-subsiidiaries.pdf>).

9. General Body Meetings

- (a) The details of last three Annual General Meetings held and information regarding Special Resolution passed are as under:

AGM	Day, Date & Time	Venue	Special Resolution Passed
27 th	Tuesday, August 2, 2016, At 10:00 A.M.	Air Force Auditorium, Subroto Park New Delhi – 110010	None
28 th	Monday, July 31, 2017, At 10:00 A.M.	Air Force Auditorium, Subroto Park New Delhi – 110010	None
29 th	Thursday, August 2, 2018, At 10:00 A.M.	Air Force Auditorium, Subroto Park New Delhi – 110010	1. Re-appointment of Shri Arvind Mahajan (DIN: 02410540) as an Independent Director 2. Re-appointment of Shri Achintya Karati (DIN: 00024412) as an Independent Director 3. Amendment in Articles of Association of the Company 4. Increase in total shareholding limit of Foreign Portfolio Investors (FPI) and/or Foreign Institutional Investors (FII).

(b) (i) Special Resolutions passed through Postal Ballot

The Company has put Special Resolution through Postal Ballot and successfully completed the process of obtaining approval of its Members on the following Resolution through Postal Ballot during the year 2018 -19.

Issue of Compulsorily Convertible Preference Shares of face value of Rs. 100/- per share ("CCPS")

Voting Pattern and Procedure for Postal Ballot :

- (i) The Board of Directors of the Company had appointed Mr. Mahesh Kumar Gupta, Prop. M/s Mahesh Gupta & Co., Practicing Company Secretary to act as Scrutinizer for conducting the Postal Ballots voting process.
- (ii) The Company had completed the dispatch of the Postal Ballot Notice dated 1st June, 2018 together with the Explanatory Statement on 6th June, 2018 alongwith 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 8th June, 2018 to 7th July, 2018 (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 7th July, 2018, 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 7th July, 2018 had not been considered for his scrutiny.

(viii) On 9th July, 2018 the Results were announced as under:

Item No. 1: Issue of Compulsorily Convertible Preference Shares (CCPS) on preferential basis by way of Special Resolution.

(i) Voted '**FOR**' the resolution:

Mode of voting	Number of members voted	Number of votes cast in ' Favour ' of resolution	% of total number of valid votes cast
Remote E-Voting	152	35693711	99.99499
Postal Ballot Forms	10	2475450	100.0000
Total	162	38169161	99.99531

(ii) Voted '**AGAINST**' the resolution:

Mode of voting	Number of members voted	Number of votes cast in ' Against ' the resolution	% of total number of valid votes cast
Remote E-Voting	13	1791	0.00501
Postal Ballot Forms	0	0	0
Total	13	1791	0.00469

(iii) Votes '**INVALID**':

Mode of voting	Total number of members whose votes were declared ' Invalid '	Total number of votes cast by them declared ' Invalid '
Remote E-Voting	0	0
Postal Ballot Forms	10	343
Total	10	343

10. Means of Communication

The quarterly un-audited financial results and annual 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 widely published in leading Newspapers such as "Financial Express" (in English) and "Jansatta" (in Hindi). The Company also posts its financial results for all quarters on its own website www.uflexltd.com (weblink: <https://www.uflexltd.com/financials.php>) and that of Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited through:

- 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 filed electronically on the Listing Centre.

The Presentation made to the Institutional Investors and Analysts, if any are not communicated individually to the Shareholders of the Company. However, the same have been uploaded on the website of the Company.

11. CEO/CFO Certifications

The Chairman & Managing Director and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board in terms of the Listing Regulations at its meeting held on 27th May, 2019.

12. General Shareholders Information

(a) Annual General Meeting to be held on:

Date : 1st August, 2019
 Day : Thursday
 Time : 10:00 A.M.
 Venue : Air Force Auditorium, Subroto Park, New Delhi – 110010

(b) Tentative Financial Calendar

- Results for quarter ending 30.06.2019 : By mid of August, 2019
 - Results for quarter ending 30.09.2019 : By mid of November, 2019
 - Results for quarter ending 31.12.2019 : By mid of February, 2020
 - Results for year ending 31.03.2020 : By 30th May, 2020

Financial Year of the Company is for a period of 12 months commencing from 1st April and ending on 31st March.

(c) Book Closure date

26th July, 2019 to 1st August, 2019 (both days inclusive)

(d) Dividend payment date

Dividend for the financial year 2018-2019, if declared will be paid/credited to the account of the shareholders on or after 1st August, 2019.

(e) Name and Address of Stock Exchange(s) at which the Equity Shares are listed

The equity shares are listed on the following Stock Exchanges:

1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
2. National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

Note: Annual Listing fees for the year 2019-2020 have been duly paid to the above Stock Exchanges.

(f) Stock Code - (Equity shares)

Trading symbol – National Stock Exchange of India Ltd.: 'UFLEX'

Trading symbol – BSE Limited: 500148

(g) Demat ISIN Number in NSDL & CDSL : INE516A01017

(h) Stock Market Price High-Low Data of the Company for the year 2018-2019:

Closing Share prices on National Stock Exchange Limited and BSE Limited are as under:

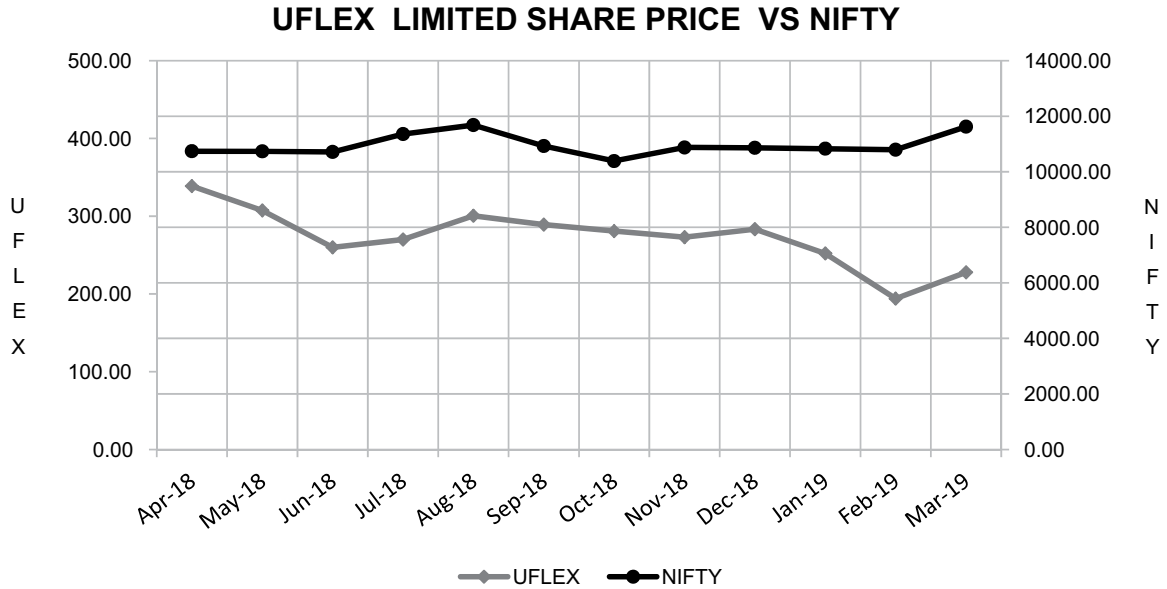
(Amount in Rs.)

Month	NSE		BSE	
	High	Low	High	Low
April-18	369.00	333.85	369.50	333.65
May-18	334.10	270.00	333.40	270.50
June-18	305.05	249.80	304.35	249.40
July-18	281.95	248.15	282.80	249.75
August-18	331.85	269.85	331.20	270.65
September-18	344.35	289.20	344.95	289.25
October-18	295.35	265.10	295.65	263.75
November-18	317.50	273.10	316.55	273.60
December-18	291.30	261.40	291.35	261.60
January-19	280.90	249.35	280.90	249.05
February-19	254.50	186.30	254.85	185.55
March-19	227.90	200.65	227.20	201.40

(i) **Performance in comparison to broad based indices such as NIFTY**

Performance in comparison to NIFTY

(Closing value of UFLEX Limited Share Price Vs. NIFTY on the last trading day of the Month).



(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, 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

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

(k) **Share Transfer System**

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

(l) **Distribution of Shareholding as on 31.03.2019**

Category (Share)	Number of Shareholders	Total Number of Shares	% to Total Shares
Up to 500	41655	3943424	5.46
501 - 1000	1776	1405950	1.95
1001 - 2000	827	1247199	1.73
2001 - 3000	295	754482	1.04
3001 - 4000	150	539238	0.75
4001 - 5000	108	505214	0.70
5001 – 10000	184	1327041	1.84
10001 – 20000	84	1151452	1.59
Above 20000	131	61337486	84.94
TOTAL	45210	72211486	100.00

(m) Categories of Shareholders as on 31.03.2019

Category	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	11	31784239	44.02
(2)	Foreign	--	--	--
Total Shareholding of Promoter and Promoter Group		11	31784239	44.02
(B)	Public Shareholding			
(1)	Institutions	98	6050552	8.38
(2)	Non-institutions	45101	34376695	47.60
Total Public Shareholding		45199	40427247	55.98
(C)	Non Promoter-Non Public	--	--	--
(C1)	Shares underlying DRs	--	--	--
(C2)	Shares held by Employee Trusts	--	--	--
Total (A+B+C)		45210	72211486	100.00

(n) Dematerialization of Shares and liquidity

Nearly 99.32% of total equity share capital is held in dematerialized form upto 31.03.2019 with NSDL and CDSL. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors.

(o) Outstanding ADRs / GDRs / Warrants or any convertible instruments, conversion date and likely impact on equity

No ADRs / GDRs / Warrants or any Convertible Instruments have been issued by the Company during the year under review and there is no outstanding ADRs / GDRs / Warrants or any convertible instruments as on 31st March, 2019.

(p) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

A section on the Risk Management is covered in detail under Management Discussion and Analysis Report forming part of Annual Report. The details of Commodity Price Risk and Foreign Currency Risk are discussed in the Notes on the Financial Statements. However, Company has not undertaken any hedging activity during the year.

(q) Plant Locations

The Company has following Plant Locations in India:

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. Unit-I, Lane No. 3, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
6. Unit-II, Lane No.2, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
7. Unit-III, Lane No.3, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
8. SM8 + SM10, Sanand, Gujarat

(r) 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 : secretarial@uflexltd.com
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(s) Credit Ratings

The Company has obtained the following Credit Ratings during the year ended 31st March, 2019:

Rating Agency	Rating	Outlook
The India Ratings and Research (Ind-Ra)	IND A-	Stable
Brickwork Ratings	BWR A+	Stable

13. Disclosures

a) Related Party Transactions

During the year, Company has no materially significant related party transaction with any of related party, which is considered to have potential conflict with the interests of the Company at large. Suitable disclosure as required by the Indian Accounting Standards-24 (Ind AS-24) has been made in the notes on the Financial Statements.

All related party transactions are in ordinary course of business and 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 (Weblink: <https://www.uflexltd.com/pdf/policies/uflex-related-party-transactions-policy.pdf>).

b) Whistle Blower Policy / Vigil Mechanism

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. It is affirmed that no personnel has been denied access to the Audit Committee.

To meet this objective, a Whistle Blower Policy has been laid down. The same policy as approved by the Board has uploaded on the Company's website www.uflexltd.com (weblink <https://www.uflexltd.com/pdf/Policies/UFLEX-Whistle-Blower-Policy.pdf>)

c) Weblink where policy for determining "Material" subsidiaries

<https://uflexltd.com/pdf/Policies/Uflex-policy-for-determining-material-subsidiaries.pdf>

d) Accounting Treatment

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, by the Ministry of Corporate Affairs (MCA), the provision of the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India (SEBI).

e) Risk Management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board.

f) 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.

g) Management Discussion and Analysis

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

h) Details of Non-compliance, Penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority

The Company has complied all the requirement of Regulatory Authorities. No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other 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 (Weblink: <https://www.uflexltd.com/pdf/policies/uflex-code-of-conduct.pdf>). 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, 2019 have been prepared as per applicable Indian Accounting Standards (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

k) The Company has complied with the conditions of Corporate Governance requirements as stipulated in the Listing Regulations, as applicable.

l) Company has obtained a Certificate from M/s Mahesh Gupta & Company, Company Secretaries that none of directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by Board/Ministry of Corporate Affairs or any such statutory authority. The requisite certificate is attached to the Report on Corporate Governance as "Annexure - C1".

m) The Board of Directors of the Company has accepted the all recommendations made by all the Committees.

n) Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to Statutory Auditor, M/s KAAP & Associates, Chartered Accountants, for the year ended 31st March, 2019 are as under:

Particulars	(Amount Rs. in Lacs)
Audit Fees	120.65
Taxation Matters	35.20
Other Services	36.11
Out of Pocket Expenses	4.12
Total	196.08

o) Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been made elsewhere in the Director's Report.

p) Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under Regulation 32(7A)

This Clause is not applicable to the Company as the Company not raised any fund through preferential allotment and / or QIP.

14. Other Requirement as per the Listing Regulations

(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.

(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 www.uflexltd.com (weblinks: <http://www.uflexltd.com/financials.php>). 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. Disclosures with respect to demat suspense account/unclaimed suspense account

The status of equity shares lying in the unclaimed suspense account is as follows:

Sl. No.	Particulars	Number of Shareholders	Total Number of equity shares held
1.	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the beginning of the year	66	4946
2.	Number of shareholders who approached the Company for transfer of shares from unclaimed suspense account during the year	1	33
3.	Number of shareholders to whom shares were transferred from unclaimed suspense account during the year	1	33
4.	Transferred to Investor Education and Protection Fund (IEPF) in accordance with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016	8	2534
5.	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the end of the year	57	2379

It may please be noted that, the voting rights on the unclaimed shares shall remain frozen till the rightful owner of the shares claims the shares.

16. Compliance Certificate

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

The above report has been placed before the Board at its meeting held on 27th May, 2019 and the same was approved.

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF THE CORPORATE GOVERNANCE

TO THE MEMBERS OF UFLEX LIMITED

1. This Certificate is issued in accordance with terms of our engagement, with Uflex Limited ('the Company').
2. We, KAAP & Associates, Chartered Accountants, the Statutory Auditors of the Company, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time ("the Listing Regulations").

Management's Responsibility

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance, stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
6. We have carried out an examination of the relevant records of the Company, in accordance with the "Guidance Note on Certification of Corporate Governance", issued by the Institute of the Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the "Guidance Note on Reports or Certificates for Special Purposes", issued by the ICAI, which requires, *inter-alia*, that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements", issued by the ICAI.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations, during the year ended, March 31, 2019.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. This Certificate is issued solely for the purpose of complying with the Listing Regulations and may not be suitable for any other purpose.

For **Kaap & Associates**
Chartered Accountants
ICAI Firm Registration No.: 019416N

CA. Deepak Sehgal
Partner

Place : NOIDA
Date : May 27, 2019

Membership No.: 085391
UDIN : 19085391AAAAAC5035

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 31st March, 2019 pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **UFLEX LIMITED**

Place : NOIDA
Dated : 27th May, 2019

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

ANNEXURE – C1
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
UFLEX LIMITED
(CIN: L74899DL1988PLC032166)
305, 3rd Floor, Bhanot Corner,
Pamposh Enclave, Greater Kailash-I,
New Delhi-110048

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of UFLEX Limited having **CIN L74899DL1988PLC032166** and having registered office at **305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash-I, New Delhi-110048** (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Ashok Chaturvedi	00023452	21-06-1988
2	Mr. Amitava Ray	00184143	02-02-2016
3	Mr. Achintya Karati	00024412	14/09/2000
4	Mr. Anish Babu Venugopal, Nominee Director of IFCI	02830575	16-05-2017
5	Mr. Tara Sankar Bhattacharya	00157305	14-02-2015
6	Mrs. Indu Liberhan	03341420	28-05-2015
7	Mr. Arvind Mahajan	02410540	03-08-2016
8	Mr. Pradeep Narendra Poddar	00025199	30-05-2017

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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

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

Place : Delhi
Date : 27th May, 2019

ANNEXURE – D 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

One year ago economic activity was accelerating in almost all regions of the world and the global economy was projected to grow at 3.9 percent in 2018 and 2019. One year later, much has changed: the escalation of US–China trade tensions, macroeconomic stress in Argentina and Turkey, disruptions to the auto sector in Germany, tighter credit policies in China, and financial tightening alongside the normalization of monetary policy in the larger advanced economies have all contributed to a significantly weakened global expansion, especially in the second half of 2018.

China's growth declined from 6.8 percent in the first half of 2018 to 6.0 percent in the second half of the year. The resulting weakening in import demand appeared to have impacts on trading partner exports in Asia and Europe. (**Source: IMF World Economic Outlook**)

Economic growth accelerated in more than half the world's economies in both 2017 and 2018. Developed economies expanded at a steady pace of 2.2 per cent in both years, and growth rates in many countries have risen close to their potential, while unemployment rates in several developed economies have dropped. Among the developing economies, the regions of East and South Asia remain on a relatively strong growth trajectory, expanding by 5.8 per cent and 5.6 per cent, respectively in 2018. Many commodity exporting countries, notably fuel exporters, are continuing a gradual recovery, although they remain exposed to volatile prices.

According to the World Economic outlook by the International Monetary fund (IMF), global growth is now projected to slow from 3.6 percent in 2018 to 3.3 percent in 2019, before returning to 3.6 percent in 2020.

The current forecast envisages that global growth will level off in the first half of 2019 and firm up

after that. The projected pickup in the second half of 2019 is predicated on an ongoing buildup of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies, including Argentina and Turkey.

Improved momentum for emerging market and developing economies is projected to continue into 2020, primarily reflecting developments in economies currently experiencing macroeconomic distress—a forecast subject to notable uncertainty.

Growth in emerging and developing Asia is expected to dip to 6.3 percent in 2019 and 2020.

On the other hand, growth in Japan has been revised upwards on account of the additional fiscal support provided to the economy this year, including measures to mitigate the effects of the planned consumption tax rate increase.

2. Indian Economy

The GDP growth rate trend of Indian economy has changed in the last five years, that is from 2014-15 to 2018-19, the average growth rate of GDP has been at 7.7%. This has made India the fastest moving emerging economy in the world economic system. The macro-economic environment has improved significantly during the last few years. Inflation is contained, fiscal consolidation is on the right path and foreign investment flows are growing year after year

India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19 as per the Second Advance Estimates of Gross Domestic Product (GDP) released by the Central Statistics Office (CSO). During the first half of 2018-19, GDP (at constant 2011-12 prices) grew by 7.6 per cent.

The macro fundamentals of the economy are sound. Fiscal deficit has been brought down to 3.4% in the revised Government's estimate of 2018-19.

The Current Account Deficit (CAD), against a high of 5.6% six years ago, is about 2.5% of GDP in 2018-19. India's exports are projected to touch an all-time high of \$330 Billion in the current fiscal.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India is emerging as an important player in the world economy as reflected in World Bank's Ease of Doing

Business 2019 Report, which improves in ranking by 23 positions to 77th rank in 2018.

In India, continued implementation of structural and financial sector reforms with efforts to reduce public debt remain essential to secure the economy's growth prospects. In the near term, continued fiscal consolidation is needed to bring down India's elevated public debt. This should be supported by strengthening goods and services tax compliance and further reducing subsidies. Important steps have been taken to strengthen financial sector balance sheets, including through accelerated resolution of nonperforming assets under a simplified bankruptcy framework. These efforts should be reinforced by enhancing governance of public sector banks. Reforms to hiring and dismissal regulations would help incentivize job creation and absorb the country's large demographic dividend; efforts should also be enhanced on land reform to facilitate and expedite infrastructure development.

India is projected to grow at 7.3 per cent in 2019 and 7.5 per cent in 2020, supported by the continued recovery of investment and robust consumption, thus remaining the fastest growing major economy of the world, according to the IMF.

3. Industry Structure & Developments

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. Technological innovation, sustainability concerns and attractive economics are among the reasons for the phenomenal growth of flexible packaging globally in the last two decades. The flexible packaging sector has traditionally had an extremely diverse and fragmented structure, consisting of a few large global operations and many small to medium-sized national and regional companies. Technical advances have allowed flexible packaging to become the format choice for a wide variety of consumer products. It has emerged as an alternative to traditional rigid packaging. Many products which were traditionally packed in cans and jars are now available in pouches and bags and have many advantages over rigid packaging. It requires less packing material and the packaging is lighter than the traditional packaging. Moreover, the reduction in weight of the packaging makes it more cost effective by lowering the warehousing and the shipping cost.

The increasing demand for convenience foods and fast food is giving rise to demand for lightweight packaging. Also, changing consumer behavior and growing processed-food industry is triggering the demand for easy and flexible packaging material.

Flexible packaging provides convenience to the consumer while ensuring product safety. Innovative packaging solutions are developed by manufacturers to cater to the consumer's demand for convenient, easy-to-use, and lightweight packaging. Changing consumer behavior and growing processed-food industry is triggering the demand for easy and flexible packaging material. Flexible packaging has, as a result, become substantially more sophisticated with high-end graphics, high oxygen and moisture barriers, and new functionalist

The global flexible packaging market is expected to witness a CAGR of 5.1%, and is projected to reach USD 313.1 billion by 2024. Geographically, the flexible packaging industry will witness strong growth over the years to come in all major regions, especially the Asia-Pacific (APAC). The flexible packaging industry in APAC has been growing steadily over the last five years, registering a CAGR of approximately 5% between 2015-2019, led by China and India. This strong growth will continue through 2022 with the size of the flexible packaging industry in India expected to increase USD 6.8 billion, while an increase of USD 5.05 billion is expected for the flexible packaging industry in China. (Source: <https://www.technavio.com/research/flexible-packaging-industry-analysis>). The growth is attributed to the increasing disposable income and growing consumer preference towards packaged goods. Moreover, low production cost coupled with expanding applications of flexible packaging such as improving moisture barrier properties, appropriate sealing and heat insulation is also expected to drive the market. New innovations in flexible packaging are further expected to propel the market growth during the forecast period. (Source : <https://www.globenewswire.com>).

The life cycle attributes of flexible packaging demonstrate many sustainable advantages. It starts with less waste in the first place, 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 processes have reduced water and energy consumption, greenhouse gas emissions and volatile organic compounds. Even more, lighter-weight flexible packaging results in less transportation-related energy and fossil fuel consumption, and environmental pollution. With its versatility, custom qualities, efficiency in conserving resources, and sustainability, flexible packaging is considered most advantageous.

Flexible packaging is the most economical method to package, preserve and distribute food, beverages, consumables, pharmaceuticals and other products

that need extended shelf life. It can be designed with barrier properties tailored to fit the products being packaged keeping in mind the end-use, whereas other packaging formats generally provide a one-size-fits-all approach. Flexible packaging can now be made in a wide variety of innovative shapes, sizes and appearances, and can include components such as handles and opening and reclosing features such as zips and spouts to name a few. Changing consumer lifestyle, growth of DINK (Double Income No Kids) population, propensity to spend more on the back of increasing disposable income has enhanced dependence on processed, pre-cooked and packed foods, which has augured well for the overall growth of the flexible packaging industry. The industry has witnessed introduction of new and efficient films used in manufacturing flexible packaging materials. Smaller unit packs/ sachets dispensing measured and controlled portions are a rage in FMCG and pharmaceutical sector. Modified Atmosphere Packaging (MAP), vacuum skin packaging are some of the current trend setting packaging solutions that have been developed to meet ever-evolving demands of the end-users. Spout valves are being provided in the flexible packs to enable nitrogen flushing of packed food items for enhancing shelf life. IoT (internet of things) is being integrated to enhance the overall functionality and intelligence quotient of flexible packaging.

Other developments in the flexible packaging industry of late have been multilayer co-extruded polymeric structures that provide more flexibility in terms of desired functionality, thickness, and cost-effectiveness without over-engineering/over dressing. Growing adoption of track-and-trace technologies, such as RFID and barcodes in premium product segments including wines and spirits are gaining prominence by the days. Special Inks are being used in process of converting that can be deciphered and detected only in UV ambience. Flexible packaging technology has advanced dramatically over the past 10 years and is now a consumer household mainstay, steadily moving into new markets across applications. Flexible Packaging materials have progressed from simple monolayer bags and wrappings to coextruded or laminated engineered multilayer and coated constructions, comprising multiple materials such as polymers, paper, metal foils, coatings, sealant layers and other additives. These developments provide properties such as high barrier to atmospheric gases, extended shelf life and convenience all of which are increasingly demanded in packaging for food, consumables and pharmaceuticals. The properties of flexible packaging can be tailored and customized to provide specific combinations required by different products.

The global flexible packaging market is categorized on the basis of product type, material type, and application. With regard to material type, the global flexible packaging market is segmented into Cellulosic, Aluminum, Paper, and Polymer. Further classification of polymer includes Poly Styrene, Ethylene Vinyl Alcohol (EVOH), Poly Vinyl Chloride (PVC), Polyamide (PA), Biaxially-oriented polyethylene terephthalate (BOPET), Cast Polypropylene (CPP), Biaxially-Oriented Polypropylene (BOPP), Polypropylene (PP), and Polyethylene (PE). Sub-segmentation of Polyethylene (PE) includes LLDPE, HDPE, and LDPE. Based on segmentation by product type, the global flexible packaging market is divided into Retort Pouches, Squeezable Bottles, Converted Roll Stock, Laminated Tubes, Vacuum Pouches, Wicketed Bags, Gusseted Bags, and Stand-up Pouches. Out of these, the market seems to be drawing more revenue shares from the stand-up pouch segment. With respect to application, the global market for flexible packaging is categorized into Industrial and Institutional, and Consumer. Further classification of Consumer group includes tobacco, pharmaceutical, personal care, and food and beverages. Among these, the market is seen to be dominated by the food and beverage group since it is more convenient for end users to carry their food around with sealed and proper packaging.

The already intensified Sustainability Narrative for Flexible Packaging world over is seeing both the advantages and disadvantages being highlighted based on ideological affinities. Currently, both Circular Economy (CE) and Sustainable Materials Management (SMM) frameworks are being used and recommended for policy by different groups, encompassing private/ public companies, non-governmental organizations (NGOs), as well as public policy makers. While detractors say that it is almost impossible for the multilayered flexible packaging to be segregated layer-wise and recycled, the proponents say that the biggest challenge lies with the collection and sortation of post-consumer waste for which Governments, Corporate Houses, Civil Society and most importantly Public at large should make collaborative efforts. It has been proven beyond reasonable doubt that Flexible Packaging is re-processable and for end-of-life use can be converted from Waste to Energy and in some cases even from Waste to Fuel through a variety of processes including combustion, gasification, pyrolysis, anaerobic digestion and land fill gas recovery.

Plastic Waste Management (Amendment) Rules, 2018 notified by Ministry of Environment, Forest and Climate Change, Government of India on 27 March 2018 acknowledges the agility of multilayered

flexible packaging particularly for effective end of life use. This makes a great case for other countries to follow suit in acknowledgment of the brilliant and resource efficient technology that flexible packaging is.

Asia Pacific flexible packaging market is projected to grow at a CAGR of 6.01% over the forecast period to reach a market size of US\$49.928 billion by 2023 from US\$35.170 billion in 2017. Emerging economies like China and India are expected to witness the substantial growth of flexible packaging market. China is expected to be the largest market for flexible packaging solutions due to its shift from production-based to a consumption-based economic structure. Rising number of supermarkets in the Asia Pacific region will boost the demand for flexible packaging solutions.

A number of significant trends are driving rapid change across the industry such as the increased presence of global multinational companies, consumer brand awareness and products with 'clean-label' messaging that enhance brand transparency and builds purchasing confidence. The demand for smaller and flexible packaging is also increasing due to increase in per capita income, urbanization and growing numbers of working women. Furthermore, the e-commerce industry in India has substantially expanded and is changing the packaging needs, driving requirements for versatile and visually appealing packaging solutions.

4. Business Review

(i) Films Business

The main products of this business are BOPP Films, CPP Films, Polyester (BOPET) Films, and Metalized and other Specialty films.

The Company's OPP (Oriented Polypropylene) films comprising BOPP (Bi-axially Oriented Polypropylene) and CPP (Cast Polypropylene) films are highly cost effective, functionally efficient and therefore have rapidly penetrated into high barrier sensitive packaging segment across the world. These films are primarily being used for applications like packaging & conversion; industrial coatings; printing & lamination; encapsulation; overwraps (for CDs, cigarettes, cartons), confectionery packaging; anti-fog (for food products), textile bags; biscuit and sandwich overwrap amongst several others products. BOPP Films are known for low moisture transmission rates thus finding extensive use in manufacturing packaging material for snack food. High tensile strength, low elongation and thermal shrinkage further render it suitable for processing on high-

speed printing, coating/ laminating and other converting machines. BOPP Film is known to have a combination of excellent slip and optical properties. The high gloss and excellent clarity provides good aesthetic appeal whereas controlled slip properties make it suitable to perform well on various form fill seal (FFS), overwrapping and converting machines in order to improve or maintain high productivity.

Even the CPP film is extremely dynamic and versatile with high gloss, transparency, good heat seal-ability, good twisting property, superior tear and puncture resistance. These factors pave way for its application in food wraps, packing bakery products, anti-wraps, anti-fog packaging, garment bags, retort packaging, deep freeze applications, etc.

The Company's OPP film manufactured at its Indian plant caters largely to the captive & domestic market while the Egypt plant caters to the international market. The plant capacity for OPP Film (including CPP) is 34,000 TPA at Noida and stands at 43,400 TPA for Egypt plant.

BOPET (Bi-axially Oriented Polyethylene Terephthalate) Film is a polyester film using high quality resins produced at the Company's state-of-the-art film manufacturing plants at India, Dubai, Egypt, Poland, Mexico and United States of America with a cumulative production capacity in excess of 2,56,000 TPA. Indian plants meet captive & Indian market requirements whereas overseas plants serve overseas markets across the globe. BOPET Films exhibit superior mechanical properties; improved resistance to chemicals; good barrier to oxygen; excellent receptivity to surface treatment & coatings and high resistance to abrasion.

BOPET Films have excellent dielectric properties, good flatness and coefficient of friction (COF), tear resistance and puncture resistance, excellent dimensional stability over a wide range of temperature, good resistance to common solvents, moisture, oil and grease and poses excellent barrier against a wide range of atmospheric gases among other benefits. This variant therefore finds extensive use in metallizing; thermal lamination; lidding functions; holographic applications; pressure sensitive tapes; cable wrapping among several others. With Uflex's focus on developing *sustainable* innovations and solutions for Brand Owners and Flexible Packaging Industry, the Packaging Films business has taken its green thumb to greater heights with the addition of a range of eco-

friendly films to its robust product portfolio. Its plant in Mexico and USA began manufacturing **Specialized PET films under the brand Asclepius™** that are a family of plain, treated, coated, high barrier, high bond and heat-sealable BOPET films based on 90% PCR polymer content.

The Company also manufactures high barrier metallized films that are considered as ultimate solution for packaging a wide array of products requiring extended shelf life apart from a host of applications in the textile and capacitor industries. AlOx coated transparent ultra-high barrier films manufactured by the Company are finding extensive use in stand-up pouches that offer see through features to consumers at the point-of-sale (POS).

Metallized films are manufactured at all film manufacturing plants of the Company, i.e. India, Dubai, Poland, Egypt, Mexico and USA with cumulative production capacity of over 78,600 TPA. This fiscal, an additional Metallizer with a capacity of 7200 TPA was installed at the Packaging Film Plant in Noida; whereas a **superior high barrier metallizer with unique surface enhancing properties that boosts shelf life of products** and capable of producing 7200 TPA, became operational in July 2018 in the Packaging Film Plant of Egypt. With this, the Company now has one avant-garde high barrier metallizer and fourteen state-of-the-art metallizers with plasma treatment facilities for ensuring better metal deposition.

Supplementing the existing brick-and-mortar business model of its global Packaging Films business, the company also forayed into online space with its e-commerce website **FLEX-BuzzR** that makes available the complete range of film offerings from its Poland plant to its European Union customers.

(ii) Flexible Packaging Business

The main products of this business are laminates made of various combinations of Polyester, BOPP, Poly, Metalized & Holographic films and others in roll form or various preformed pouches & bags of several sizes and profiles; and laminated flexi-tubes. Also aligned with the core business of Flexible Packaging are allied activities involving manufacturing of packaging and converting machines; rotogravure cylinders, flexo-printing press; flexo-polymer plates, elastomers & sleeves; inks & adhesives and holographic materials.

The Cylinder Business of Uflex, with a capacity to manufacture 1,08,000 cylinders per year,

expanded its business with the installation of a **fully automatic Laser CNC Die Cutting Line** at its Noida facility. This Line produces flat **Metallic Die plates & Rotary Dies** used for stamping application; and male-female dies used for hot foil & embossing applications in the Packaging Industry.

The Company has the technical ability, and innovative skills to engineer flexible packaging solutions with optimized barrier properties, superior aesthetics, enhanced functionalities; high eco-friendliness and infallible brand protection features. The Company is one of the global leaders producing bespoke world class flexible packaging solutions. **The guiding vectors of the Company's Business Strategy are:**

- Innovation to create value added differentiation;
- Proximity to customers;
- Speed to market reach for reaping the first mover advantage;
- Ability to offer end-to-end solutions across the entire flexible packaging spectrum;
- Ability to execute any quanta of order and ensuring just-in-time deliveries anywhere across the globe.

The company currently offers flexible packaging solutions for the entire spectrum of product types which includes solids, semisolids, powders, granular materials, viscous fluids, pastes and gels. With the commencement of Aseptic Packaging Material manufacturing plant in year 2017 at Sanand in Gujarat, offering packaging solutions for non-aerated liquid products and capacity to manufacture 7 billion packs per annum, the Company has completed the entire bouquet of product offering.

On the road to Industry 4.0, Engineering Business of Uflex launched Industrial Internet of Things (IIOT) enabled Converting Machines – top of the line **Extrusion Coating & Lamination Machine 'EX LAM 400'** designed with high line speed of 400 meters per minute (mpm) to handle thin and thick laminate; **Solventless Laminator Machine 'Super S-1300'**; and Gearless **CI Flexo Printing Press 'Elisa'** with high automation level in the form of sleeves, anilox removal system and efficient ink washing system, making Uflex the first ever Indian company to offer it.

A whole new range of machines were also developed for Aseptic Liquid Packaging, namely **Aseptic Brick Type Packing Machine** and

Aseptic ESL Flexi-Pouch Machine; besides the **New Generation Collar Type Servo Driven Machine 'Uflex FFS-CTSD'** and **Linear Pick Fill & Seal Machine.**

At Chemical Business of Uflex, the cumulative capacity of ink and adhesive manufacturing plant at the end of FY18-19 was 58920 TPA. This was due to an addition of 480 TPA in its Noida Ink plant alongwith de-bottlenecking and process improvements.

Production began in full scale, this fiscal, in the latest plant added to Uflex Holography business in Jammu. In FY18-19, it further expanded with the set-up of its new Label Flexography Line in Noida with a capacity to produce 40,00,000-45,00,000 sqm annually. Equipped with advanced Gallus and Edale presses, production in this line too started by the end of March 2019. In its bid to develop brand protection solutions against counterfeits, a new substrate Holography PVC/ PVDC coated film was commercially launched for Pharma industry as an anti-counterfeiting solution and supplied to leading drug-makers Sanofi and Alkem. With a client list ranging from Samsung India Electronics, Tata Steel, Volvo, Eicher, ITC, Indian Oil and Jawaharlal Nehru University, Uflex Holography business supplied to 770 customers in FY18-19.

Reaffirming its commitment towards a greener future and making its packaging division a zero discharge unit, Uflex **installed latest recycling machine with advanced technology** to convert Multi-layered Plastic (MLP) into Granules, at its Noida plant. The company also **commissioned its new Pyrolysis Plant** at its Noida facility; earning it the distinction of first such plant in North India. Pyrolysis is a process converting **Waste to Fuel** by chemically decomposing organic materials at elevated temperatures in the absence of oxygen. The pyrolysis plant's two reactors at Uflex Noida unit can convert 6 tonnes of discarded waste material that's generated every day from printing, unused trim, laminates, tubes and other unprocessed material into liquid fuel, hydrocarbon gas and carbon black. Thus at the end of the process, the entire waste is converted into three forms of fuel, which is further utilized in manufacturing processes.

(iii) Aseptic Liquid Packaging Business

Asepto, the Liquid Packaging Brand from Uflex, within a short span of its launch in 2017 has created a radical shift in the aseptic beverage packaging market. The shift is not only

packaging process oriented, but also a complete change in thoughts that is likely to pave the way for packaging in the subsequent years. Asepto has developed a strong customer base spanning across all three promising segments domestically including- **Dairy & Dairy Products, Juices, and Alcoholic Beverages.** Asepto has given a novel dimension to aseptic liquid packaging market that helps companies create brands by mere differentiation in packaging, an unprecedented move to say the least.

The holographic aseptic packaging developed by Asepto overwhelmed the market with its spark of holographic innovation. **Fresca Foods Pvt. Ltd.,** India's leading juice manufacturer became the **first juice brand to launch its 200ml Tropical Premium Mix in holographic packaging in India,** by joining forces with Asepto. The packs hit the retail shelves in August 2018. On the first day of its market launch, the brand was able to bag a massive order for the upcoming season. This truly brought forward the power of Asepto's aesthetics.

In the following months, **Juceika from SMS International Beverages Pvt. Ltd** launched all their juice variants in Asepto Spark holographic packs. The wave of holography shaped the domestic market and brands started looking at opting for holographic options with a motto to 'stand out'.

Recognizing our commitment to innovation in aseptic packaging, Asepto Spark by Uflex received **'The Economic Times Polymers Awards, 2019, Excellence in Packaging -Beverage, Large Enterprise'** for **Fresca Packs,** showcasing Asepto Spark's brilliance to spearhead a product's packaging based on holographic effects.

Some of the updates of product innovation and launches of company and its subsidiaries :

I. **Uflex developed Satellite Thermal Radiation Insulation Film for Indian Space Research Organization:** FlexFilms, the global film manufacturing arm of Uflex, has developed a specialized film for passive thermal control of spacecraft components for Indian Space Research Organization (ISRO). The film was as per ISRO's specifications that covered 'electro-optical and physical terms' like solar transmittance, infrared emittance and thickness of coating in nanometers on both sides of the substrate and a wide-spectrum working temperature of -150 to

+120 degrees. The new film was subjected to space environmental tests and it passed all parameters and tests to qualify for space application.

II. Uflex became Indian Banks' Association Certified Security Printer: Uflex was certified by the Indian Banks' Association (IBA) as a security printer for printing MICR instruments for its member banks. Since Uflex possesses all required systems, technology and infrastructure that MICR (Magnetic Ink Character Recognition) requires the Indian Bank's Association conferred this certification to Uflex. With this, a huge window of opportunity for security printing of MICR instruments both in India and overseas have opened up for Uflex.

III. FlexFilms Forayed into Online Space with the Launch of E-Commerce Website FLEX-BuzzR: With the launch of *Flex-BuzzR*, the first of its kind e-commerce website by FlexFilms, the company has added yet another feather in its cap! Flex-BuzzR offers the complete range of film product portfolio from its Poland plant, available to customers in European Region, at a click of a button. This B2B platform www.flexbuzzhour.com has been launched with the intent to supplement Flex Films existing brick-and-mortar business model. Besides offering its portfolio of films, the website also allows customers to browse product catalogue with its description and applications. Eventually customers have the option to create their cart for which a formal order gets generated. It offers unique opportunity for European customers to not just pick up readily available rolls, but also order as per their customized need at the same time. Active production site in Poland offers unique opportunity for European customers to not just pick up readily available rolls (Quick Pick Order) of what they like, but also order as per their customized need at the same time (Made to Order).

IV. Asepto Marked its Entry into Retail Shelves with Fresca Juice Holographic Packs: Asepto Spark, the aseptic liquid packaging brand by Uflex with unique and striking effects created through holography, was commercialized and hit the retail stores in India for the first time. It was used to launch new Fresca and Guava. The sparkling holographic packs of Fresca manufactured

by Asepto served as marketing differentiator for the brand and it helped Fresca bag several orders for the festive season. Since its launch, Asepto Spark has received tremendous response from international markets like the Middle East, Europe, Asia, Africa, and China.

V. New Optika Transparent Flexi-tubes, a Boon for Global Cosmetic Brands: This Flexi-Tube portfolio has all the advantages of multi-layered flexible laminates to perfection. Uflex Flexi-Tubes offers plethora of aesthetical benefits to brands like 360 degree printing, utilization of the entire tube torso for branding from shoulder to crimp, high definition graphics, imparting metallic effects using advanced registered printing, registered lamination, superior surface finish using matte & gloss effects and electron beam (EBM) coating for ultra-high gloss among several others.

VI. US Patent Grant to FlexFilms for Breakthrough BOPET Film Used for Alu Alu Blister Pack: FlexFilms (USA) Inc has been granted United States Patent 10131122 covering entire categories of Formable Films that includes one or more BOPET layers used in Alu Alu blister packaging. With the patent issuance, the company has got exclusive right of manufacturing and sale of this special BOPET film in USA for the next 20 years. The patent is also filed in Europe and India which gives us the right to its sale in Europe and India. This patent has a uniqueness of forming characteristic of BOPET film in Z direction during packaging application. With this innovation in pharma packaging and particularly for Alu-Alu blister laminate structure, our 100% environment friendly BOPET film has completely replaced the carcinogenic PVC which when recycled, reprocessed or comes into direct contact with sunlight; releases poisonous gases that are hazardous for human health.

VII. Swiss Ordinance Compliant Inks Developed as a New Solution for the Pharma Industry: In a constant bid to develop new products to serve its customers, Uflex Chemical business launched a new PU based NTK ink series **Flexglide 1817** which is compliant with Swiss Ordinance. *Flexglide 1817* caters to the special needs of blister packing for Pharma Industry as it meets the unique properties desired from inks. Alu Alu is an

excellent multi-layered structure designed for packaging of extremely sensitive range of pharmaceutical and generic medicines, which are highly hygroscopic and light sensitive in nature. Alu Alu packaging protects packaged product against humidity and contamination especially those which tend to absorb moisture from the air. It also offers excellent adhesion on variety of substrates – PET, BOPP or Nylon- besides excellent solvent release, thereby ensuring medicine efficacy.

VIII. New Products in Pharma Packaging for the Indian Market: Uflex steered the path of innovation with its fresh range of packaging products designed especially for the Indian Pharmaceutical Market-

- a. Development of a revolutionary **PET based Alu-Alu Packaging** making it an indigenous product since in conventional Cold Form Laminate, the PVC and BON have to be imported into India. Alu-Alu packaging provides sustainability and cost optimization over conventional Cold Form Laminate.
- b. Development of 20-micron pinhole free soft tempered **Fast Tear Strip Foil** which contributes in providing higher yield gain of 36% leading to tremendous cost savings for pharma companies.
- c. **Child Resistant & Senior Friendly (CRSF) Foil**, protects unintentional damage to the foil which is common with conventional blister foils that get easily tampered during handling, affecting the formulation. CRSF Foil will help Uflex bridge the current existing gap.

IX. FlexFilms Launched FLEXMET-PROTECT™ F-HBP-M and FLEXPET™ F-HPF Films with Superior Properties:

The approach to serve the ever changing needs of customers alongwith the assurance of providing superior quality, enabled FlexFilms to launch new state-of-the-art BOPET Films i.e., FLEXMETPROTECT™ F-HBP-M and FLEXPET™ F-HPF.

- a. **FLEXMETPROTECT™ F-HBP-M** is a metalized biaxially oriented polyester (BOPET) film with a superior gas barrier that offers high moisture and oxygen barrier for virtually all applications, including aluminium foil replacement. High barrier comes from BOPET film

technology, with high optical density specifically suitable for most flexible packaging product offerings. This film is 100 percent web inspected using advanced web metalized surface inspection system. The film is of great use in shipping moisture sensitive items in multi-layered pouch.

- b. **FLEXPET™ F-HPF**, is a first-of-its kind biaxially oriented nylon replacement (BON) film, made with a newly developed patent pending technology that offers important features of thermoforming performance, high puncture resistance and flexural fatigue strength. This technology is suitable for many applications, thereby providing a replacement for biaxially oriented nylon (BON) in many applications. F-HPF is far more superior to nylon (BON) with fewer pin holes, in terms of thermoform-ability whereas its puncture and flex crack resistance is at par with BON. Value propositions like better water resistance availability and compatibility with wide range of inks and adhesives makes it cost effective with greater yield per unit area, as compared to BON. The property of thermoformability allows it to mould itself into the shape of item and is of great use in e-commerce packing of 3D objects.

X. FlexFilms India launched a host of films with cutting edge technology and properties, embedded in each.

- a. **F—PRP**, a 12 Micron BOPET film is designed to meet the critical needs of bulk packaging. It is ideal to use for low density, high volume packaging like large bags of atta, sugar or rice packaging.
- b. **F-TFP** a thermofoming film with 15 micron, 23 micron and 36 micron has been developed for semi-rigid packaging, especially suitable for ready-to-eat food packaging, take away food items. This film can replace OPA film where OTR barrier is not important and modified version of F—TFP is available with improved OTR barrier property.
- c. **F-FTC, the Fast to Tear film**, overcomes the challenge of tear-ability in multi-layer packaging which makes the films easily tearable in

- both directions, enabling consumer ease of accessing the product. This film is applicable for sachets and one-time use food packaging like ketchup, confectionaries and snack.
- d. **PETG Resin**, an amorphous polymer that does not crystallize making it an excellent replacement for transparent polymer was launched for Indian markets, this fiscal. PETG Resin offers high performance properties including transparency, clarity, gloss, glaze and printability in applications. PETG acts as a replacement for transparent polymers in applications like personal care, signage, sheet extrusion, LED profile, medical devises, home appliances, consumer goods and 3D print technology.
 - e. A range of Ultra High Barrier BOPP films were launched to suit brand owners' needs. These include **Ultra-High Oxygen Barrier Metallized BOPP film 'B-TUO-M'** that has been developed has outstanding barriers with less than 10 oxygen transmitting rate (OTR) and sealing functionalities with excellent metal bond strength & metal cracking resistance; and superlative substrate for extrusion lamination; whereas **Ultra High Barrier & High Seal Strength Metallized BOPP film 'B-TUH-M'** has outstanding barriers with less than 15 OTR and high seal strength with excellent hermetic seal; better metal bond strength & nitrogen flushing capabilities.
 - f. The challenge of sustainable extrusion bond, barrier & seal performance faced by the flexible packaging industry is addressed by **Ultra-High Barrier with robust seal performance & high metal bond Metallized CPP film 'C-CLM'**; as it replaces three layers with two, thereby enabling advantages of lesser carbon foot print.
- XI. Specialized Formulation that Renders Barrier Packaging for Edible Oil Re-processable:** Uflex has developed a customized formulation that renders barrier packaging for edible-oil re-processable despite the presence of Nylon and/or EVOH. Edible oil forms over 30 per cent of the INR 4.34 trillion packaged food market in India, thus offering a huge market to tap into, for flexible packaging requirements of all edible-oil players worldwide.
- XII. Uflex Transforms the Packaging for Rasna Fruit Powder Concentrate:** Uflex created a four-tier profiled packaging structure for Rasna Fruit Powder concentrate comprising Polyester/ Aluminium Foil / Polyester / Polyethylene. While the foil imparted perfect barrier to water vapour and oxygen, two layers of polyester in the structure was incorporated to lend sturdiness to the pouch carrying 750 grams of powder concentrate ensuring that the side handle does not snap while holding the pack. A dispensing spout fused with the laminate makes it enormously convenient for the consumers to pour out just the required quantity of fruit powder concentrate.
- XIII. A 100% Bio-degradable Premium Lens Transfer Paper Developed Using Fresnel Lens:** The Holography business of Uflex has developed premium Lens Transfer Paper / Paperboard for carton packaging, with the novel use of different technologies of Fresnel Lens. The dominance of registered printing on the exclusive lens carton provides a premium 3D effect and has transformed the appearance of the product, both in terms of aesthetic value and brand protection. The product boasts of not only being environmentally friendly but is also 100% biodegradable and decomposes in soil along with the main substrate of paper/board.
- XIV. New Solvent-less White Adhesive for Convertors, a reason to cheer:** Chemical Business of Uflex launched a general-to-medium performance 2K solvent-less PU adhesive FLEXBON 901A/901W that enables laminators and brand owners to reduce their application cost and substantially enhance their performance by partially replacing white inks and meet consumer demands. Other key features include good adhesion; suitability for low temperature applications (35-45 degree celsius); and the ability to provide fast decay of primary aromatic amine.
- XV. UV LED Sheetfed Inks FlexGreen that Assures Energy Efficiency:** Uflex Chemicals business launched **FlexGreen**, a series of UV-LED process colors for sheetfed offset printing on coated paper, paperboard and Met-Pet Board. It exhibits unique properties such as high color strength and gloss besides quick curing. It also offers excellent ink-water balance and

press stability besides excellent print quality with low odour. Due to its high strength, the desired ink densities are achieved with lesser ink release, thus providing superior mileage. *Flexgreen* brings substantial savings to printers by way of lower energy costs and reduced carbon footprint.

XVI. Cylinder Business of Uflex Launched Metallic Dies for Hot Foil Stamping & Embossing on Printed Labels & Packs:

Cylinder Business launched new Metallic Dies, produced at its latest and fully automatic CNC Die manufacturing line, in the form of metallic plates & rollers with embossed 3D image engraved on it. The Die Plates can be produced on flat bed system and can also make Rotary Dies. The image gets superimposed due to combined effect of mechanical pressure or temperature on the printed substrate leading to an embossed image derived on printed labels & packs. The most common use of metallic dies will be for the label industry.

XVII. Engineering Business Strengthens its Product Portfolio:

New machines were developed and existing ones modified by the Engineering Business of Uflex, to suit the needs of the customers.

- a. **Extrusion Coating & Lamination Machine EX LAM 400** has been designed with line speed of 400 meters per minute (mpm).
- b. A design copyright was received for creating first time globally **Rotogravure Printing Machines** for curing of special purpose UV coatings with LED lights having over 60 to 70 microns of enhanced build-up of material on defined areas, to give an embossed feeling on plastic or paper substrate.
- c. **Rotary FFS Machine** which was being used for mouth fresheners etc. was modified and upgraded to be used for spices, coffee and other powdered products, at much higher speeds.
- d. A new version of **Slitter machine with Turret on re-wind** for better productivity was developed and launched.
- e. A **five hood 1650mm wide web Coating Machine** was developed.

XVIII. Chemicals Business of Uflex Launched New Adhesive for High Speed Lamination Machines:

Solvent-free

Adhesive 777 A/C, a unique and universal product that offers excellent performance on various substrates including plastics, was launched by the Chemical Business of Uflex.

5. Certification & Accreditation

Certifications were awarded to *manufacturing* facilities across various businesses of Uflex and its subsidiaries in FY 2018-2019, reiterating the company's commitment to continuously improve operational efficiency and deliver its overall business objective to stakeholders.

Packaging Business

- BRC Certificate of Conformity 'B00493' to Noida packaging plant for Global Standard for Packaging and Packaging Materials.
- SGS System Certificate 'ISO 22000:2005' to Jammu packaging plant for Manufacturing and Supply of printed and flexible laminated rolls and pouches.
- SGS System Certificate 'ISO 9001:2015' to Jammu packaging plant for Manufacturing and Supply of printed and flexible laminated rolls and pouches.
- DNV-GL Management System Certificate 'FSSC 22000' to Jammu packaging plant for manufacturing of printed films, printed/unprinted laminated rolls & pouches for food applications.
- DNV-GL Management System Certificate 'ISO 9001:2015' to Jammu packaging plant Manufacturing of packaging films, laminated rolls & pouches in unprinted/ printed forms.

Packaging Film Business

- BRC Global Standard for Packaging and Packaging Materials Certificate for Packaging Films Business in India.
- Eagle Registrations Inc 'ISO 9001:2015' Certificate for Flex Films (USA) Inc.
- Eagle Registrations Inc 'Green Kingfisher Certification' for Flex Films (USA) Inc.
- American Institute of Banking Consolidated Standards for Non-food Contact Packaging Manufacturing Facilities for Flex Films (USA) Inc.
- Bureau Veritas 'ISO 9001:2015' Certificate for FLEX AMERICAS S.A. de C.V., Mexico.
- Bureau Veritas 'ISO 14001:2015' Certificate for FLEX AMERICAS S.A. de C.V., Mexico.
- BRC Global Standard for Packaging and Packaging Materials Certificate for FLEX P FILMS (EGYPT) S.A.E., Egypt.
- Intertek 'ISO 22000:2005' Certificate for FlexFilms EUROPA Sp. Z.o.o., Poland.
- Intertek 'ISO 140001:2015' Certificate for FlexFilms EUROPA Sp. Z.o.o., Poland.

- Intertek 'ISO 9001:2015' Certificate for FlexFilms EUROPA Sp. Z.o.o., Poland.
- Intertek 'OHSAS 180001:2007' Certificate for FlexFilms EUROPA Sp. Z.o.o., Poland.
- Intertek 'OHSAS 180001:2007' Certificate for FlexFilms EUROPA Sp. Z.o.o., Poland.

Aseptic Liquid Packaging Business

- Forest Stewardship Council Certificate
- HALAL India Certificate

Chemical Business

- DNV-GL Risk Management System Certificate 'ISO 31000:2018'.
- ISO 45001:2018- A new international standard that provides a framework for an organization to manage risks and opportunities to help prevent work related injury and ill health to workers.
- ISO 14001:2015 for conforming to the Environmental Management System Standard.
- ISO 9001:2015 for conforming to the Quality Management System Standard.

Cylinder Business

- DNV-GL Management System Certificate 'ISO 9001:2015'.

Holography Business

- TÜV Rheinland Certificate of Compliance Uflex/2015/002 - Hologram Security & Safety Management Standard
- DNV-GL 'ISO 14001:2015' Certificate for design and manufacture of security hologram, paper labels including holographic film and hologram laminated product
- 'OEKO TEX' Certificate 2018-19 for Polyester Films used for sequins, hot melt films, fancy yarns, stamping foils & glitter powder in lacquered coated colours
- Authentication Solution Provider Association Certification of Membership 2018-19

6. Hall of Fame

Some of Awards and Accolades that were conferred upon Uflex and leadership during the financial year 2018-19 are:

- **Dow 2018 30th Awards for Packaging Innovation adjudged biodegradable *Waterless Internet Flower Packaging* by Uflex as the Diamond Finalist Winner.**
- AIMCAL 2019 Excellence in Sustainability for Asclepius™ Films 90% Post-Consumer Recycled-content (PCR) BOPET barrier film.
- 'Best Sustainable Packaging Innovation' & 'Resource Efficiency' Title at Sustainability Awards 2018 for *Waterless Internet Flower Packaging* by Uflex

- AIMCAL 2019 Technical Excellence for High Barrier BOPET film PET-F-HBP-M.

- AIMCAL 2019 Product Excellence Award to BOPET film F-TBF-M-08.
- The Economic Times Polymers Awards 2019 for 'Excellence in Packaging Beverages - Large Enterprises' to Asepto Spark *Fresca*.
- Asia's Most Trusted Company 2018 by International Brand Consulting Corporation, USA.
- Best Food Processing and Packaging 2018-2019 Brand to Uflex by The Economic Times.
- Six titles at IFCA Star Awards 2018 for Packaging Excellence.
- Seven wins at 'SIES SOP Star Awards 2018' for Packaging Innovation & Product Development.
- 'Golden Cylinder Award 2018' by Gravure Association of The Americas for Haldiram's Classic Salted Pack.
- Uflex authorized as 'Economic Operator Tier 2' (Importer & Exporter) by Central Board of Indirect Taxes and Customs.
- Flex Films Noida struck GOLD at the National Award for Manufacturing Competitiveness 2018-2019 hosted by International Research Institute of Manufacturing.
- Special Jury Award at 2nd CII National Competition on SPC towards Zero Defect to Chemical Business.
- Chemical Business of Uflex won the 1st International Recognition from Royal Society for Prevention of Accidents, UK.
- Growcare Excellence Gold Award for 'Innovative Idea / Project Manufacturing' Award to Chemical Business.
- Apex Excellence Gold Award to Chemical Business.
- Exceed Gold Award to Chemical Business by *Ek Kaam Desh Ke Naam*.
- Exceed Platinum Award to Chemical Business by *Ek Kaam Desh Ke Naam*.
- FAME Rashtra Vibhushan Platinum Award to Chemical Business.
- Frost and Sullivan Award 2018 for Sustainability to Chemical Business.
- Frost and Sullivan Award 2018 for Safety to Chemical Business.
- National CSR Leadership Congress & Awards for 'Best Practices in Water Management'.
- Chemical Business recognized with 'Behavioral Based Safety Implementation in Indian Industry' Award by The Forum of Behavioral Safety.
- Uflex HR won awards for 'Innovative L&D Practices' and 'Organization with Best ER

Practices' at 27th World HRD Congress.

- Awarded 'Excellence in HR Practices' and 'Reward and Recognition' titles at People & Culture Summit 2018.

The key to successful leadership today is influence, not authority." - Ken Blanchard

The leadership team of Uflex was honored for their outstanding contribution to Packaging Industry in FY2018-2019:

- Uflex Chairman & Managing Director Mr. Ashok Chaturvedi conferred with 'Father of Flexible Packaging' at 1st Global Conference on Plastic & Packaging 2019.
- Mr. Ajay Tandon, President- Engineering & New Product Development at Uflex adjudged as 'Business Leader of the Year' Award by BTVI, endorsed by CMO Asia.
- Mr. Jagmohan Mongia, President – Flex Films India awarded with 'CEO of the Year' title at 13th Employer Branding Awards.
- Mr. Dilip Kumar Dosi, Joint President – Production & Operational Excellence, Flex Films India presented with 'Manufacturing Leadership Award' by BTVI, endorsed by CMO Asia.

7. Financial and Operational Performance – Overview

The summarized financial results are given hereunder:

Summary of results:

(Rs. in Crores)				
	2018-19		2017-18	
	Consolidated	Stand-alone	Consolidated	Stand-alone
Total Income	7974.80	4242.52	6822.91	3894.56
Profit before Finance Cost, Depreciation & Tax	1007.53	480.57	902.58	476.15
Profit before Tax	408.75	72.70	353.90	110.65
Profit for the year	313.84	51.66	310.48	100.92

8. Opportunities; Key Trends & Threats

Opportunities

Flexible packaging is one of the rapidly growing segments of the packaging industry, combining the highest qualities of film, paper, and aluminum foil to provide a wide range of protective characteristics. These flexible packages can acquire the shape of

a pouch, liner, bag or overwrap and it can resonate with any type of packaging and offers numerous advantages over rigid packaging. It helps in extending the shelf life of various products, particularly food, and has a positive sustainability profile. Flexible packaging also requires lower energy to produce and to transport, and generates lower quantities of greenhouse gases. Additionally, it also offers convenience to consumers as it is light-weight, easy to open, carry, store, and reseal. All the major traditional benefits of rigid packaging can be realized from flexible packaging with the added advantages of lower cost and greater flexibility. Rising demand for cost-effective packaging solution which provides the ease of preserving and easy distribution of food, beverages, pharmaceuticals and other products which require extended shelf life is accelerating the demand for flexible packaging.

One of the important factors driving the growth of flexible packaging market is the growing inclination of consumers towards convenience products. The changing consumer preferences due to busy lifestyles and smaller household units demand products that are easy to open, store, use, carry, and dispose, and that cater to their on-the-go lifestyles. This in turn is favoring product packaging that complements the modern lifestyle. With convenient packaging, on the go options can be utilized for wide range of products. Convenient packaging is not just limited to food and beverages, but finds growing applications ranging from healthy products complementing fit lifestyle choices to prescription and personal care items. Packaging convenience is a key purchasing motivator for consumers. It affects their preference towards a particular type or design of packaging and influences their behavior.

The flexible packaging products such as boil-in-the-bag, bake-in-the-carton, mix-in-the-pouch, and serve-from-the-tray are the major examples of flexible packaging products offered from consumer's point of view and avail the kind of convenience consumer require. Consumer packaged goods companies are responding to this demand by creating more snacking options that are smaller sized. Thus, the changing consumer lifestyle and consumption habit will drive the adoption of flexible packaging in several end user sectors such as food and beverages, pharmaceuticals, and home and personal care.

Key Trends for the flexible packaging industry in FY 2019-20 are:

Sustainability: Shifting demographics and consumer preferences are driving the demand for more sustainable solutions, in flexible packaging and far beyond. Negative publicity around ocean

gyres and plastic-filled beaches only add to the urgency to increase recyclability, curbside collection, sorting capabilities and finally innovation to increase demand for recyclable materials. Rigid-to-flexible conversion, with its huge sustainability benefits, has been a trend for some time now. Add to all of these the opportunities resulting from more cost-effective and technologically feasible recyclable packaging solutions available today, and sustainability is at the top of everyone's list.

The Quest for Cost-Cutting Alternatives: Flexible packaging is used in a wide variety of industries — most notably the food and beverage and pharmaceutical sectors, as well as any other field dealing with consumable or perishable items that have specific or unique needs. It's not hard to see why — just about every actor in these industries is on a constant quest to reduce overhead and cut down on ongoing expenses. Product packaging is an obvious place to begin.

Aside from providing more advanced features and greater utility, not to mention enhanced reusability, flexible product packages are also less resource-intensive to manufacture, which means concerned parties can easily reduce energy expenses. This is also a win for shipping and freight costs, since more flexible packages take up less space in vehicles than more rigid options.

In some cases, the fabrication process for flexible packaging can even be performed on-site, rather than trucking in more traditional packaging materials.

Higher Performance Needs for Premium Products: Part of the reason flexible packaging is catching on is that the material science world is always finding new ways to shrink the “gauge” of plastic films and other items relative to their strength. The idea is to pursue ever-thinner and ever-more economical materials that don't sacrifice tensile strength. But performance is of equal or even greater concern for certain types of premium or volatile products. Flexible packaging shines here as well.

Consider the rising popularity of “premium” organic food items and beverages, cosmetics, and baked goods that have fewer preservatives, synthetic chemicals, conflict materials, and other questionable additives. These products still must travel significant distances between the manufacturing facility and the end user, and that means companies must address the items' increased susceptibility to surrounding environments — which is unnecessary with more preservative-laden products — through clever packaging innovations.

To that end, flexible packaging pioneers are applying their materials and techniques to modified

atmosphere packaging (MAP). This type of packaging helps account for the higher rate of spoilage among organic and more natural products, increasing their shelf life and allowing them to survive transit in good condition. In the past, when a product required packaging with more robust barrier properties, glass and aluminum were the go-to packaging materials. Such materials are now being supplanted by advanced, reusable plastics and high-performance, bio-based films.

Consumer Time Sensitivity and Convenience: There's perhaps no force in industry more influential than consumer demand. And for decades now, people throughout the world have indicated their preference for more sustainable and convenient packaging. The higher demand for frozen, ready-to-cook meals is just one example of this. And the trend toward busier, more mobile lifestyles has brought about high demand for food products that are easy to carry, simple to open, and require little prep time. Demand for packaged produce is quickly outpacing demand for unpackaged produce. Pre-sliced and pre-prepared foods are driving demand for more cost-effective modified atmosphere packaging, which is further fueling demand for more flexible, advanced materials.

E-commerce: E-commerce is driving practically all retail growth and, in turn, its impact on flexible packaging. According a research conducted by Food Marketing Institute (FMI), (<https://www.fmi.org>), the online grocery market alone is expected to reach \$100 billion by 2022. These numbers translate to major opportunities for brands to secure market share through online sales, but it also means their packaging solutions must meet higher standards for product protection, durability and other performance factors.

E-commerce is vastly different from traditional, in-store retail sales, and so are the packaging requirements for each. Many flexible packaging solutions are designed to control important elements like moisture, air, temperature and light. Food pouches, for example, feature high-performance materials that safeguard and preserve perishables, resist the threat of tears and punctures, and offer tamper-proof options. There are also multiple options for shipping protection, including stretch wrap, poly mailer bags and protective air pillows.

Threats

The presence of large number of players in the market and entry of new entrants in the global flexible packaging market is projected to intensify the market competition. The market competition is seen on the basis of price, quality, services, and innovation. The leading players in the market putting efforts

by introducing innovative and bio-based packaging materials.

Conversely, some restraining factors that are projected to obstruct the growth of the flexible packaging market. One of the key factor is the use of multiple layer of various types of material are used that makes recycling difficult and is complicated procedure to deal with. In some of the cases plastic and metal are used together for flexible packaging which makes the recycling difficult, as plastic can be recycled in a much easy manner than metal. Moreover, the environmental norms and regulations are getting restrict day by day, which is also hindering the growth of flexible packaging market at the global level. To prevent themselves from being flagged by various stakeholders, flexible packaging companies have to account for designs that address environmental issues, end-of-life disposal, and reduction of greenhouse gas and water footprints. This could prove to be a costly process.

Flexible packaging companies not only have the pressure to innovate in their offerings but at the same time must also ensure that their products are designed to protect the packaged contents from the external environment. Choosing a packaging material that can survive factors such as sunlight, UV rays, high and low temperature, humidity, moisture, and rain is a herculean task. Also, the environmental conditions vary from region to region. Hence, to design and implement a packaging material that meets all these parameters is most likely to put flexible packaging companies in a big dilemma.

Further, Anti-plastics sentiment continues to rise, both in absolute numbers and relative to perceptions of alternative materials. Consumers are being exposed to media and publications showcasing the negative aspects of one-time-use plastics. Stringent government regulations regarding polymer and recyclability of packaging material may hinder the flexible packaging market growth

9. Future Outlook

Globally, the demand for flexible packaging has increased at a rapid rate, as it can be used for various purposes. Moreover, with advancements in packaging material and packaging technologies the demand in the flexible packaging has also grown at a significant rate. The demand for flexible packaging is also seen in various industries such as food and beverages, consumer goods, pharmaceuticals, and many others. Thus, the growing use of flexible packaging in different industries is projected to boost the demand for flexible packaging and expand the flexible packaging market.

According to "Global Flexible Packaging Market Forecast 2019-2027", the flexible packaging market

in terms of revenue is estimated to grow to \$325,391 million by 2027 at a CAGR of 4.48% between 2019 and 2027. Also, the flexible packaging market in terms of volume is estimated to grow to 29,856 kilotons by 2027 at a CAGR of 3.87% during the same period.. The key factors that are responsible for the market advancement are:

- Cost-effectiveness & increased shelf-life of the product
- Downsizing of packaging
- Rising demand from end-users

However, the growing e-commerce sales are subsequently creating the demand for safe packaging for the entire supply chain duration. Also, increasing demand from end users like food & beverages, healthcare, cosmetics & toiletries, e-commerce and others for products packaging is driving flexible packaging market growth. However, strict regulatory measures are some factors hindering the growth of the market. Replacement of conventional packaging by modern flexible packaging is providing ample growth opportunities in the coming future. (Source : <https://www.inkwoodresearch.com>).

The global Flexible packaging market by region has been segmented into North America, Europe, Asia-Pacific and Rest of the world. This market has seen a substantial growth over the past few years. Asia-Pacific has accounted the largest market for Flexible packaging market followed by Europe and North America. Asia-Pacific region is comprised of countries such as China, India, and Japan, which are the leading exporters of goods to various parts of the world. The increasing exports from these countries is leading to the growth of the flexible packaging market. The booming e-commerce market in the region is also contributing to the growth of the flexible packaging market. The e-commerce market is boosted by the increasing internet penetration.

Uflex Limited being a fully integrated end-to-end flexible packaging materials and solution company, the window of opportunity is promisingly big. Innovation to create value added differentiation; ability to execute any quantum of order; ensuring just in time delivery anywhere in the globe and an enviable speed to market reach to reap the first mover advantage puts the company in a good stead to further widen and embolden its business prospects in the coming years.

10. Internal Control System, their Adequacy and Operative Effectiveness

The Company has laid down internal financial controls. The policies and procedures adopted by the Company ensure orderly and efficient conduct of its business, safe-guarding of its assets, prevention

and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable information.

The Company has also laid down an adequate system for legal compliances. It has created appropriate structures with proper delegation of duties and responsibilities for employees at each level on enterprise basis which ensures proper adherence and compliance of such systems.

Both the Internal Financial Control and Enterprise Legal Compliance Systems are subject to review by the Management in respect of their adequacy and operational effectiveness. These systems in turn are also reviewed by the Internal Auditors, Statutory Auditors and the Audit Committee. Finally, the Board of Directors of the Company also reviews and takes note of them.

11. Risk Management

Risk is an integral part of business. Risk can be broadly categorized into two categories: (a) Risk Associated at Transactions Level; (b) Risk Associated at Decision Making Level.

Risks Associated at Transactions Level

The Company has formalized & documented a detailed Manual on Internal Financial Control covering each activity involving Financial and Operational transactions, the probable risk underlying those activities and the control tools to prevent such risks either through manual or automated process.

Similarly, the Company has also formalized & documented a detailed Manual on Legal Compliance System listing all applicable laws, defining of responsibility centres for necessary compliances thereof and the compliance tasks to be performed under each applicable laws.

As Management is primarily responsible for the designing, implementation, maintenance, adequacy, monitoring & control mechanism and the operating effectiveness of the Internal Financial Control & Legal Compliance Systems, the Company has created appropriate structures with proper delegation of duties and responsibilities of employees at each level on enterprise basis for the compliances thereof. They also review periodically the adequacy of the enterprise level Internal Financial Control and Legal Compliance System in view of changes in business environment, technological changes & regulatory & legal changes and also based on the suggestion by the Internal Auditor, Statutory Auditors & Audit Committee.

Both the Internal Financial Control and Legal Compliance System are subject to review by the

Internal Auditor on quarterly basis. They review the adherence, adequacy and effectiveness of the Internal Financial Control operating in the Company and Legal Compliances by the Company of the applicable laws. Based on their review they submit detailed reports covering their suggestions, recommendations & observations to the management and the Audit Committee.

The detailed Audit Reports of the Internal Auditors are reviewed by the Audit Committee comprehensively with the Management and the Internal Auditors. Based on their review, they make necessary directions if any to the Management and / or to the Internal Auditors for the actions / steps to be taken by them. The brief of the report is also given to the Board by the Chairman of the Audit Committee.

Risks Associated at Decision Making Level

All the Financial, Operational and Legal risks associated at transactions and operational levels are taken care through the above systems. In addition to these, there are other risks which arise during the course of decision making on strategic and corporate financial matters of the Company.

The Company has identified following nature of risks which may be associated with the decisions on Strategic & Corporate Financial matters of the Company.

- Political, Social and Economic Risks
- Market Risk
- Technology Selection Risk
- Capital Structuring Risk
- Exchange & Interest Rate Risk

The management of the Company evaluates the above risks before taking any decision on strategic & corporate financial matters. A detailed report is submitted by the management on these matters to the Audit Committee and the Board for their review.

On the basis of the aforesaid Risk Management Process followed by the Company the Risk Management Committee & Audit Committee review & evaluate in detail the establishment and adherence of the Company's Enterprise Risk Management System and also review & evaluate the adequacy and efficacy of the same.

The Board reviews the recommendation of the Audit Committee on the establishment, adherence, adequacy and efficacy of the Company's Enterprise Risk Management framework.

12. Company's Standalone and Consolidated Financial Performance & Analysis

Results of Operations

(Rs. in Crore)

Particulars	STANDALONE		CONSOLIDATED	
	Year ended 31-Mar-19 Amount	Year ended 31-Mar-18 Amount	Year ended 31-Mar-19 Amount	Year ended 31-Mar-18 Amount
INCOME				
Revenue from Operations	4220.97	3878.21	7957.22	6779.71
Other Income	21.55	16.35	20.71	19.98
Share in Profit of Associates for the Year	--	--	5.20	3.21
Share in (Loss) of Joint Venture for the Year	--	--	(8.33)	--
Total Income	4242.52	3894.56	7974.80	6822.91
EXPENDITURE				
Cost of Materials consumed	2700.53	2370.70	4897.68	4033.05
Purchase of Stock-in-Trade	13.30	18.22	13.30	48.16
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	0.63	(15.87)	(32.99)	(21.52)
Employee benefits expense	424.50	390.43	670.52	599.02
Other expenses	653.95	694.33	1449.73	1303.03
Expenses Allocated to Self Constructed Assets	(30.96)	(39.39)	(30.97)	(41.43)
Total Operating Expenses	3767.63	3418.42	6967.27	5921.31
EBIDT	480.57	476.15	1007.53	902.58

Segment-wise performance has been disclosed at Note No- 43 of the financial Statement

13. Significant Changes in Financial Ratios

During the year, on a consolidated basis there was no significant change in the financial ratios compared to the previous year. However, on a standalone basis, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

Financial Ratio	Standalone		Change (%)	Reason for change
	FY 2018-19	FY 2017-18		
Net Profit Margin	1.2%	2.7%	-54%	Due to increased employee benefits expenses, finance cost and depreciation of new projects
Return on Networth	2.4%	4.9%	-50%	Decrease in net profit due to low profitability

14. Human Resource Development/Industrial Relations

The Company's Human Resources (HR) philosophy has always been directed towards establishing and building a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken several

pragmatic steps for strengthening organizational competency through engagement and development of employees as well as installing effective systems for improving the productivity, quality and accountability at functional levels.

With the ever-changing and turbulent business scenario, the Company's basic focus is to upgrade the skillset and knowledge levels of the existing human assets by providing appropriate learning, training and development at all levels, motivating them to face the vagaries of business ecosystem in a VUCA world, inculcating the attitude for prompt and deft action and shouldering multifarious responsibilities demanded by the job.

The effort to rationalize and streamline the work force is a continuous process. The Company had 6664 permanent employees in Indian operations as on 31st March, 2019. The industrial relations scenario remained harmonious and conducive throughout FY 2018-19.

15. Environment, Occupational Health & Safety

Your Company is committed to conducting its operations with utmost concern towards the environment and ensuring a safe and healthy workplace for all employees. The collective endeavor of the Company's employees at all levels is directed towards sustaining and continuously improving standards of environment management, and occupational health & safety in an endeavor to meet and exceed international benchmarks.

Annexure - E
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019

[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 st 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 rd 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 have been stated:

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Flexible Packaging Material	22209 - Manufacture of other plastics products n.e.c.	91.23%

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	UFLEX EUROPE LIMITED SUITE 3, LEVEL 5, BERKELEY SQUARE, HOUSE, BERKELEY SQUARE, LONDON W1Y6BY, UK	Foreign Company	Subsidiary	100%	2(87)
3	UFLEX PACKAGING INC. 2115 LINWOOD AVENUE SUITE # 410 FORT LEE, NJ 07024	Foreign Company	Subsidiary	100%	2(87)
4	UPET HOLDINGS LIMITED C/O INTERNATIONAL MANAGEMENT (MAURITIUS) LTD, LES CASCADES BUILDING, EDITH CAVELL STREET, PORT LOUIS, MAURITIUS	Foreign Company	Subsidiary	100%	2(87)
5	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)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
6	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)
7	FLEX FILMS (USA) INC. 1221, NORTH BLACK BRANCH ROAD, ELIZABETHTOWN, KY 42701	Foreign Company	Subsidiary	100%	2(87)
8	FLEX FILMS EUROPA SP. ZO.O. PO. BOX 62 300 WRZESNIA UL. GEN. WLADYSLAWA SIKORSKIEGO 48, POLAND	Foreign Company	Subsidiary	100%	2(87)
9	UPET (SINGAPORE) PTE. LIMITED 10, JALAN BESAR, 10-12 SIM LIM TOWER, SINGAPORE 208787	Foreign Company	Subsidiary	100%	2(87)
10	FLEX FILMS AFRICA PRIVATE LIMITED PLOT E1, LIGALI AYORINDE STREET VICTORIA ISLAND, LAGOS, NIGERIA (w.e.f. - 11 th May, 2018)	Foreign Company	Subsidiary	100%	2(87)
11	DIGICYL PTE LIMITED 10, JALAN BESAR, #10-03 SIM LIM TOWER, SINGAPORE 208787 w.e.f. - 28 th June, 2018	Foreign Company	Joint Venture	50%	2(6)
12	DIGICYL LIMITED MINISTER SHAPIRA MOSHE 4, RISHON LEZION ZIP CODE 7570406 ISRAEL (w.e.f. - 18 th July, 2018)	Foreign Company	Joint Venture	100%	2(6)
13	FLEX CHEMICALS PRIVATE LIMITED RUSSIA, 107031, MOSCOW, ROGDESTVENKA STREET, 5/7, BUILDING 2, 3 RD FLOOR, OFFICE QUARTERS V, ROOM 4, OFFICE 65 (w.e.f. - 9 th August, 2018)	Foreign Company	Subsidiary	100%	2(87)
14	FLEX FILMS RUS, LLC RUSSIA, MOSCOW REGION, SHMATOVO VILLAGE, INDUSTRIALNAJA STREET. POSS. 4, BUILD 1, (w.e.f. - 23 rd November, 2018)	Foreign Company	Subsidiary	100%	2(87)
15	FLEX FILMS EUROPA KORLATOLT FELEOSSEGU TARSASAG 1051 BUDAPEST, JOZSEF ATTILA UTCA 1. 3. EM. 1A. HUNGARY (w.e.f. - 2 nd August, 2018)	Foreign Company	Subsidiary	100%	2(87)
16	UTECH DEVELOPERS LIMITED 305, 3RD FLOOR, BHANOT CORNER PAMPOSH ENCLAVE, GREATER KAILASH - I, NEW DELHI - 110 048	U45200DL2006PLC156675	Subsidiary	100%	2(87)
17	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)
18	SD BUILDWELL (P) LIMITED 305, 3RD FLOOR, BHANOT CORNER PAMPOSH ENCLAVE, GREATER KAILASH - I, NEW DELHI - 110 048	U45400DL2008PTC174387	Subsidiary	100%	2(87)
19	FLEX FOODS LIMITED LAL TAPPAR INDUSTRIAL AREA, PO-RESHAM MAJRI, HARIDWAR ROAD, DEHRADUN, UTTARAKHAND	L15133UR1990PLC023970	Associate	47.15%	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 end of the Year				% Change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
(A) Promoter and Promoter Group									
(1) Indian									
(a) Individuals / Hindu Undivided Family	2321729	--	2321729	3.22	2321729	--	2321729	3.22	--
(b) Central Government / State Government(s)	--	--	--	--	--	--	--	--	--
(c) Bodies Corporate	29462110	500	29462610	40.80	29462110	400	29462510	40.80	---
(d) Financial Institutions / Banks	--	--	--	--	--	--	--	--	--
(e) Any Other (specify)	--	--	--	--	--	--	--	--	--
Sub - Total (A)(1)	31783839	500	31784339	44.02	31783839	400	31784239	44.02	0.00
(2) Foreign									
(a) Individuals (Non- Resident Individuals / Foreign Individuals)	--	--	--	--	--	--	--	--	--
(b) Bodies Corporate	--	--	--	--	--	--	--	--	--
(c) Institutions	--	--	--	--	--	--	--	--	--
(d) Qualified Foreign Investor	--	--	--	--	--	--	--	--	--
(e) Any Other (specify)	--	--	--	--	--	--	--	--	--
Sub - Total (A)(2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	31783839	500	31784339	44.02	31783839	400	31784239	44.02	---
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds/ UTI	238094	20330	258424	0.36	165025	7392	172417	0.24	-0.12
(b) Banks/Financial Institutions	1153647	542	1154189	1.60	114112	442	114554	0.16	-1.44
(c) Central Government	--	--	--	--	--	--	--	--	--
(d) State Government(s)	--	--	--	--	--	--	--	--	--
(e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
(f) Insurance Companies	--	--	--	--	1083805	--	1083805	1.50	1.50
(g) Foreign Institutional Investors	8422330	22904	8445234	11.70	4660172	19604	4679776	6.48	-5.21
(h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
(i) Any Other (specify)	--	--	--	--	--	--	--	--	--
Sub - Total (B)(1)	9814071	43776	9857847	13.65	6023114	27438	6050552	8.38	-5.27
(2) Non-Institutions									
(a) Bodies Corporate									
(i) Indian	7288277	9866	7298143	10.11	10412035	7404	10419439	14.43	4.32
(ii) Overseas	--	--	--	--	--	--	--	--	--
(b) Individuals-									
i. Individual Shareholders holding Nominal Share Capital upto Rs.1 lakh	7855447	527708	8383155	11.61	8329854	440829	8770683	12.15	0.54
ii. Individual Shareholders holding nominal Share Capital in excess of Rs.1 lakh	5498661	14900	5513561	7.64	5576606	14900	5591506	7.74	0.11
(c) Any Other (specify) - NRIs	3842139	--	3842139	5.32	4041755	--	4041755	5.60	0.28

Category of Shareholder	No. of Shares held at the beginning of the Year				No. of Shares held at end of the Year				% Change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
- Foreign Bodies Corporate	5465840	--	5465840	7.57	5465840	--	5465840	7.57	0.00
- Clearing Members (in Transit Position)	66462	--	66462	0.09	87472	--	87472	0.12	0.03
Sub - Total (B)(2)	30016826	552474	30569300	42.33	33913562	463133	34376695	47.61	5.27
Total Public Shareholding (B) = (B)(1)+(B)(2)	39830897	596250	40427147	55.98	39936676	490571	40427247	55.98	0.00
(C) Shares held by Custodians for GDRs & ADRs	--	--	--	--	--	--	--	--	--
GRAND TOTAL (A)+(B)+(C)	71614736	596750	72211486	100.00	71720515	490971	72211486	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding 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	1.68	--
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	2.52	--
6	Ashok Kumar Chaturvedi (Karta)	1694051	2.35	--	1694051	2.35	--	--
7	Anant Overseas Pvt Ltd	1000000	1.38	--	1000000	1.38	--	--
8	Ashok Chaturvedi	502533	0.70	--	502533	0.70	--	--
9	Rashmi Chaturvedi	125145	0.17	--	125145	0.17	--	--
10	A.L. Consultants Pvt Ltd	355486	0.49	--	355486	0.49	--	--
11	Magic Consultants Pvt Ltd	41878	0.06	--	41778*	0.06	--	0.00
Total		31784339	44.02	--	31784239	44.02	4.20	0.00

*100 shares out of 500 shares held by Magic Consultants Private Limited (Promoter Group) in physical mode which were sold in physical mode long back have been transferred to public shareholder on 11th March, 2019.

(iii) Change in Promoters' Shareholding

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	31784339	44.02	31784339	44.02
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	(-) 100*	(-) 0.00
At the End of the year		31784339	44.02	31784239	44.02

*100 shares out of 500 shares held by Magic Consultants Private Limited (Promoter Group) in physical mode which were sold in physical mode long back have been transferred to public shareholder on 11th March, 2019.

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

For Each of the Top 10 Shareholder		Shareholding at the beginning of the year		Shareholding at the end of the year	
Sl. No.	Name	No of shares at the beginning of the year (01/04/2018)	% of total Shares of the company	No of shares at the end of the year (31/03/2019)	% of total Shares of the company
1	KEBALE TRADING COMPANY LIMITED	5465840	7.57	5465840	7.57
2	IL AND FS TRUST CO LTD	1268556	1.76	3981085	5.51
3	MONTAGE ENTERPRISES PRIVATE LIMITED	2468288	3.42	2966844	4.11
4	DILIPKUMAR LAKHI	2022519	2.80	2014282	2.79
5	KESWANI HARESH	1926004	2.67	1120719	1.55
6	LIFE INSURANCE CORPORATION OF INDIA	1083805	1.50	1083805	1.50
7	HARESH TIKAMDAS KESWANI	--	--	1000000	1.38
8	RICKY ISHWARDAS KIRPALANI	698544	0.97	698554	0.97
9	RICKY ISHWARDAS KIRPALANI	500000	0.69	500000	0.69
10	SOYUZ TRADING COMPANY LIMITED	--	--	489757	0.68
11	OLD MUTUAL GLOBAL INVESTORS SERIES PUBLIC LIMITED COMPANY	893447	1.24	--	--
12	KOTHARI PRODUCTS LIMITED	492056	0.68	--	--

(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 at the beginning of the year	% of total Shares of the company	No. of Shares	% of total Shares of the company
Mr. Ashok Chaturvedi					
1	At the beginning of the year	502533	0.70	502533	0.70
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	--	--	--	--
3	At the End of the year	502533	0.70	502533	0.70
Mr. A. Karati					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--
Mr. Amitava Ray					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--
Mr Tara Sankar Bhattacharya					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--
Mrs. Indu Liberhan					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year	% of total Shares of the company	No. of Shares	% of total Shares of the company
Mr. Arvind Mahajan					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--
Mr. Pradeep Narendra Poddar					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--
Mr. Anish Babu Venugopal					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--
Mr. Rajesh Bhatia					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--
Mr. Ajay Krishna					
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the End of the year	--	--	--	--

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
Indebtedness at the beginning of the financial year				
I) Principal Amount	119,408.79	22,936.08	-	142,344.87
II) Interest due but not paid	-	-	-	-
III) Interest accrued but not due	393.22	65.60	-	458.82
Total (I + II + III)	119,802.01	23,001.68	-	142,803.69
Change in Indebtedness during the financial year				
• Addition	19,517.31	16,789.98	-	36,307.29
• Reduction	18,769.94	18,839.33	-	37,609.27
Net Change	747.37	(2,049.35)	-	(1,301.98)
Indebtedness at the end of the financial year				
i) Principal Amount	120,156.16	20,886.73	-	141,042.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	77.79	179.49	-	257.28
Total (i + ii + iii)	120,233.95	21,066.22	-	141,300.17

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. Amitava Ray Whole-time Director	Total Amount
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	410.96	231.22	642.18
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	23.07	--	23.07
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission (Payable)	--	--	--
5.	Others			
	- Medical Reimbursement and Contribution to Provident Fund etc.	0.95	--	0.95
	Total (A)	434.98	231.22	666.20
	Ceiling as per the Act	481.03	481.03	962.06

B. Remuneration to other Directors:

1. Independent Directors

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. A. Karati	Mrs. Indu Liberhan	Mr. Tara Sankar Bhattacharya	Mr. Arvind Mahajan	Mr. Pradeep Narendra Poddar	
1.	• Fee for attending board / committee meetings	9.50	8.50	3.50	3.50	3.50	28.50
	• Commission	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--
	Total B(1)	9.50	8.50	3.50	3.00	3.50	28.50

2. Other Non-Executive Director

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Mr. Anish Babu Venugopal, Nominee – IFCI	
1.	• Fee for attending board / committee meetings	0.50	0.50
	• Commission		
	• Others, please specify		
	Total B(2)	0.50	0.50
	Total (B) = (1+2)		29.00
	Total Managerial Remuneration		695.20
	Overall Ceiling as per the Act		1058.27

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

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Rajesh Bhatia, 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	232.01	81.29	313.30
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.11	0.11	0.22
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission	--	--	--
5.	Others			
	- Medical Reimbursement and Contribution to Provident Fund	--	--	--
Total		232.12	81.40	313.52

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE – F

PARTICULARS OF REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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 Director	Ratio to Median Remuneration
Mr. A. Karati	2.54
Mrs. Indu Liberhan	2.27
Mr. Tara Sankar Bhattacharya	0.93
Mr. Arvind Mahajan	0.93
Mr. Pradeep Narendra Poddar	0.93
Mr. Anish Babu Venugopal	0.13
Executive Director	
Mr. Ashok Chaturvedi	116.11
Mr. Amitava Ray	61.72

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

Name of Person	% increase in Remuneration
Non-Executive Director	
Mr. A. Karati	11.76%
Mrs. Indu Liberhan	21.43%
Mr. Tara Sankar Bhattacharya	-
Mr. Arvind Mahajan	16.67%
Mr. Pradeep Narendra Poddar	-
Mr. Anish Babu Venugopal	-50.00%
Executive Director	
Mr. Ashok Chaturvedi (M.D.)	-27.97%
Mr. Amitava Ray (Whole Time Director)	1.35%
Key Managerial Personnel (KMP)	
Mr. Rajesh Bhatia (CFO)*	35.87%
Mr. Ajay Krishna (Company Secretary)	3.57%

* Mr. Rajesh Bhatia was appointed in the mid of financial year 2017-18. Accordingly, the percentage increase in remuneration has been calculated on the basis of total remuneration received by him during 2017-18 (part of the year).

- (c) **The percentage increase in the median remuneration of employees in the financial year:** 14.53%

- (d) **The number of permanent employees on the rolls of company**

As on 31.03.2019 employees are 6664, however the data taken for calculation of median remuneration of the employee is 7053.

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

Average increase in salary of employees in 2018-19 was approximately 9.00%. Percentage increase in the managerial remuneration for the year was (-)19.93%

- (f) **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 : 27th May, 2019

DIN 00023452

ANNEXURE 'G' TO DIRECTORS' REPORT

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 is a critical input for economic development and the development experience all over the world is associated with a massive increase in energy requirement. In an effort to meet the demands of a developing nation, the energy sector has witnessed a rapid growth. It is important to note that non-renewable resources are significantly depleted by human use, whereas renewable resources are produced by ongoing processes that can sustain indefinite human exploitation.

Accordingly, in order to maintain a quality of life, it is important that we use our energy resources wisely. For the countries like India, energy conservation would be especially important since we spend large amounts of valuable foreign currency on fuel imports. Few hard facts on why energy conservation is a must are outlined below:

- We use energy faster than it can be produced – coal, oil and natural gas – the most utilized sources take thousands of years for formation.
- Energy resources are limited – India has approximately 1% of world's energy resources but it has 16% of world population.
- Most of the energy sources we use cannot be reused and renewed – Non renewable energy sources constitute 80% of the fuel use. It is said that our energy resources may last only for another 40 years or so.
- Energy saved is energy generated – when we save one unit of energy, it is equivalent to 2 units of energy produced.
- Save energy to reduce pollution – energy production and its usage account for larger proportion of air pollution and more than 83% of greenhouse gas emissions.

At Uflex, we view energy as the wave of future & moving towards energy sustainability and Uflex is striving towards sustainable operations since many years. In recent years, one of the prime focus was on Energy conservation and efficiency improvement. To make this a continuous and sustainable journey, Uflex has put in place an "Energy Management System" to measure, analyze, plan, implement and control the various initiatives/ action plans towards better energy performance and the said system is certified with ISO 50001: 2011.

The below mentioned are some of the steps which have been undertaken by Uflex during the year 2018-19,

(a) Energy conservation measures taken

1. Installation of Pyrolysis Plant :

The Company have installed and commissioned Pyrolysis Plant in order to Recycle waste of laminates, Metalized PET and BOPP Films. This plant will convert the plastic waste into Oil and Hydrocarbon Gas, which is being used in house.

2. Installation of VFD Chillers & Compressor:

The Company have installed a new 400 TR VFD Chillers and compressor, which after commissioning has resulted in saving of 500 kwh of power on daily basis ie savings of around Rs 14 Lacs annually.

3. Waste Heat Recovery

In order to tap waste heat recovery from the Exhaust of Gas Engines, the Company have installed 720 TR VAM Chiller. With the installation of this VAM Chiller, it has resulted into savings of 470 KW chiller compressor power resulting into annual saving of Rs 210 Lac.

4. Installation of Auto Tube Cleaning System on Chillers

The Company have installed 05 Nos of Auto tube cleaning system in order to minimize the approach of Condenser water in the Chillers. This has resulted in savings of about 1.5% Power consumed by Chillers.

5. Installation of STP

The Company have installed 50 KL per day sewage treatment plant and the water from the STP is used for Gardening and other cleaning purposes, resulting into conservation of water.

Apart from the above, the Company have undertaken the below mentioned measures during the year 2018-2019:

- a. Process optimization by reducing batch cycle time of ink, and other products resulting energy consumption reduction up to 81891 kwh/annum.
- b. Process optimization by reducing batch cycle time of adhesive, and other products

resulting energy consumption reduction up to 23313 kwh/annum of electricity and 20625 scm/annum of PNG.

- c. Process change and utility revamp using high efficiency Chiller for Ink plant result in saving of power consumption up to 232683 kwh/annum.
 - d. Optimization and automation of compressed Air and cooling tower fan result in saving of power consumption up to 62805 kwh/annum.
 - e. Installation of variable frequency drive in ETP blower and Air Handling unit result in saving of power consumption up to 29962 Kwh/annum
 - f. Optimizing the number of grinding passes, bead size reduction, and increasing concentration result in power saving up to 29344 Kwh/annum.
 - g. Extensive external agency/ expert audits throughout the year for energy efficiency improvement and consumption reduction
 - h. Machining Process optimization resulting energy consumption reduction.
 - i. Replacement of all conventional high wattage boundary and plant lighting with LED.
 - j. Replacement of old high energy intensive AHU fans and motors with new high efficiency low power cooling system.
 - k. Level controller installed in water tanks to avoid overflow and reduce unnecessary pump operation.
 - l. Compressed air line installed with polished aluminium pipes for easy flow, less pressure loss resulting in reduction in compressor on time.
 - m. Recycling (E.T.P) of water in Paint shops.
 - n. Water meter installed to control ground water.
 - o. 40 watt tube light replaced by 18 watt. LED.
- (b) Future Proposals for Energy Conservation**
1. We are planning to install 01 Nos VAM in order to tap waste heat energy and generate 1000 TR cooling effect.
 2. We are in the process of installing 8 M.W. natural gas based power plant in order to cater the fluctuating demand of Plant and improve captive generation.
3. We are developing new age Vertical Standing Air Handling units in order to replace the conventional air handling units, to eliminate ducting part of the system.
 4. We have identified few locations where AHU cooling can be replaced with Air washers. This can help us in saving of around 500 TR chilled water cooling.
 5. We are in process of identifying the variable loads in the plant in order to install VFD to save on power.
 6. We are planning for energy audits to identify the areas for improvement.
 7. We are planning to replace conventional motors with energy efficient motors.
 8. We are planning to start special drive to review our existing Insulation on the pipes/ ducts.
 9. We are working on ground water re-charge so that rain water can be used for water harvesting.
 10. Making underground Tank to utilize water supply from Noida Authority
 11. Exploring possibility of Installing Solar Panel for Power Generation
 12. When purchasing New Motor Instruction given to user for Energy Efficient Motor
 13. New Air Conditioner to be purchased Inverter Type
 14. Old Electric Oven to be replaced by PNG fired burner
 15. Power Coding Scrubber to be cleaned on monthly basis in Paint Shop.
 16. Electro Magnetic Meter to be used / fixed with In-line Filter instead of Manual Meter.
 17. Flow meter to be installed in Pneumatic Line.
 18. Installation of Energy Efficient Meters in place of Low Energy Efficient Motor
 19. In Boiler, PNG Operated Burner to be used instead of Fuel Diesel Operated
 20. In Burners, Paint Shop, PNG Burner to be used instead of Fuel Diesel Operated
 21. Recycling (E.T.P) of water in Toilets
- (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.

(d) The steps taken by the Company for utilizing alternate source of Energy

During the year Company has not taken any step for utilizing alternate source of Energy.

(e) The Capital Investments on energy conservation equipment

We have made capital investments of about Rs. 634.35 lacs during the financial year 2018-19.

B. TECHNOLOGY ABSORPTION

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

1. The Company has carried out R&D in multiple products, processes and technologies.
2. Benefits derived as a result of the above R&D are Product improvements in terms of quality and quantity, conversion cost reduction, import substitution, widening the product range etc. 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 as well as international markets, with concurrent commitment to improve quality and productivity.
3. Future plan of action: Steps are continuously being taken towards innovation and renovation of products including new product development and enhancement of product quality/profile, to offer better products to customers.
4. Expenditure on R&D:

During the year, the Company spent Rs. 77.85 lac. This is equivalent to 0.0183% of the turnover.

Technology absorption, adaptation & innovation

1. Efforts 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 are the major benefits.

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 our 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 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 products to different markets.

2. During the period under review:

(Rs. in Crores)

a)	Earnings in Foreign Exchange	
i)	F.O.B. value of export of manufactured/ Stock in Trade	536.35
ii)	Sales of Services	0.70
iii)	Technical Support Fees	54.41
vi)	Commission for extension of Corporate Guarantee for Subsidiaries	2.01
v)	Dividend	3.79
b)	Expenditure	
i)	CIF Value of Imports	715.29
ii)	Expenditure in Foreign Currency	23.50

For & On behalf of the Board

Ashok Chaturvedi

Place : NOIDA Chairman & Managing Director

Dated : 27th May, 2019 DIN: 00023452

ANNEXURE - H
SECRETARIAL COMPLIANCE REPORT OF UFLEX LIMITED FOR THE YEAR
ENDED 31ST MARCH, 2019

I, **Mahesh Kumar Gupta**, have examined:

- a) all the documents and records made available to me and explanation provided by **Uflex Limited** ("the Listed Entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this clarification, **for the year ended 31st March, 2019** ("Review Period") in respect of compliance with the provisions of:
 - a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - b) the Securities Contracts (Regulations) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable as the Company did not issue any securities during the year under review**
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 & Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable as the Company has not bought back any of its securities during the year under review**
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **Not applicable as the Company has not granted any Options to its employees during the year under review**
- f) 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 year under review**
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **Not applicable as the Company has not issued any Non-Convertible and Redeemable Preference Shares during the year under review**
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

And circulars/ guidelines issued thereunder;

And based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ Circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NIL			

CIN: L74899DL1988PLC032166

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder is so far as it appears from my examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
NIL				

- d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended....	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
This being the first report, hence the Clause is not applicable.				

Place: Delhi
Date: 27th May, 2019

**For Mahesh Gupta & Company
Company Secretaries**

**Mahesh Kumar Gupta
FCS No.: 2870
C.P. No.: 1999**

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF UFLEX LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Uflex Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Cash Flow Statement for the year then ended, notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone Financial Statements”).

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 Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated, vide this report:

Key Audit Matter	Auditor’s Response
Adoption of “Revenue from contracts with Customers” (‘Ind AS 115’)	<p>Our audit procedures on adoption of “Revenue from contracts with Customers” (‘Ind AS 115’), which is the new revenue Accounting Standard, replacing the old corresponding applicable Accounting Standard on “Revenue” (Ind AS 18), includes the following, <i>inter-alia</i>:</p> <ul style="list-style-type: none"> • Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard; • Evaluated the detailed analysis performed by those charged with governance and those acting on their directions, on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current year in respect of those revenue streams; • Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures. • Evaluated the revenue recognized criteria based on the contract entered with customers. • Evaluated the treatment accorded and disclosures by the company for sales returns, trade discounts, rate differences, volume rebates and other factors, having bearing on revenue recognition.

<p>Valuation of Inventory Raw Material, Work-in-Progress and Finished Goods</p>	<p>Audit Procedure adopted, includes the following, <i>inter-alia</i>:</p> <ul style="list-style-type: none"> • Evaluated the design and implementation of process and internal controls laid down by the company for valuation of WIP and Finished goods at lower of cost based on weighted average method or net realizable value and also tested the operating effectiveness of the aforesaid controls. • Evaluated the design and implementation of internal controls laid down by the company for valuation of raw material, at lower of cost based on FIFO method or net realizable value and also tested the operating effectiveness of the aforesaid controls. • Evaluated the design and implementation of internal controls laid down by the company for identifying Net Realisable Value of finished goods and work-in-progress, by verifying the contract with customers where applicable or subsequent selling price. • Evaluated the design and implementation of internal controls laid down by the company for identifying Net Realisable Value of Raw Material, with reference to subsequent landed cost. • Analysed all fixed and variable overheads, considered for valuation of Finished Goods and Work-in-Progress. • Compared the subsequent realization on sample basis to assess the reasonableness of the net realizable value that was estimated and considered by the management. • Compared the actual costs based on the subsequent sale transaction to assess the reasonableness of the cost to sell that was estimated and considered by the management. • Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. • Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.
<p>Export Benefits and GST Benefits</p>	<p>Audit Procedures adopted, includes the following, <i>inter-alia</i>:</p> <ul style="list-style-type: none"> • Evaluated the design and implementation of process and internal controls laid down by the company for ensuring timely and accurate booking of Export Benefits and GST Benefits in the books of accounts. • Compared the Export Benefits booked on eligible export sales, in accordance with current Foreign Trade Policy and respective Schemes, documents filed with the authorities and actual benefits received. • Evaluated the controls laid down by the company for ensuring timely reversal of export benefits, with interest, if applicable, on return of export sales or non-receipt of remittances, within time prescribed. • In respect of GST Refund, available to manufacturing units of the Company at Jammu, compared the GST refund booked, with applicable Scheme(s), claim filed with the GST Authorities and actual claim/ reimbursement, subsequently received by the Company. • Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the, information included in the Board's Report including Annexures to the Board's Report, viz. Report on Corporate Governance, Management Discussion and Analysis, Corporate Social Responsibility Report and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 judgments 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in

a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 purposes of our audit.
 - b) In our opinion, proper books of account 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 including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, as amended 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 Standalone Financial Statements- Refer Note No. 33 A & 33 C to the Standalone Financial Statements;
- ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses and;
- 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 **KAAP & Associates,**
Chartered Accountants
ICAI Firm's Regn. No.: 019416N

CA. Deepak Sehgal
Partner

Membership No. 085391

Place : NOIDA,
Date : May 27, 2019

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our report to the members of Uflex Ltd. ("the Company"), of even date)

1. In respect of Fixed Assets (Property, Plant and Equipment, Capital Work in Progress, Investment Property and Other Intangible Assets, including those under development) 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 and no material discrepancies were noticed on such physical verification;
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except in respect of two residential flats aggregating to Rs. 25.15 lacs (original acquisition cost).
2. The inventory has been physically verified during the year by the management, at reasonable intervals and the discrepancies noticed on such physical verification of inventory, as compared to book records were not significant and were properly dealt with in the books of account.
3. In respect of interest-bearing unsecured loan granted, during the year, by the Company to one of the Indian Subsidiary and an overseas Jointly Controlled Entity, covered in the register maintained under Section 189 of the Companies Act, 2013:
 - a) In our opinion and according to the information given to us, the terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company.
 - b) The terms for repayment of principal and payment of interest have been stipulated; however, repayments of principal amount and interest has not started till the date of the Balance Sheet, as per the stipulated terms.
 - c) There is no overdue amount, in respect of both principal and interest.

Further, in respect of unsecured loan granted, to one of the Indian Subsidiary, as referred above, outstanding at the beginning of the year, re-payments were made, as per stipulated terms and the same was squared-off during the year.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made and guarantees given.
5. The Company has not accepted any deposits, under the provisions of Sections 73 to 76 or any other relevant provisions of the Act, and the rules framed there under during the year under report.

6. We have broadly reviewed the cost records maintained by the Company under Section 148(1) of the Act and are of the opinion that prima- facie the prescribed records have been made and maintained.
7. In respect of Statutory dues:
- According to the records of the Company, undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Custom Duty, Goods and Service Tax (GST), Cess and other applicable statutory dues have been generally deposited regularly with the appropriate authorities.
 - According to the information and explanation given to us, there are no dues of custom duty, 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:

Name of Statute	Nature of Dues	Amount (Rs. in lacs)	Period (FY, unless specified otherwise)	Forum where dispute is pending
The Central Sales Tax Act, 1956 and concerned Value Added Tax laws	Sales tax and VAT	775.20	2008-09, 2010-11	High Courts
		206.68	2000-01, 2002-03, 2009-10, 2011-12, 2012-13, 2013-14, 2015-16	Tribunal
		49.62	2014-15	Appellate Authority
		311.92	2014-15, 2015-16	Deputy Commissioner Appeal
		104.70	2014-15, 2015-16	Assessing Authorities
Total		1448.12		
The Income-tax Act, 1961	Income-tax	80.31	AY 2002-03, AY 2003-04	High Court
		697.90	AY 2004-05, AY 2005-06, AY 2006-07, AY 2007-08, AY 2011-12, AY 2012-13, AY 2013-14	ITAT
		68.31	AY 2016-17	CIT(A)
		106.94	AY 2017-18	Assessing Authorities
Total		953.46		
The Central Excise Act, 1944	Excise Duty	142.55	1996-97, 1997-98, 1998-99, 2006-07	Supreme Court
		123.32	1997-98, 1998-99, 2000-01, 2005-06	High Courts
		3052.49	2005-06, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16	Tribunal
		2225.42	1997-98, 1998-99, 2004-05, 2006-07, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17	Commissioner (Appeals)
		361.29	1997-98, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17	AC/DC/JC/ADC
Total		5905.07		
The Finance Act, 1994	Service Tax	54.86	2006-07	Commissioner (Appeals)
		6.34	2006-07	AC/DC
Total		61.20		
Laws on Good and Service Tax	Goods and Service Tax	12.60	2018-19	Assessing Authorities

8. 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 loans or borrowings to banks. Further, the Company, does not have any loans and borrowings from financial institutions or government and has not issued any debentures.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans raised during the year have been applied for the same purpose for which the loans were obtained.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements, as required by the applicable Ind AS.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **KAAP & Associates,**
Chartered Accountants
ICAI Firm's Regn. No.: 019416N

CA. Deepak Sehgal
Partner

Membership No. 085391

Place : NOIDA,
Date : May 27, 2019

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Uflex Ltd. ("the Company") of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-Section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Uflex Limited ('the Company') as of March 31, 2019, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" (the 'Guidance Note'), issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of Internal Financial Controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with the Ind AS and other accounting principles generally accepted in India. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with the Ind AS and other accounting principles generally accepted in India and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **KAAP & Associates**,
Chartered Accountants
ICAI Firm's Regn. No.: 019416N

Place : NOIDA,
Date : May 27, 2019

CA. Deepak Sehgal
Partner
Membership No. 085391

BALANCE SHEET AS AT 31ST MARCH 2019

				(Rs. in Lacs)		
		Note No.	As At 31st March 2019	As At 31st March 2018		
I ASSETS						
Non-Current Assets						
a)	Property, Plant and Equipment	2A	190853.38	192424.69		
b)	Capital Work-in-Progress		17283.87	16543.93		
c)	Investment Property	2B	1464.95	1586.61		
d)	Other Intangible assets	2C	4347.51	3071.05		
e)	Intangible assets under development		20.30	866.00		
f)	Financial Assets					
i)	Investments	3A	37446.59	37296.49		
ii)	Pledged Equity Instruments	3B	-	4191.44		
iii)	Loans	4	1848.82	2048.01		
iv)	Other Non-Current Financial Assets	5	29.28	4.83		
g)	Other Non-Current Assets	6	5307.21	5796.92		
Total Non-Current Assets			258601.91	263829.97		
Current assets						
a)	Inventories	7	38750.53	40645.76		
b)	Financial Assets					
i)	Trade receivables	8	118795.59	112865.95		
ii)	Cash and cash equivalents	9A	7432.08	6169.91		
iii)	Bank Balances other than (ii) above	9B	1094.57	2483.16		
iv)	Loans	10	1302.88	1125.00		
v)	Other Financial Assets	11	190.74	300.26		
c)	Other Current Assets	12	14200.44	15347.16		
Total Current Assets			181766.83	178937.20		
TOTAL ASSETS			440368.74	442767.17		
II EQUITY AND LIABILITIES						
Equity						
a)	Equity Share Capital	13	7221.15	7221.15		
b)	Other Equity	14	207282.01	204581.97		
Total Equity			214503.16	211803.12		
Liabilities						
Non-Current Liabilities						
a)	Financial Liabilities					
i)	Borrowings	15	72033.96	79635.07		
ii)	Other Financial Liabilities	16	1105.27	1005.87		
b)	Provisions	17	1338.44	1136.21		
c)	Deferred Tax Liabilities (Net)	18	5936.33	5138.76		
Total Non-Current Liabilities			80414.00	86915.91		
Current Liabilities						
a)	Financial Liabilities					
i)	Borrowings	19	41334.20	43918.21		
ii)	Trade payables	20				
	- Total outstanding dues of Micro, Small & Medium enterprises		778.94	683.03		
	- Total outstanding dues of creditors other than Micro, Small & Medium enterprises		62989.65	67626.83		
iii)	Other Financial Liabilities	21	32894.54	25638.01		
b)	Other current Liabilities	22	5563.44	5246.95		
c)	Provisions	23	1795.79	935.11		
d)	Current Tax Liabilities (Net)	24	95.02	-		
Total Current Liabilities			145451.58	144048.14		
TOTAL EQUITY AND LIABILITIES			440368.74	442767.17		

The accompanying Notes from S.No. 1 to 47 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

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

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Note No.	(Rs. in Lacs)	
		For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
INCOME:			
Revenue from Operations			
Gross Revenue from Sale of Products & Services	25 (A)	452762.19	425065.99
Less : Inter unit Revenue from Sale of Products & Services		42820.65	48431.29
Net Revenue from Sale of Products & Services		409941.54	376634.70
Other Operating Income	25 (B)	12155.17	11186.52
Revenue from Operations		422096.71	387821.22
Other Income	26	2155.01	1635.17
Total Income		424251.72	389456.39
EXPENSES:			
Cost of materials consumed	27	270052.86	237069.35
Purchase of Stock-in-Trade		1329.56	1822.06
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	63.16	(1586.55)
Employee benefits expense	29	42450.46	39043.01
Finance costs	30	16794.08	14421.54
Depreciation and amortization expense		23993.29	22128.27
Other expenses	31	65394.90	69432.98
Expenses Allocated to Self Constructed Assets	32	(3096.47)	(3939.11)
Total Expenses		416981.84	378391.55
Profit Before Tax		7269.88	11064.84
Less / (Add) : Tax expense:			
- Current tax		1514.00	2366.00
- Deferred tax		797.57	(1347.59)
- (Excess) Provision of Income Tax for earlier years		(207.83)	(45.68)
Profit for the year		5166.14	10092.11
Other Comprehensive Income			
<i>Items that will not be reclassified subsequently to Profit or Loss</i>			
Remeasurement of the net defined benefit liability / asset		(302.58)	(194.22)
Fair Value Changes/ Realised of / on Equity Instruments		(45.42)	767.62
Income tax relating to items that will not be reclassified subsequently to Profit & Loss		(377.00)	-
Total (Net of Tax)		(725.00)	573.40
Total Comprehensive Income for the Year		4441.14	10665.51
Earning Per Equity Share			
a) Basic (Rs.)		7.15	13.98
b) Diluted (Rs.)		7.15	13.98

The accompanying Notes from S.No. 1 to 47 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

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

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida

Dated : 27th May, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)

Particulars	Equity Share Capital	Other Equity						Total
		Reserve & Surplus				Other Comprehensive Income		
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instrument through other comprehensive Income	Remeasurement of Defined Benefit Plans	
Balance as at 1st April 2017	7221.15	10377.76	57110.63	20164.05	110815.48	(1474.32)	(35.22)	204179.53
Total Other Comprehensive Income for the Year (Net of Tax)						767.62	(194.22)	573.40
Dividend Paid (Including Dividend Distribution Tax)					(3041.92)			(3041.92)
Profit for the Year					10092.11			10092.11
Balance as at 31st March 2018	7221.15	10377.76	57110.63	20164.05	117865.67	(706.70)	(229.44)	211803.12
Total Other Comprehensive Income for the Year (Net of Tax)						(422.42)	(302.58)	(725.00)
Dividend Paid (Including Dividend Distribution Tax)					(1741.10)			(1741.10)
Profit for the Year					5166.14			5166.14
Amount transferred to Retained Earning on Sale of Investment recognized through Other Comprehensive Income (Net of Tax)					1136.08	(1136.08)		-
Balance as at 31st March 2019	7221.15	10377.76	57110.63	20164.05	122426.79	(2265.20)	(532.02)	214503.16

The accompanying Notes from S.No. 1 to 47 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

This is the Statement of Changes in Equity referred to in our report of even date attached

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	(Rs. in Lacs)	
	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	7269.88	11064.84
Adjustment for :		
Depreciation & amortisation expense	23993.29	22128.27
Exchange rate fluctuations (Net)	(59.62)	(2159.81)
Loss on Sale of Property, Plant & Equipment (Net)	141.68	7.74
Property, Plant & Equipment written Off	12.24	27.45
Finance Cost	16794.08	14421.54
Interest received from Banks / others	(445.58)	(365.59)
Rent Received	(862.47)	(702.50)
Dividend received on Investments carried at amortised cost	(379.09)	(146.75)
Dividend received on Investments carried at Fair value through other comprehensive income	(10.85)	(40.21)
Gain on sale of Investments (Net)	-	(7.52)
Sundry Credit Balances written Back	(137.61)	(472.16)
Allowance for Doubtful Trade Receivables Written Back	-	(342.05)
Remeasurement of the net defined benefit liability / asset	(302.58)	(194.22)
Allowance for doubtful Trade Receivables	298.74	558.08
Sundry Debit Balances / Bad Debts written off	106.51	-
Operating Profit before Working Capital changes	39148.74	32712.27
Adjustment for :		
Trade Receivables	(6197.28)	(12708.20)
Loans and Other financial assets and other assets	1871.67	(3553.33)
Inventories	1895.23	(8130.54)
Trade payables	(4541.27)	13364.76
Other financial liabilities, other liabilities and provisions	8830.35	3175.67
Cash generated from operations	48277.32	35925.47
Income Tax	(1306.17)	(2320.32)
Exchange rate fluctuations	59.62	2159.81
Net Cash generated from operating activities (A)	47030.77	35764.96
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment, Investment Property & Intangibles	(23828.19)	(39785.69)
Sale proceeds of Property, Plant & Equipment	203.25	3760.18
Investment in Subsidiaries	(338.08)	-
Inflow on Investments (Net)	4334.00	7.52
Income Tax on Sale of Investments	(377.00)	-
Loans to Employees & Others	49.02	16.92
Loans to subsidiaries (Net)	(126.00)	1010.00
Loan to Joint Venture (Net)	(51.88)	-
Interest received from Banks / others	445.58	365.59
Rent Received	862.47	702.50
Dividend received on Investments carried at amortised cost	379.09	146.75
Dividend received on Investments carried at Fair value through other comprehensive income	10.85	40.21
Net Cash used in Investing Activities (B)	(18436.89)	(33736.02)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 Contd

	(Rs. in Lacs)	
	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1444.23)	(2527.40)
Dividend Distribution Tax	(296.87)	(514.52)
Finance Cost	(16794.08)	(14421.54)
Borrowings (Net)	(10185.12)	11917.74
Net Cash used in Financing Activities (C)	(28720.30)	(5545.72)
Net (Decrease) /Increase in Cash and Cash equivalents (A+B+C)	(126.42)	(3516.78)
Cash and Cash equivalents (As per Note No 9)		
Opening Cash and Cash equivalents	8653.07	12169.85
Closing Cash and Cash equivalents #	8526.65	8653.07

#Includes Rs.1094.57 lacs (Previous Year Rs.2483.16 lacs) in respect of amount lying in unclaimed dividend accounts / margin money accounts / fixed deposits pledged with as margin for letter of credits, guarantees & bills discounted.

The accompanying Notes from S.No. 1 to 47 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

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

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019**1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES****I. COMPANY OVERVIEW**

The Company is a public limited company, domiciled in India and 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 and Corporate Office at A-107-108, Sector-4, Noida, Uttar Pradesh-201301.

The Company is a leading Indian Multinational, engaged in the manufacture and sale of flexible packaging products & offers a complete flexible packaging solution to its customers across the globe.

II. SIGNIFICANT ACCOUNTING POLICIES**A. BASIS OF PREPERATION OF FINANCIAL STATEMENTS**

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time by the Ministry of Corporate Affairs (MCA), the provisions of Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Financial statements of the company are prepared under the historical cost convention except for the certain financial assets and liabilities measured at fair value as mentioned in applicable accounting policies.

B. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on going 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. REVENUES**Revenues from sale of goods and processing**

Revenue from the sale of goods and processing of material in the course of ordinary activities is measured at the value of the consideration received or receivable, net of returns, trade discounts, rate differences and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risks and rewards normally happen upon shipment (except in case of consignment sales in which case the revenues are recognized when the materials are sold to ultimate customers).

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Further, revenues are recognized at gross value of consideration of goods & processing of goods (Job work) excluding Goods and Service Tax (GST).

Revenue from Services

Revenue from the service contract is recognized when the related services are performed and revenue from the services at the end of the reporting period is recognized based on stage of completion method. When there is uncertainty as to the ultimate collection of the revenue, recognition is postponed until such uncertainty is resolved. Revenues from service contracts are measured based on the services performed to date as a percentage of total services to be performed. In case where the services are performed by an indeterminate number of acts over a specified period of time, revenue is recognized on a straight line basis over the specified period. After the initial recognition, in respect of uncollectible amount, provisions are made in the period in which amount is identified as uncollectible.

Interest Income & Expense

Interest income is recognized on time apportionment basis. Effective interest method is used to compute the interest income on long terms loans and advances.

Dividend Income

Dividend income is recognized when the right to receive is established, which is generally when shareholders approve the dividend.

Rental Income

Rental income from investment property is recognized as part of other Income in Statement of profit and loss on a straight-line basis over the term of the lease.

E. PROPERTY, PLANT AND EQUIPMENT (PPE)

Recognition and measurement:

Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

Cost of Self-constructed assets is determined using the same principles as for acquired assets after eliminating the component of internal profits.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit or loss.

Depreciation on all property, plant & equipment are provided for, from the date of put to use for commercial production on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013, except for the followings, where the management believes that technical useful lives is different from those prescribed in Schedule II of the Companies Act, 2013 based on technical evaluation:

Particulars	Description
Rotogravure Cylinders & Shims (useful life of 3 Years)	Over the useful life as technically specified by the management based on the past experience
Continuous process Plant for Packaging Film (useful life of 20 Years)	Over the useful life as technically specified by the management based on the past experience
Identifiable separate components of Plant & Equipment (useful life of 3 to 6 years)	Over the useful life as technically specified by the management based on the past experience

Cost of leasehold land are written off over the primary lease period of the land expect of the leasehold land, held by the company on the date of transition, which is amortized over the remaining useful lives of the assets. Freehold land is not depreciated.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

Reclassification to investment property:

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

F. INTANGIBLE ASSETS

Acquired Intangible assets are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition, intangibles are carried at cost less accumulated amortization and impairment losses, if any.

Intangible assets in respect of Product development is created when the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the product / technology and the cost is reliably measurable. Revenue expenditures pertaining to Research is charged to the statement of profit & loss. Development costs of products are charged to the statement of profit & loss unless a products technological and commercial feasibility has been established in which case such expenditure is capitalized. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment loss, if any.

Intangibles assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date they are available for use, as per period prescribed in respective

license/ agreement or five years.

Intangible asset is derecognized on disposal or when no future economic benefits are expected from continuing use or disposal.

The estimated useful lives, residual values and amortization method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

G. INVESTMENT PROPERTIES

Investment properties are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition the investment properties are carried at cost less accumulated depreciation and impairment losses, if any.

Transfer to and from the investment properties are made when and only when, there is change in the use of the investment property as evidenced by the conditions laid down under the Indian accounting standard. The carrying amount of the property as on the date of classification is considered as carrying value of the investment property and vice-versa.

Depreciation on investment properties are provided for from the date of put to use for on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013

The carrying amount of the investment properties are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The fair value of the investment properties are disclosed in the notes.

H. INVENTORIES

Inventories of finished goods and 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

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

after including depreciation on plant & machinery, electrical installation and factory building, repair & maintenance on factory building, specific manufacturing expenses including specific payments & benefits to employees or net realizable value.

Raw Materials and other materials including packaging, stores and fuels 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 realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and sales.

I. FINANCIAL INSTRUMENTS

Initial Recognition:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables/payables and where cost of generation of fair value exceeds benefits, which are initially measured at transaction price. Transaction costs directly related to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities through profit & loss account) are added to or deducted from the cost of financial assets or financial liabilities. Transaction cost directly attributed to the acquisition of financial assets or financial liabilities at fair value through profit & loss account are recognized immediately in the statement of profit & loss.

Subsequent Recognition:

Non-derivative financial instruments

- (i) **Financial assets carried at amortized cost:** A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments (all being not held for trading), to present the subsequent changes in fair value in other comprehensive income based on its business model.

Fair value of the listed equity instruments are measured using the rate quoted in the stock exchange wherein the securities are actively traded as on the last working day of the period of reporting. In respect of unlisted equity instruments, fair value is determined based on the latest audited financial statements and considering the open market information available, failing which it shall be measured at cost.

- (iii) **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of the above categories (including investment in units of mutual funds) is subsequently fair valued through profit or loss.
- (iv) **Financial liabilities:** Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.
- (v) **Investment in Subsidiaries/Joint ventures / Associates:** Investment in subsidiaries / Joint Ventures / Associates are carried at cost less impairment, if any, in the separate financial statements. Any gain or losses on disposal of these investments are recognized in the statement of profit & loss.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019**J. TRADE RECEIVABLES**

Trade receivables represents amount billed to customers as credit sales and are net off; a) any amount billed but for which revenues are reversed under the relevant Indian accounting standard and b) impairment for trade receivables, which is estimated for amounts not expected to be collected in full.

K. LOANS AND ADVANCES

Loans and advances are non-derivative financial assets with fixed and determinable payments. This category includes the loans, other financial assets and other current assets.

Subsequent to initial measurement, loans and receivables are carried at amortized cost based on effective interest rate method less appropriate allowance for doubtful receivables, if any.

Loans and advances are further classified as current and non-current depending whether they will realize within 12 months from the balance sheet date or beyond.

L. FINANCIAL LIABILITIES

Financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction cost.

Subsequent to initial measurement, financial liabilities viz borrowings are measured at amortized cost. The difference in the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit & loss over the contractual term using the effective interest rate method.

Financial liabilities are further classified as current and non-current depending whether they are payable within 12 months from the balance date or beyond.

Financial liabilities are derecognized when the company is discharged from its obligation; they expire, are cancelled or replaced by a new liability with substantial modified terms.

M. EARNING PER SHARE

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period. The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

N. TAXATION**Current Tax**

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on net basis, or to realize the assets and settle the liability simultaneously.

Deferred Tax Assets and Liabilities

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred tax balances relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Group intends to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity as the case may be.

O. EMPLOYEE BENEFITS

The company provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the employees provident fund organization and Employee State Insurance fund in respect of ESI and defined benefits plans includes the retirement benefits, such as gratuity and paid absences (leave benefits) both accumulated and non-accumulated.

- a. In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.
- b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.
- c. Liabilities for accumulating paid absences is determined at the present value of the amounts payable determined using the actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit method. Actuarial gain or losses in respect of accumulating paid absences are charged to statement of profit & loss account.
- d. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

P. IMPAIRMENT

Financial assets

The company recognizes the impairment on financial assets based on the expected credit loss model for the financial assets which are not fair value through profit and loss account. Loss allowance on trade receivables, with no significant financing component is measured at an amount equal to lifetime expected credit loss. The amount of expected credit losses or reversal that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss for the period.

Intangible assets, investment property and property, plant and equipment

Intangible assets, investment property and property plant & equipment are evaluated for recoverability wherever events or changes in circumstances indicate that their carrying amount may not be recoverable.

For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs).

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

If such asset is considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit & loss if there have been changes in the estimates used to determine the recoverable amount. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss has been recognized for the asset in prior years.

Q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized, if as a result of past event the company has present legal or constructive obligations that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the company.

Contingent assets are not recognized in the financial statements. However due disclosures are made in the financial statements for the contingent assets, where economic benefits is probable and amount can be estimated reliably.

R. FOREIGN CURRENCY TRANSACTIONS**Functional Currency**

The Companies functional currency is Indian Rupees. The financial statement of the company is presented in Indian rupees rounded off to nearest lacs.

Transaction and Translations

Transactions in currency other than Indian Rupees are recorded at the rate, as declared by the custom authority / inter-bank rates, ruling on the date of transaction.

Unsettled Foreign currency denominated monetary assets and liabilities, as at the balance sheet date, are translated using the exchange rates as at the balance sheet date. The gain or loss resulting from the translation is recognized in the statement of profit & loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured carried at fair value are translated at the date when the fair value is determined.

Transaction gain or losses realized upon settlement of foreign currency transaction are included in determining the net profit for the period in which transaction is settled.

Exchanges difference arises on settlement / translation of foreign currency monetary items relating to acquisition of property, plant & equipment 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 property, plant & equipment.

S. LEASES

Payments made under operating leases are generally recognized in the statement of profit and loss on a straight line basis over the term of leases unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, lease incentive are recognized as integral part of the total lease expense over the term of the lease.

Minimum lease payments under the finance leases are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability.

T. BORROWING COST

Borrowings cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent they are regarded as an adjustment to interest costs) incurred in connection with

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

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

U. APPLICATION OF NEW AND REVISED INDIAN ACCOUNTING STANDARDS (IND AS)

Effective 1st April 2018, the company has adopted Ind AS 115 on "Revenue from Contracts with Customers". This has been replaced for an existing Ind AS 18 on "Revenues" earlier adopted by the Company. The adoption of the same will not result into any material change in the principle of reorganization of revenue by the company except that under the earlier Ind AS the amount of commission paid was adjusted against the revenues whereas now the same has been considered as part of the cost and revenue is recognized with Gross Amount. This is done based on the main concept laid down by Ind AS 115 for reorganizing the revenue at consideration which the entity expect to receive in exchange of the promised goods and services.

Further during the year, the company has adopted all other Indian Accounting Standards (Ind AS) that are notified by the Ministry of Corporate Affairs and are relevant to its operations and effective for the financial year beginning on or after 1st April 2018.

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendments Rules, 2019, notifying amendments in the various Indian Accounting Standards which are effective for the financial periods beginning on or after 1st April 2019. The standards which might have impact on the financials of the Company are listed as under:

- Ind AS 103 - Business Combination
- Ind AS 107 - Financials Instruments: Disclosures
- Ind AS 109 - Financial Instruments
- Ind AS 113 - Fair Value Measurement
- Ind AS 115 - Revenue from Contracts with Customers
- Ind AS 116 - Leases
- Ind AS 1 - Presentation of Financial Statements
- Ind AS 2 - Inventories
- Ind AS 7 - Statement of Cash Flows
- Ind AS 12 - Income Taxes
- Ind AS 16 - Property, Plant and Equipment
- Ind AS 17 - Leases –(Omitted)
- Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- Ind AS 23 - Borrowing Costs
- Ind AS 32 - Financial Instruments: Presentation
- Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 38 - Intangible Assets
- Ind AS 40 - Investment Property

The Company is in the process of assessing the changes required/ possible impact of these Ind AS's on the financial statements in the period of initial application and accordingly will adopt these changes by suitably amending its accounting policies as well the presentations and disclosures in the financial Statements.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019
2A: PROPERTY, PLANT & EQUIPMENT

(Rs.in Lacs)

	Freehold Land	Lease Hold Land	Building	Plant & Equipment	Electrical Installations	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value									
As at 1st April 2017	10.87	14789.80	33416.67	229153.04	5768.92	5039.26	5476.68	2530.06	296185.30
Additions During the Year	-	208.46	13470.32	49330.53	2721.67	1004.83	1036.78	1779.84	69552.43
Transfer to Investment Property	-	(194.57)	(2416.53)	-	-	-	-	-	(2611.10)
Deductions During the Year	-	-	(34.10)	(16102.46)	(112.63)	(98.18)	(3.54)	(131.73)	(16482.64)
As at 31st March 2018	10.87	14803.69	44436.36	262381.11	8377.96	5945.91	6509.92	4178.17	346643.99
Additions During the Year	-	-	4433.83	15762.98	597.77	442.88	295.56	174.61	21707.63
Transfer to Investment Property	-	-	-	-	-	-	-	-	-
Deductions During the Year	-	-	-	(1897.88)	(48.90)	(85.32)	(36.58)	(369.43)	(2438.11)
As at 31st March 2019	10.87	14803.69	48870.19	276246.21	8926.83	6303.47	6768.90	3983.35	365913.51
DEPRECIATION / AMORTISATION									
As at 1st April 2017	-	167.57	10649.66	123478.85	3884.79	3814.83	3706.14	1385.50	147087.34
Provided for the Year	-	165.76	1178.63	17940.02	393.83	461.11	745.36	402.79	21287.50
Transfer to Investment Property	-	(3.00)	(1465.27)	-	-	-	-	-	(1468.27)
Deductions During the Year	-	-	(32.39)	(12415.36)	(69.60)	(70.32)	(0.50)	(99.10)	(12687.27)
As at 31st March 2018	-	330.33	10330.63	129003.51	4209.02	4205.62	4451.00	1689.19	154219.30
Provided for the Year	-	169.60	1453.86	19539.89	528.19	540.58	241.47	448.18	22921.77
Transfer to Investment Property	-	-	-	-	-	-	-	-	-
Deductions During the Year	-	-	-	(1725.59)	(46.46)	(80.90)	(34.66)	(193.33)	(2080.94)
As at 31st March 2019	-	499.93	11784.49	146817.81	4690.75	4665.30	4657.81	1944.04	175060.13
NET CARRYING VALUE									
As at 31st March 2018	10.87	14473.36	34105.73	133377.60	4168.94	1740.29	2058.92	2488.98	192424.69
As at 31st March 2019	10.87	14303.76	37085.70	129428.40	4236.08	1638.17	2111.09	2039.31	190853.38

Note: Borrowing cost capitalised during the year is Rs.698.81 lacs (Previous year Rs. 2179.15 lacs).

2B INVESTMENT PROPERTY

(Rs.in Lacs)

	Freehold Land	Leasehold Land	Building	Total
Gross Carrying Value				
As at 1st April 2017	8.57	81.26	1637.49	1727.32
Additions During the Year	-	-	-	-
Transfer from Property, Plant & Equipment	-	194.57	2416.53	2611.10
Deductions During the Year	-	-	-	-
As at 31st March 2018	8.57	275.83	4054.02	4338.42
Additions During the Year	-	-	-	-
Transfer from Property, Plant & Equipment	-	-	-	-
As at 31st March 2019	8.57	275.83	4054.02	4338.42
DEPRECIATION / AMORTISATION				
As at 1st April 2017	-	1.16	1179.17	1180.33
Provided for the Year	-	2.97	100.24	103.21
Transfer from Property, Plant & Equipment	-	3.00	1465.27	1468.27
Deductions During the Year	-	-	-	-
As at 31st March 2018	-	7.13	2744.68	2751.81
Provided for the Year	-	3.56	118.10	121.66
Transfer from Property, Plant & Equipment	-	-	-	-
Deductions During the Year	-	-	-	-
As at 31st March 2019	-	10.69	2862.78	2873.47
NET CARRYING VALUE				
As at 31st March 2018	8.57	268.70	1309.34	1586.61
As at 31st March 2019	8.57	265.14	1191.24	1464.95

Notes:

- Building includes Original Acquisition Cost of Rs. 5.30 lacs (Previous Year Same) acquired on ownership basis & Original Acquisition Cost of Rs.19.85 lacs (Previous Year Same), pending execution of title deed.
- Fair value of the Investment Properties is Rs 12248.68 Lacs (Previous Year Rs.13234.69 Lacs), as valued by Independent architect and approved valuer.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

2C OTHER INTANGIBLE ASSETS

(Rs. in Lacs)

	Software	Patent	Technical Know How		Total
			Internally Generated	Other Than Internally Generated	
Gross Carrying Value					
As at 1st April 2017	2122.40	639.56	1261.62	1330.17	5353.75
Additions During the Year	137.63	-	563.87	149.10	850.60
Deductions During the Year	-	-	-	-	-
As at 31st March 2018	2260.03	639.56	1825.49	1479.27	6204.35
Additions During the Year	55.19	-	1003.79	1167.34	2226.32
Deductions During the Year	-	-	-	-	-
As at 31st March 2019	2315.22	639.56	2829.28	2646.61	8430.67
DEPRECIATION / AMORTISATION					
As at 1st April 2017	1304.36	536.99	2.47	551.92	2395.74
Provided for the Year	239.32	28.25	254.49	215.50	737.56
Deductions During the Year	-	-	-	-	-
As at 31st March 2018	1543.68	565.24	256.96	767.42	3133.30
Provided for the Year	243.31	28.25	365.65	312.65	949.86
Deductions During the Year	-	-	-	-	-
As at 31st March 2019	1786.99	593.49	622.61	1080.07	4083.16
NET CARRYING VALUE					
As at 31st March 2018	716.35	74.32	1568.53	711.85	3071.05
As at 31st March 2019	528.23	46.07	2206.67	1566.54	4347.51

Breakup of Depreciation and Amortisation charge for the Year:

	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Depreciation and Amortisation on:		
Property, Plant & Equipment	22921.77	21287.50
Investment Property	121.66	103.21
Other Intangible Assets	949.86	737.56
	23993.29	22128.27

3A. INVESTMENTS

Particulars	Description	Face Value	As At 31.03.2019		As At 31.03.2018	
			Number	Amount (Rs.in Lacs)	Number	Amount (Rs.in Lacs)
I Measured at Cost (Less Impairment, if any)						
a. Equity Instruments in Subsidiaries						
Unquoted						
Fully Paid Up						
i) IN WHOLLY OWNED SUBSIDIARIES						
Flex Middle East FZE, Dubai	Equity	AED 1 Million	107	12672.08	107	12672.08
Uflex Europe Ltd., UK	Equity	GBP 1	995000	726.92	995000	726.92
Uflex Packaging Inc, USA	Equity	US\$ 10	367500	1690.92	367500	1690.92
Utech Developers Ltd.	Equity	Rs.10/-	100000000	10000.00	100000000	10000.00
Flex Chemicals Pvt. Ltd., Russia	Equity	RUB 1/-	50000	0.58	-	-

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Description	Face Value	As At 31.03.2019		As At 31.03.2018	
			Number	Amount (Rs.in Lacs)	Number	Amount (Rs.in Lacs)
ii) IN OTHER SUBSIDIARIES						
UPET Holdings Ltd.	Equity	US\$ 1	24220001	10993.45	24220001	10993.45
USC Holograms Pvt. Ltd.	Equity	Rs.10/-	40800#	4.08	40800#	4.08
b. Equity Instruments in Associate						
Quoted						
Fully Paid Up						
Flex Foods Ltd.	Equity	Rs.10/-	5870000	587.00	5870000	587.00
c. Equity Instruments in Joint Venture						
UnQuoted						
Fully Paid Up						
Digicyl Pte. Ltd., Singapore	Equity	US\$ 1	500000	337.50	-	-
Total -3A(I)				37012.53		36674.45
II Designated & Carried at Fair value through Other Comprehensive Income						
Equity Instruments						
i) Quoted						
Fully Paid Up						
Ansal Properties & Infrastructure Ltd.	Equity	Rs.5/-	589910	66.66	589910	115.62
Kothari Products Ltd.	Equity	Rs.10/-	342900	282.89	342900	504.23
B.A.G.Films Ltd.	Equity	Rs.2/-	49300	2.31	49300	2.19
Reliance Infrastructure Ltd.	Equity	Rs.10/-	60000	82.20	-	-
ii) Unquoted						
Fully Paid Up						
Malanpur Captive Power Ltd.	Equity	Rs.10/-	635650	-	635650	-
Fair Growth Financial Services Ltd.	Equity	Rs.10/-	100000	-	100000	-
Vijaya Home Loans Ltd.	Equity	Rs.10/-	50000	-	50000	-
Total -3A(II)				434.06		622.04
TOTAL 3A (I+II)				37446.59		37296.49
3B: PLEDGED EQUITY INSTRUMENTS \$						
Designated & Carried at Fair value through Other Comprehensive Income						
Equity Instruments						
Quoted						
Fully Paid Up						
Reliance Industries Ltd.	Equity	Rs.10/-	-	-	445784	3934.94
Reliance Infrastructure Ltd.	Equity	Rs.10/-	-	-	60000	256.50
TOTAL (3B)						4191.44
Notes:						
i) Aggregate amount of Quoted Investment (Including Pledged)				2974.10		5795.02
ii) Aggregate Market Value of Quoted Investments (Including Pledged)				3870.94		10988.72
iii) Aggregate amount of unquoted Investments				36737.70		36399.62
iv) Aggregate amount of impairment in value of Investments :						
- Quoted				1953.03		394.53
- Unquoted				312.17		312.17
				2265.20		706.70
v) Investment Carried at Cost				37012.53		36674.45
vi) Investment Carried at Fair Value through Other Comprehensive Income				434.06		4813.48

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

\$ Pledge against the borrowing from a Body Corporate. (Refer Note No 19)

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	As At 31.03.2018
(Rs. in Lacs)		
4: LOANS		
(Unsecured, Considered Good)		
Security Deposits	1760.11	1922.25
Loans to :		
- Employees	151.34	196.36
- Others	-	4.00
	151.34	200.36
Less: Current Portion	62.63	74.60
TOTAL :	1848.82	2048.01
5: OTHER NON-CURRENT FINANCIAL ASSETS		
Fixed Deposits Accounts for a period more than 12 Months*	29.28	4.83
TOTAL :	29.28	4.83
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
6: OTHER NON-CURRENT ASSETS		
Capital Advances	3366.49	3717.12
Deposit with Excise/ GST / Sales Tax Authorities	563.09	614.24
Deposits / Advances with Income Tax Authorities	1377.63	1465.56
TOTAL :	5307.21	5796.92
7: INVENTORIES		
Raw Materials	20574.85	22326.67
Work-in-Progress	11484.41	11331.21
Finished Goods	1812.03	2011.96
Traded Goods	-	16.43
Material-in-Transit :		
- Raw Materials	3492.13	3411.60
- Raw Materials (Intra Group)	271.15	498.41
Stores, Packing Material & Fuel	1115.96	1049.48
TOTAL :	38750.53	40645.76
8: TRADE RECEIVABLES		
Current- Unsecured		
Considered Good	118795.59	112865.95
Having Significant increase in Credit Risk	3175.55	2876.81
Credit Impaired	21.37	21.37
Trade Receivables #	121992.51	115764.13
Less : Allowance for bad and doubtful Trade receivables	3196.92	2898.18
TOTAL :	118795.59	112865.95

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
# Includes due from :		
- Subsidiaries	11035.12	10365.15
- Related Parties	1946.90	3094.35
Movements in allowance for bad and doubtful Trade receivable:		
Opening Balance	2898.18	2682.15
(+) Provision made during the year	298.74	558.08
(-) Amount utilised from provision	-	(342.05)
Closing Balance	3196.92	2898.18

9: CASH & BANK BALANCES

A) Cash & Cash Equivalents

Balances with Banks:

- In Current Accounts	4864.70	3262.50
- In EEFC Account	37.51	-
- In Cash Credits Accounts	2159.90	999.65
- In Fixed Deposits Accounts	325.00	7387.11
Remittance in transit	9.25	1525.00
Cash on hand	24.65	5787.15
Cheques on hand	11.07	59.06

Sub-Total (A)	7432.08	6169.91
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B) Other Bank Balances

- In Fixed Deposits Accounts*	768.29	1669.69
- In Unclaimed Dividend Accounts	123.99	147.16
- In Margin Money Accounts	202.29	666.31

Sub-Total (B)	1094.57	2483.16
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TOTAL (A+B) :	8526.65	8653.07
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* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.

10: LOANS

(Unsecured, Considered Good)

Loan to Subsidiary	1251.00	1125.00
Loan to Joint Venture	51.88	-

TOTAL :	1302.88	1125.00
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Additional Information on Loan to Subsidiary & Joint Venture:

Name of the Company	Rate of Interest	Rate of Interest
USC Holograms Pvt. Ltd.-Subsidiary	11%	1125.00
Digicyl Pte. Ltd.(Singapore) -Joint Venture	6.5%	-
Total	1302.88	1125.00

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
11: OTHER FINANCIAL ASSETS		
Current Portion of Long Terms Loans given	62.63	74.60
Interest accrued on :		
- Loan to Subsidiary	0.68	0.28
- Loan to Joint Venture	1.41	-
- Deposits with Banks	67.30	86.82
- Others	17.01	12.20
Other Receivables	41.71	126.36
TOTAL :	190.74	300.26
12: OTHER CURRENT ASSETS		
Advances recoverable	5843.66	6024.39
Amount recoverable from Subsidiaries	163.15	11.47
Balances with Excise /GST / VAT Authorities	8193.63	9311.30
TOTAL :	14200.44	15347.16

13. 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 and Subscribed Capital of the Company as at 31st March 2019 is of Rs. 7228.42 Lacs, represented by 72284187 Equity Shares (Including 72701 Equity Shares forfeited) of Rs. 10/- each and the paid-up Capital as at 31st March 2019 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 Company is given as under:

	ISSUED & SUBSCRIBED		FULLY PAID-UP		PARTLY PAID-UP	
	NUMBER	AMOUNT (Rs. in Lacs)	NUMBER	AMOUNT (Rs. in Lacs)	NUMBER	AMOUNT (Rs. in Lacs)
Balance as at 1st April 2017	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2018	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2019	72284187	7228.42	72211486	7221.15	-	-

Amount Originally paid up on the forfeited shares was of Rs. 3.89 Lacs (Previous Year Same).

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

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

	As At 31st March 2019		As At 31st March 2018	
	Number	%	Number	%
a) Promoter & Promoter Group	31784239	44.02	31784339	44.02
Of which Shareholders holding More than 5 % of the Paid-up Capital				
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) Public Shareholding *	40427247	55.98	40427147	55.98
i) Institution	6050552	8.38	9857847	13.65
ii) Non- Institution	34376695	47.60	30569300	42.33
* Of which Shareholder holding More than 5 % of the Paid-up Capital				
Kebale Trading Ltd.	5465840	7.57	5465840	7.57
IL & FS Trust Co. Ltd.	3981085	5.51	1268556	1.76

C RESTRICTION ON VOTING RIGHTS

The company has only one class of issued equity share capital as on the date of the balance sheet and each holder of equity share is entitled for one vote per share and right to receive the dividend, if any, declared on the equity shares.

D DIVIDEND

The Board of Directors of the Company has recommended a final dividend of Rs.2.00 (Previous Year Rs.2.00) per share, aggregating to Rs.1741.10 lacs (Previous Year Rs. 1741.10 Lacs) (Including the dividend distribution tax of Rs.296.87 lacs (Previous Year Rs. 296.87 Lacs)) for the financial year ended 31st March 2019 subject to the approval of the Shareholders in their ensuing Annual General Meeting.

14. OTHER EQUITY

	(Rs. in Lacs)						
	Reserve & Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instrument through other comprehensive Income	Remeasurement of Defined Benefit Plans	
Balance as at 1st April 2017	10377.76	57110.63	20164.05	110815.48	(1474.32)	(35.22)	196958.38
Total Other Comprehensive Income for the year (Net of Tax)					767.62	(194.22)	573.40
Dividend Paid (Including Dividend Distribution Tax)				(3041.92)			(3041.92)
Profit for the Year				10092.11			10092.11
Balance as at 31st March 2018	10377.76	57110.63	20164.05	117865.67	(706.70)	(229.44)	204581.97
Total Other Comprehensive Income for the Year (Net of Tax)					(422.42)	(302.58)	(725.00)
Dividend Paid Including Dividend Distribution Tax				(1741.10)			(1741.10)
Profit for the Year				5166.14			5166.14
Amount transferred to Retained Earning on Sale of Investment recognized through Other Comprehensive Income (Net of Tax)				1136.08	(1136.08)		-
Balance as at 31st March 2019	10377.76	57110.63	20164.05	122426.79	(2265.20)	(532.02)	207282.01

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Description of Reserves

Capital Reserve

This includes Rs. 10288.18 Lacs towards amount of warrant application money forfeited by the Company in the past on non exercise of option by the warrant holders to convert the warrants into Equity Shares and Rs. 89.58 Lacs towards amount received on Equity Shares Forfeited by the Company in the past.

Securities Premium

Securities Premium was created consequent to issuance of shares at Premium. These reserves can be utilized in accordance with the provisions of Section 52 of the Companies Act, 2013.

General Reserve

General Reserve was created in accordance with erstwhile Companies Act, 1956 & Rules thereunder by transferring the Surplus in the Statement of Profit & Loss to the General Reserve, as per the limits laid down thereunder on distribution of Profits to Shareholders, as dividend. This is a part of free reserve and can be used for the purpose of distribution to Shareholders.

15. BORROWINGS

	As At 31.03.2019	As At 31.03.2018
A. Secured		
Term Loans :		
From Banks	74206.45	73578.12
From IFCI Limited	13841.28	14833.55
	88047.73	88411.67
B. Vehicle Loans :		
From Banks	373.67	395.93
From Others	477.05	1061.58
	850.72	1457.51
C. Unsecured		
From TFCI ~	7343.73	5229.21
From Bodies Corporate	3085.00	2821.93
	10428.73	8051.14
Sub- Total (A+B+C)	99327.18	97920.32
Less: Current portion	27293.22	18285.25
TOTAL :	72033.96	79635.07

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 31/03/2019	Current Portion	Long Term	Repayment Terms	
PART A: TERM LOANS						
IFCI Limited	* 15000.00	13873.00 (14873.00)	2000.00 (1000.00)	11873.00 (13873.00)	Repayable in 32 Quarterly Installments commencing from June 2018, first four installments of Rs. 250.00 Lacs each and balance 28 installments of Rs. 500.00 Lacs each.	
UCO Bank	* 20000.00	16112.44 (1865.29)	3333.33 (833.33)	12779.11 (1031.96)	Repayable in 24 Equal Quarterly Installments of Rs. 833.33 lacs each commencing from February 2019.	
Jammu & Kashmir Bank Ltd.	* 5000.00	- (1000.00)	- (1000.00)	- (-)	Repayable in 20 Equal Quarterly Installments of Rs. 250.00 Lacs each commencing from Jun 2014.	
Jammu & Kashmir Bank Ltd.	* 14930.00	14930.00 (14930.00)	933.12 (-)	13996.88 (14930.00)	Repayable in 32 Equal Quarterly Installments of Rs. 466.56 lacs each commencing from December 2019.	
State Bank of India	* 25000.00	14044.14 (19044.27)	5000.00 (5000.00)	9044.14 (14044.27)	Repayable in 60 Equal Monthly Installments of Rs. 416.67 Lacs each commencing from Oct 2017. However instalments are restricted to the extent of loan availed.	
State Bank of India	* 15000.00	8215.21 (8751.28)	2144.00 (535.71)	6071.21 (8215.57)	Repayable in 82 installments, First Installment is of Rs. 535.71 lacs in Mar 2019 and rest in 81 Equal Monthly Installments of Rs. 178.57 Lacs each from Apr 2019. However instalments are restricted to the extent of loan availed.	

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)

Name of the Institution / Banks / Others	Sanctioned Amount	O/s As At 31/03/2019	Current Portion	Long Term	Repayment Terms
South Indian Bank	*\$ 5000.00	4285.46 (5000.00)	714.40 (714.40)	3571.06 (4285.60)	Repayable in 28 Quarterly Installments commencing from June 2018. First 27 Equal Quarterly Installments of Rs 178.60 Lacs and last installment of Rs. 177.80 Lacs.
Woori Bank	* 3200.00	2133.33 (3200.00)	1066.67 (1066.68)	1066.66 (2133.32)	Repayable in 12 Equal Quarterly Installments of Rs. 266.67 Lacs each commencing from May 2018.
Oriental Bank of Commerce	* 5000.00	4999.54 (4999.54)	714.28 (-)	4285.26 (4999.54)	Repayable in 28 Equal Quarterly Installments of Rs. 178.57 Lacs each commencing from Apr 2019.
Canara Bank	*\$ 12500.00	- (2307.14)	- (2307.14)	- (-)	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	9804.85 (12926.70)	9804.85 (3707.28)	- (9219.42)	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
Less: Adjustment for Transaction Cost (Pending Amortisation)		350.24 (485.55)	122.84 (138.02)	227.40 (347.53)	
Sub Total: A		88047.73	25587.81	62459.92	
Previous Year		(88411.67)	(16026.52)	(72385.15)	
PART B: VEHICLE LOANS					
Jammu & Kashmir Bank Ltd.	# 93.00	- (9.96)	- (9.96)	- (-)	Repayable in 60 Equal Monthly Installments of Rs. 2.06 Lacs each commencing from September 2013 including interest amount.
Jammu & Kashmir Bank Ltd.	# 138.00	11.02 (43.97)	11.02 (32.57)	- (11.40)	Repayable in 60 Equal Monthly Installments of Rs. 3.02 Lacs each commencing from September 2014 including interest amount.
Jammu & Kashmir Bank Ltd.	# 239.00	99.22 (147.76)	54.27 (48.54)	44.95 (99.22)	Repayable in 60 Equal Monthly Installments of Rs. 5.23 Lacs each commencing from January 2016 including interest amount.
HDFC Bank Limited	# 12.90	2.82 (6.27)	2.82 (3.45)	- (2.82)	Repayable in 48 Equal Monthly Installments of Rs. 0.33 Lacs each commencing from January 2016 including interest amount.
HDFC Bank Limited	# 66.00	43.62 (58.83)	16.44 (15.21)	27.18 (43.62)	Repayable in 48 Equal Monthly Installments of Rs. 1.61 Lacs each commencing from October 2017 including interest amount.
YES BANK LIMITED	# 130.00	100.60 (129.14)	30.79 (28.55)	69.81 (100.59)	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from April 2018 including interest amount.
YES BANK LIMITED	# 128.00	116.39 (-)	28.86 (-)	87.53 (-)	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from November 2018 including interest amount.
Toyota Financial Services India Limited	# 100.95	41.70 (66.57)	27.28 (24.94)	14.42 (41.63)	Repayable in 47 Equal Monthly Installments of Rs. 2.49 Lacs each commencing from November 2016 including interest amount.
Toyota Financial Services India Limited	# 58.55	33.70 (52.24)	20.02 (18.54)	13.68 (33.70)	Repayable in 36 Equal Monthly Installments of Rs. 1.83 Lacs each commencing from October 2017 including interest amount.
Daimler Financial Services India Pvt. Ltd	# 69.00	47.07 (62.81)	17.06 (15.74)	30.01 (47.07)	Repayable in 48 Equal Monthly Installments of Rs. 1.69 Lacs each commencing from November 2017 including interest amount.
Orix Leasing & Financial Services India Ltd	# 1383.49	354.58 (879.96)	254.35 (505.17)	100.23 (374.79)	Repayable in Equal Monthly Installments commencing from July 2017 over the period of respective Vehicles Loan.
Sub Total: B		850.72	462.91	387.81	
Previous Year		(1457.51)	(702.67)	(754.84)	
Total (A+B)		88898.45	26050.72	62847.73	
Previous Year		(89869.18)	(16729.19)	(73139.99)	

Previous Year figures have been given in brackets.

* 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), NOIDA (U.P.) and Sanand (Gujarat) and c) by guarantee of Chairman & Managing Director of the Company.

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

Vehicle Loans are secured by way of hypothecation of Specific Vehicles of the Company. Further charges in respect of some of the vehicles, on the outstanding loan amounting to Rs.354.58 Lacs (Previous year Rs.879.96 Lacs), taken from one of the Lender is yet to be created.

~ These are secured by a) exclusive first charge by way of hypothecation of Specific aircrafts owned by M/s A.R. Airways Pvt. Ltd.(related party), b) corporate guarantee of A.R. Airways Pvt. Ltd. and c) guarantee of Chairman & Managing Director of the Company.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
16: OTHER FINANCIAL LIABILITIES		
Securities Received	617.02	438.93
Retention Money	488.25	566.94
TOTAL :	1105.27	1005.87
17: PROVISIONS		
Leave Encashment	1338.44	1136.21
TOTAL :	1338.44	1136.21
18: DEFERRED TAX LIABILITIES (NET)		
Opening Balance	5138.76	6486.35
Add / (Less) : Provision of Deferred Tax charge / (Credit) for the year	797.57	(1347.59)
TOTAL :	5936.33	5138.76

The Cumulative Tax effects of significant temporary 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 01.04.2018	Current Year (Charge) / Credit	(Rs. in Lacs) Deferred Tax Assets / (Liabilities) As At 31.03.2019
Deferred Tax Assets			
Other than unabsorbed depreciation & carry forward of losses.	1853.22	488.21	2341.43
Unutilised Tax Credit	7,624.81	(649.11)	6975.70
Total (A)	9478.03	(160.90)	9317.13
Deferred Tax Liabilities			
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	(14616.79)	(636.67)	(15253.46)
Total (B)	(14616.79)	(636.67)	(15253.46)
Net Deferred Tax (Liability) (A-B)	(5138.76)	(797.57)	(5936.33)

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarised as below:

Particulars	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Profit before income taxes (Rs in Lacs)	7269.88	11064.84
Enacted Tax Rate in India	34.94%	34.61%
Computed Tax Rate	31.80%	9.20%
Effect of unused tax credit	-2.20%	25.60%
Others	0.96%	0.61%
Effects of non-deductible expenses	-0.14%	-1.30%
Additional deduction	4.52%	0.50%
	34.94%	34.61%

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Income Tax Expense in the Total Comprehensive Income represents:

	(Rs. in Lacs)	
	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
In Statement of Profit & Loss		
- Current tax	1514.00	2366.00
- Deferred tax	797.57	(1347.59)
- (Excess) Provision of Income Tax for earlier years	(207.83)	(45.68)
Total	2103.74	972.73
In Statement of Other Comprehensive Income		
<i>Items that will not be reclassified subsequently to Profit or Loss:</i>		
Fair Value Changes/ Realised of / on Equity Instruments (Tax liability on sale of Investment)	377.00	-
Total	377.00	-
19: BORROWINGS		
Secured		
Working Capital Facilities From Banks	30907.47	27184.06
From Body Corporate	-	1870.00
Unsecured		
From Banks #	375.73	5559.15
From Others	8701.00	9305.00
From Related Parties	1350.00	-
TOTAL :	41334.20	43918.21

- Working capital facilities from banks are secured a) on *first 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), NOIDA (U.P.) and Sanand (Gujarat), and c) by guarantee of Chairman & Managing Director of the Company. However, second *pari passu* equitable mortgage on enhanced working capital facilities is yet to be created.
 - Loan from Body Corporate was secured by way of pledge of listed Equity Shares held as an Investment by the Company. (Refer Note No. 3B)
- # Includes Rs.NIL (Previous Year Rs. 4531.66 Lacs) in respect of deferred letters of credits for capital goods secured by way of hypothecation of specific machines under the letters of credits and pledge of fixed deposits of Rs.NIL (Previous Year Rs.590.65 Lacs).

	(Rs. in Lacs)	
	As At 31.03.2019	As At 31.03.2018
20: TRADE PAYABLES		
Suppliers:		
Total outstanding dues of creditors other than Micro, Small & Medium enterprises and Related Parties	52158.79	54804.97
Total outstanding dues of Micro, Small & Medium enterprises *	778.94	683.03
Due to Related Parties	10830.86	12821.86
TOTAL :	63768.59	68309.86

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

- The details of amounts outstanding to Micro, Small and Medium Enterprises, as identified by the management, under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under :

(Rs.in Lacs)			
S. No.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Principal amount due and remaining unpaid	43.89	0.54
2	Interest due on (1) above and the unpaid interest	7.07	0.05
3	Interest paid on all delayed payment under the MSMED Act	0.04	1.01
4	Payment made beyond the appointed day during the year	38.43	20.39
5	Interest due and payable for the period of delay other than (3) above	0.47	Nil
6	Interest accrued and remaining unpaid	Nil	Nil
7	Amount of further interest remaining due and payable in succeeding years	Nil	Nil

			(Rs. in Lacs)	
			As At 31.03.2019	As At 31.03.2018
21: OTHER FINANCIAL LIABILITIES				
Current Maturities of Long Term Borrowings		27293.22		18285.25
Capital Creditors		1608.69		3013.87
Interest Accrued but not due on Loans				
- From Others		257.29		458.82
Unclaimed Dividend*		123.99		147.16
Due to Employees		2097.77		1510.32
Others Payable		1420.76		2038.61
Bank Overdraft		92.82		183.98
TOTAL :		32894.54		25638.01
* These figures do not include any amount, due and outstanding, required to be transferred to Investor Education and Protection Fund.				
22: OTHER CURRENT LIABILITIES				
Advances from Customers		3825.93		2847.73
Advances from Subsidiary		4.15		1.95
Advances from a Related Party		-		21.90
Statutory Dues		1733.36		2375.37
TOTAL :		5563.44		5246.95
23: PROVISIONS				
Leave Encashment		531.21		382.31
Staff Benefits		1237.65		534.59
Warranty		26.93		18.21
TOTAL :		1795.79		935.11
24: CURRENT TAX LIABILITIES (NET)				
Current Income Tax (Net)		95.02		-
TOTAL :		95.02		-

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	(Rs. in Lacs)	
	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
25: REVENUE FROM OPERATIONS		
A. i) REVENUE FROM SALE OF PRODUCTS		
Gross Sales	439883.27	416865.20
Less : Inter Unit Sales	40825.60	46202.98
	<u>399057.67</u>	<u>370662.22</u>
ii) REVENUE FROM SALE OF SERVICES		
a. Gross Job work / Services Rendered	5650.23	5800.79
Less : Inter Unit Job Work	1995.05	2228.31
	<u>3655.18</u>	<u>3572.48</u>
b. Technical Fees	7228.69	2400.00
	<u>10883.87</u>	<u>5972.48</u>
TOTAL (A) :	409941.54	376634.70
B. OTHER OPERATING INCOME		
Scrap Sales	3559.83	3239.04
Packing, Forwarding and Insurance Recoveries	590.47	182.61
Exchange Rate Fluctuation (Net)	59.62	2159.81
Export Incentive	2400.22	2382.06
GST / Excise Duty Refund	4818.84	2231.65
Miscellaneous Operating Income	176.77	81.42
VAT Refund	-	6.89
Sundry Credit Balances Written Back	137.61	472.16
Support Fees	<u>411.81</u>	<u>430.88</u>
TOTAL (B) :	12155.17	11186.52
TOTAL (A+B):	422096.71	387821.22
26: OTHER INCOME		
Rent Received	862.47	702.50
Gain on Sale of Units of Mutual Funds	-	7.52
Miscellaneous Income	457.02	372.60
Interest :		
-from Banks	185.74	337.57
-from Others	259.84	28.02
Investment Income:		
- Dividend received on Investments carried at amortised cost	379.09	146.75
- Dividend received on Investments carried at Fair value through other comprehensive income	10.85	40.21
TOTAL :	2155.01	1635.17

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	(Rs. in Lacs)	
	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
27: COST OF MATERIALS CONSUMED		
Opening Stock	22825.08	18221.21
Add : Purchases	308523.91	286085.35
	<u>331348.99</u>	<u>304306.56</u>
Less : Inter Unit Purchases	40450.13	44412.13
	<u>290898.86</u>	<u>259894.43</u>
Less : Closing Stock	20846.00	22825.08
TOTAL :	<u><u>270052.86</u></u>	<u><u>237069.35</u></u>
28: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock :		
Stock-in-Trade	16.43	61.61
Finished Goods	2011.96	2509.51
Work-in-Progress	11331.21	9201.93
	<u>13359.60</u>	<u>11773.05</u>
Less: Closing Stock :		
Stock-in-Trade	-	16.43
Finished Goods	1812.03	2011.96
Work-in-Progress	11484.41	11331.21
	<u>13296.44</u>	<u>13359.60</u>
TOTAL :	<u><u>63.16</u></u>	<u><u>(1586.55)</u></u>
29: EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, Benefits and Amenities	39820.62	35951.60
Contribution to Provident Fund and Other Funds	1681.08	2026.42
Employee Welfare Expenses	948.76	1064.99
TOTAL :	<u><u>42450.46</u></u>	<u><u>39043.01</u></u>
30: FINANCE COSTS		
Interest		
- On Loans for Fixed Period	11706.24	10093.44
- On Other Loans / Liabilities	3361.05	2599.27
- On Shortfall in payment of Advance Tax	6.82	133.60
Discounting & Financial Charges	1719.97	1595.23
TOTAL :	<u><u>16794.08</u></u>	<u><u>14421.54</u></u>

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	For the Year Ended 31.03.2019	(Rs. in Lacs) For the Year Ended 31.03.2018
31: OTHER EXPENSES		
A. OTHER MANUFACTURING EXPENSES		
Power & Fuel Consumed	19089.59	16642.31
Repair & Maintenance-Machinery	6262.90	5606.23
Stores Consumed	2948.19	2821.00
Tools, Jigs & Dies	306.66	329.95
Packing Material Consumed	8186.77	7580.50
Flexo Plates / Processing Charges for Cylinders	3396.46	3368.35
Less : Inter Unit Charges	2370.52	2496.07
	1025.94	872.28
Design & Development Charges	40.17	77.48
Excise Duty on Others	-	(205.43)
Duties paid on Revenues	-	9051.97
Job Work Charges	1369.69	1269.17
Royalty Expenses	423.93	446.50
R & D Charges	77.85	93.46
TOTAL (A) :	39731.69	44585.42
B. ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Rent	1005.12	896.42
Rates & Taxes	181.80	216.33
Insurance charges	595.88	629.34
Electricity & Water charges	471.62	406.26
Printing & Stationery	221.58	236.72
Postage & Telephone Expenses	407.67	439.40
Vehicle Running & Maintenance Expenses	409.01	471.84
Lease Rent -Vehicles	379.63	597.01
Conveyance & Travelling Expenses	3948.87	4225.64
Repair & Maintenance :		
- Building	749.09	919.28
- Others	2014.57	1906.64
Legal & Professional Charges	1618.37	2008.98
Directors' sitting fees	29.00	29.07
General Expenses	2568.49	2551.06
Commission on Sales	296.85	446.68
Advertisement & Publicity	734.72	637.81
Entertainment Expenses	426.99	428.35
Charity & Donation	25.61	23.31
Corporate Social Responsibility Expenditure	36.25	317.34
Donation to Political Party	1000.00	-

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	For the Year Ended 31.03.2019	(Rs. in Lacs) For the Year Ended 31.03.2018
Freight & Forwarding charges	7656.66	6509.94
Property, Plant & Equipment written Off	12.24	27.45
Loss on Sale of Property, Plant & Equipment (Net)	141.68	7.74
Allowance for bad and doubtful Trade Receivables	298.74	558.08
Amount utilized from allowance for bad and doubtful Trade Receivables	-	(342.05)
Sundry Debit Balances / Bad Debts written off	106.51	-
Quality Claims	326.26	698.92
TOTAL (B) :	25663.21	24847.56
TOTAL :	65394.90	69432.98
Above includes following expenses on Investment Properties, that generated rental income;		
Rent (Lease Rent)	10.97	10.18
Insurance	7.18	6.26
Repair & Maintenance :		
- Building	8.05	15.45
	26.20	31.89

32: EXPENSES ALLOCATED TO SELF CONSTRUCTED ASSETS

Cost of Material Consumed	1611.30	2236.50
Employee Benefits Expense	810.37	980.25
Depreciation and amortisation expense	211.56	210.60
Other Expenses	463.24	511.76
TOTAL :	3096.47	3939.11

	As At 31.03.2019	(Rs.in Lacs) As At 31.03.2018
33: Contingent liabilities not provided for in respect of :		
A 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.	5978.87	7950.77
ii) Additional demands raised by the Income Tax Department, which are under rectification & appeal	953.46	525.26
iii) Additional demands raised by the Sales Tax Department, which are under rectification & appeal	1448.12	1110.68
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	13.82	13.82

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At	(Rs.in Lacs)
	31.03.2019	As At
		31.03.2018
vi) Claims against the Company/disputed liabilities not acknowledged as debt.	108.84	135.94
vii) Demand raised by the Concerned Development corporation on surrender of unutilised Industrial Leasehold Land.	62.69	62.69
viii) Demands raised by the Electricity Departments, which are paid and protested or under appeal	509.52	364.29
B i) Guarantees issued by Banks	2656.51	3291.75
ii) Corporate Guarantees issued for facilities taken by foreign subsidiaries / step down subsidiaries from Banks	79754.19	144511.00
iii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes	33759.71	31866.41
iv) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	12914.97	9156.37
C Liability in respect of Bonus for the FY 2014-15 arising due to retrospective amendment in the Payment of Bonus (Amendment) Act, 2015; which is contested by the Company.	429.85	429.85
34 : CAPITAL COMMITMENTS :		
The estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for :	11423.99	10275.04

35: DISCLOSURES FOR ASSETS UNDER OPERATING LEASES

The Company has taken certain vehicles and machineries on operating Lease. The required disclosures are as under:

Minimum future Lease Rentals on assets under Operating Leases taken:	(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	386.99	705.63	-	1092.62
	<i>287.84</i>	<i>359.30</i>	-	<i>647.14</i>

Previous Year figures have been given in Italic.

36: INFORMATION IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE REQUIRED TO BE SPENT BY THE COMPANY:

	Current Year	(Rs. in Lacs)
		Previous Year
a Gross Amount required to be spent by the Company during the Year	363.26	378.44
b Amount spent during the year on:		
(i)construction / acquisition of any asset	-	-
(ii)On purpose other than (i) above	36.25	317.34

37: AUDITORS REMUNERATION, AS INCLUDED IN "LEGAL & PROFESSIONAL CHARGES" UNDER NOTE NO."31(B)", IS AS UNDER:

	Current Year	(Rs. in Lacs)
		Previous Year
a) Audit Fees	120.00	165.00
b) Taxation Matters	35.00	43.00
c) Other Services	36.11	69.40
d) Out of Pocket Expenses	4.12	4.21

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

38: 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 Ind AS 19 on "Employee Benefits", is as under:

	Current Year	(Rs. In Lacs) Previous Year
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	3630.02	2949.81
Current Service cost	399.55	377.84
Past Service Cost	-	379.83
Interest cost	272.06	209.95
Actuarial (gain) / loss due to unexpected experience	328.81	13.38
Benefits paid	(361.72)	(300.79)
Obligations at period end	4268.72	3630.02
b. Reconciliation of opening and closing balances of fair value assets		
Plan assets at period beginning, at fair value	3701.47	3249.13
Interest Income	277.41	243.68
Return on Plan Assets excluding Interest Income	26.23	(180.84)
Contributions	-	690.29
Benefits paid	(361.72)	(300.79)
Plan assets at period end, at fair value	3643.39	3701.47
c. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	4268.72	3630.02
Fair value of plan assets at the end of the period	(3643.39)	(3701.47)
Liability/ (Asset) recognized in the balance sheet	625.33	(71.45)
d. Gratuity cost for the period		
Current Service cost	399.55	377.84
Past Service cost	-	379.83
Interest cost	272.06	209.95
Expected return on plan assets	(277.41)	(243.68)
Net Gratuity Cost recognised in Statement of Profit & Loss	394.20	723.94
e. Remeasurement (gains) and losses		
Actuarial (gain) / loss due to unexpected experience	328.81	13.38
Return on Plan assets, excluding interest income	(26.23)	180.84
Net Gratuity Cost recognised in Statement of Other Comprehensive Income	302.58	194.22
Assumptions		
Interest rate	7.7% P.A.	7.5% P.A.
Estimated rate of return on plan assets	7.7% P.A.	7.5% P.A.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

The expected benefits increases are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at 31st March 2019. The company is expected to contribute Rs. 1029.32 lacs to defined benefits plan obligations fund for the year ending 31st March 2020.

The significant accounting assumptions are the discount rate and expected salary increases. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period while other assumptions are constant.

If the discount rate increases /(decreases) by 0.5%, the defined benefit plan obligations would decrease by Rs.157.68 Lacs (increase by Rs.168.67 Lacs) as at 31st March 2019.

If the expected salary growth increases /(decreases) by 0.5%, the defined benefit plan obligations would increase by Rs.169.38 Lacs (decrease by Rs.159.56 Lacs) as at 31st March 2019.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

b) Leave Encashment

The Company has provided for its Liability towards Leave encashment, based on the actuarial valuation, disclosure whereof in terms of Indian Accounting Standard (Ind AS)- 19, "Employee Benefits" is as under:

	Current Year	(Rs. In Lacs) Previous Year
a.Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	1518.52	1565.38
Service cost	249.62	685.44
Interest cost	113.81	99.70
Actuarial (gain) / loss	476.06	(359.95)
Benefits paid	(488.37)	(472.05)
Obligations at period end	1869.64	1518.52
b.Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	1869.64	1518.52
Liability recognized in the balance sheet	1869.64	1518.52
c.Leave Encashment cost for the period		
Service cost	249.62	685.44
Interest cost	113.81	99.70
Actuarial (gain) / loss	476.06	(359.95)
Net Leave Encashment cost for the period	839.49	425.19
Assumptions		
Interest rate	7.7% P.A.	7.5% P.A.

39: BALANCES OF SOME OF THE PARTIES ARE SUBJECT TO RECONCILIATION & CONFIRMATIONS.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

40: PREVIOUS YEAR FIGURES HAVE BEEN RECASTED / REGROUPED/ RECLASSIFIED, WHEREVER CONSIDERED NECESSARY.

41: IMPACT OF IMPLEMENTATION OF GOODS AND SERVICES TAX (GST) ON THE FINANCIAL STATEMENTS

In accordance with Ind AS 18 on "Revenue" and Schedule III of the Companies Act, 2013, Revenue from Sales of Products and Services for the period from 1st April 2017 to 30th June 2017 were reported gross of Excise Duty and Net of Value Added Tax (VAT) / Sales Tax. Excise Duty was reported as separate expense item in Note No "31(A)" as Duties paid on Revenues. Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST. GST has not been recognized as part of Revenue from Sales of Products and Services as per the requirement of Ind AS 115. This has resulted into lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. With the change in the structure expenses are also reported net of taxes (where credit is available). Accordingly, financial statements for the year ended 31st March 2019 and in particular, sales, absolute expenses, Inventory and ratios in percentage to Revenues are not comparable with the figures of previous year.

42: EARNING PER SHARE

The following disclosure is made, as required by Indian Accounting Standard (Ind AS-33) on "Earning Per Share" :

	Current Year	Previous Year
(A) Profit for the year, after Adjustments, for computation of Basic Earning & Diluted Earning Per Share (Rs in Lacs); (viz.Numerator) (Rs.in lacs)	5166.14	10092.11
(B) (i) Weighted Average Number of Equity Shares (viz. denominator) for Basic Earning Per Share	72211486	72211486
(ii) Weighted Average Number of Equity Shares (viz. denominator) for Diluted Earning Per Share	72211486	72211486
(C) Nominal Value Per Share	Rs. 10/-	Rs. 10/-
(D) Earning Per Share		
(a) Basic (A/B(i)) (Rs.)	7.15	13.98
(b) Diluted (A/B(ii)) (Rs.)	7.15	13.98

43: SEGMENT DISCLOSURE :

Segment disclosure in accordance with the Ind AS 108 on " Operating Segments" are as under:

Accounting Principles and policies, as reported in Significant Accounting polices, used in the preparation of financial statements are consistently applied to record revenue, expenditure, assets and liabilities, in each segment.

For the Year Ended 31st March 2019

Particulars				(Rs. in Lacs)
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	390802.30	31997.05	(702.64)	422096.71
- Transaction with other operating segments	-	6284.43	-	6284.43
Total Revenue	390802.30	38281.48	(702.64)	428381.14
Identifiable operating expenses	(334592.34)	(29759.36)	(11842.77)	(376194.47)
Less: Cost of Intersegment Revenue	(2370.52)	-	(3913.91)	(6284.43)
Operating Profit	53839.44	8522.12	(16459.32)	45902.24
Other Income				2155.01
EBIDTA				48057.25
Depreciation & Amortization Expenses				(23993.29)

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars				(Rs. in Lacs)
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
EBITA				24063.96
Finance Cost				(16794.08)
Profit before Tax				7269.88
Tax expenses				(2103.74)
Net Profit				5166.14
Segment Assets	341088.81	46236.11	53043.82	440368.74
Segment Liabilities	66867.66	39531.63	119466.29	225865.58

For the Year Ended 31st March 2018

Particulars				(Rs. in Lacs)
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	356889.91	31178.60	(247.29)	387821.22
- Transaction with other operating segments	-	7567.92	-	7567.92
Total Revenue	356889.91	38746.52	(247.29)	395389.14
Identifiable operating expenses	(300351.74)	(30172.63)	(11317.37)	(341841.74)
Less: Cost of Intersegment Revenue	(2503.75)	-	(5064.17)	(7567.92)
Operating Profit	54034.42	8573.89	(16628.83)	45979.48
Other Income				1635.17
EBIDTA				47614.65
Depreciation & Amortization Expenses				(22128.27)
EBITA				25486.38
Finance Cost				(14421.54)
Profit before Tax				11064.84
Tax expenses				(972.73)
Net Profit				10092.11
Segment Assets	341731.63	46332.51	54703.03	442767.17
Segment Liabilities	68945.21	39306.67	122712.17	230964.05

44: RELATED PARTY DISCLOSURES

(a) List of Related Parties (as per IND AS-24):

- i) **Subsidiaries** : Flex Middle East FZE , Uflex Europe Ltd., Uflex Packaging Inc., UPET Holdings Ltd., U Tech Developers Ltd., USC Holograms (P) Ltd. and Flex Chemicals (P) Ltd., Digicyl Pte. Ltd. (Upto 27/06/2018)
- 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., Flex Films Africa Pvt. Ltd., Flex Films Europa Korlatolt Felelossegu Tarsasag (Hungary) and Flex Films Rus LLC (Russia.)
- iii) **Associate** : Flex Foods Limited.
- iv) **Joint Venture** : Digicyl Pte. Ltd. (Singapore) (w.e.f. 28/06/2018) & Digicyl Ltd. (Israel) (w.e.f. 18/07/2018) being Wholly owned subsidiary of Digicyl Pte. Ltd. (Singapore)

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

- v) **Key Management Personnel & their relatives/ HUF (also exercising significant influence over the Company)**
: Mr. Ashok Chaturvedi, Chairman & Managing Director (relatives, Mrs. Rashmi Chaturvedi, Mr. Anant Shree Chaturvedi, Mr. Apoorva Shree Chaturvedi & Ms. Anshika Chaturvedi), Ashok Chaturvedi (HUF), Mr. Amitava Ray, Wholtime Director, Mr. Rajesh Bhatia, CFO and Mr. Ajay Krishna, Company Secretary
- vi) **Enterprises in which the persons referred in (v) along with their relatives exercise significant influence:**
AKC Retailers Pvt. Ltd., Anshika Investments Pvt. Ltd., Anant Overseas Pvt. Ltd., Apoorva Extrusion Pvt. Ltd., Anshika Consultants Pvt. Ltd., A.R. Leasing Pvt. Ltd., A.R. Infrastructures & Projects Pvt. Ltd., AC Infrastructures Pvt. Ltd., Cinflex Infotech Pvt. Ltd., Flex International Pvt. Ltd., Ultimate Infratech Pvt. Ltd., Ultimate Flexipack Ltd., Ultimate Prepress LLP, Naveli Collections Pvt. Ltd., Modern Info Technology Pvt. Ltd., Flex Industries Pvt. Ltd., Club One Airways Pvt. Ltd., Niksar Finvest Pvt. Ltd., Ganadhipati Infraproject Pvt. Ltd., Nirman Overseas Pvt. Ltd., Kaya Kalpa Medical Services Pvt. Ltd., Sungrace Products (India) Pvt. Ltd., Virgin Infrastructures Pvt. Ltd., Saga Realtors Pvt. Ltd., Ganadhipati Infrastructure & Projects Pvt. Ltd., Gangotri Management Pvt. Ltd., Manpasand Marketing Pvt. Ltd., Magic Consultants Pvt. Ltd., A.L. Consultants Pvt. Ltd., First Flexipack Corporation, Ultra America Inc., AR Airways Pvt. Ltd., A-one Catering LLP, Refex Energy (Rajasthan) Pvt. Ltd., Bundelkhand Projects Pvt. Ltd., Affatus Gravures Pvt. Ltd., Affatus Graphics Pvt. Ltd., RCMT Clothings Pvt. Ltd., Manushree Creations Pvt. Ltd. (w.e.f. 18/05/2018), Mansarovar Hotels Pvt. Ltd. (w.e.f. 03/10/2018), Sigma Resorts & Hospitality Pvt. Ltd. (w.e.f. 24/01/2019), Gadaadharath Sales Pvt. Ltd., Primesoft Vincom Pvt. Ltd., Angan Commerce Pvt. Ltd. and Saamag MDDA Reality Pvt. 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	Associate	Joint Venture	Key Management Personnel & their Relatives / HUF	Enterprises as referred to in 'a (vi)' above	Total
i) Trade Transactions							
Sale of Goods/Services (Net)	15756.93 14735.28	183.06 869.53	34.53 45.65	-	-	5226.94 5252.06	21201.46 20902.52
Purchase of Goods/Services (Net)	- 0.24	159.09 6.09	-	-	-	27770.51 25883.15	27929.60 25889.48
Royalty	-	-	-	-	225.00 200.00	-	225.00 200.00
Purchase of Fixed Assets	-	-	-	-	-	728.15 229.30	728.15 229.30
Sale of Fixed Assets	-	-	-	-	-	- 19.69	- 19.69
Dividend Income	379.09 -	-	- 146.75	-	-	-	379.09 146.75
Purchase of DEPB Licence	-	-	52.80 173.40	-	-	-	52.80 173.40
Technical Fees received	-	5028.69 -	-	-	-	-	5028.69 -
Licence & Support fees Received	71.27 71.79	340.54 349.09	-	-	-	-	411.81 420.88
Rent Received	-	-	9.00 6.75	-	48.00 48.00	23.78 16.46	80.78 71.21
Rent Paid	-	-	-	-	238.05 238.05	422.56 395.86	660.61 633.91
Security Deposit Received	-	-	-	-	-	0.60 -	0.60 -

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)							
Transactions	Subsidiaries	Fellow Subsidiaries	Associate	Joint Venture	Key Management Personnel & their Relatives / HUF	Enterprises as referred to in 'a (vi)' above	Total
Refund of Security Deposit Given	-	-	-	-	-	40.00	40.00
	-	-	-	-	-	-	-
Interest Paid on Loans	27.84 <i>39.25</i>	35.80 <i>35.99</i>	-	-	-	82.13 <i>150.87</i>	145.77 <i>226.11</i>
Interest Received on Loans	46.40 <i>0.31</i>	-	-	1.41	-	-	47.81 <i>0.31</i>
Commission Received on extension of Corporate Guarantee	-	201.13 <i>315.45</i>	-	-	-	-	201.13 <i>315.45</i>
Remuneration *	-	-	-	-	979.71 <i>1132.05</i>	-	979.71 <i>1132.05</i>
Commission Paid	-	10.40	-	-	-	-	10.40
	-	-	-	-	-	-	-
ii) Non Trade Transactions							
Investment in Shares	338.08	-	-	-	-	-	338.08
	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	46.43 <i>81.26</i>	589.25 <i>1031.18</i>	635.68 <i>1112.44</i>
Loan Taken	530.00 <i>400.00</i>	550.00 <i>550.00</i>	-	-	-	1680.00 <i>100.00</i>	2760.00 <i>1050.00</i>
Repayment of Loan Taken	530.00 <i>400.00</i>	550.00 <i>550.00</i>	-	-	-	330.00 <i>1640.00</i>	1410.00 <i>2590.00</i>
Loan Given	1251.00 <i>1125.00</i>	-	-	54.75	-	-	1305.75 <i>1125.00</i>
Recovery of Loan Given	1125.00 <i>2135.00</i>	-	-	-	-	-	1125.00 <i>2135.00</i>
Total	20055.61 <i>18906.87</i>	7058.71 <i>2676.15</i>	96.33 <i>372.55</i>	56.16	1537.19 <i>1699.36</i>	36893.92 <i>34718.57</i>	65697.92 <i>58373.50</i>
Balance as on 31.03.2019							
Debit	10418.81 <i>10949.01</i>	2031.03 <i>552.89</i>	9.15 <i>10.64</i>	53.29	-	1957.18 <i>3083.71</i>	14469.46 <i>14596.25</i>
Credit	16.87 <i>69.83</i>	190.76 <i>26.44</i>	-	-	51.00 <i>61.20</i>	11926.47 <i>12655.57</i>	12185.10 <i>12845.70</i>

Previous Year figures have been given in Italic.

Includes

	Current Year	Previous Year
Salary	937.90	1092.85
Perquisites	33.04	27.68
Short Term Employees Benefits	8.77	11.52
Total	979.71	1132.05

The company has extended corporate guarantees to the lenders of its subsidiary(ies) / Fellow Subsidiary(ies). The outstanding amount of corporate guarantees extended by the company as on the balance sheet date has been disclosed in Note No 33(B).

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

45: 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
A	Loans Given		
	USC Holograms Pvt Ltd	1,251.00	General Corporate Purpose
	Digicyl Pte. Ltd., Singapore	54.75	General Corporate Purpose
B	Investments Made		
	Digicyl Pte. Ltd., Singapore	337.50	Equity Subscription in Joint Venture
	Flex Chemicals Pvt. Ltd. Russia	0.58	Purchase of Equity in Subsidiary
C	Guarantees Given	-	-
D	Securities Provided	-	-

46: FINANCIAL INSTRUMENTS

The carrying value of instruments by categories are as follows:

Particulars		(Rs. in Lacs)			
		Amortised Cost	Financial assets / liabilities at fair value through Profit or Loss	Financial assets / liabilities at fair value through OCI	Total Carrying Value
Assets					
Cash and cash equivalents (Including Other Bank Balances)	CY	8526.65	-	-	8526.65
	PY	8653.07	-	-	8653.07
Investments					
Equity and other securities	CY	37012.53	-	434.06	37446.59
	PY	36674.45	-	4813.48	41487.93
Trade Receivables	CY	118795.59	-	-	118795.59
	PY	112865.95	-	-	112865.95
Loans	CY	3151.70	-	-	3151.70
	PY	3173.01	-	-	3173.01
Other financial assets	CY	220.02	-	-	220.02
	PY	305.09	-	-	305.09
Total	CY	167706.49	-	434.06	168140.55
	PY	161671.57	-	4813.48	166485.05
Liabilities					
Trade payables	CY	63768.59	-	-	63768.59
	PY	68309.86	-	-	68309.86
Other financial liabilities	CY	33999.81	-	-	33999.81
	PY	26643.88	-	-	26643.88
Borrowings (less cumulative amortisation using effective interest method)	CY	113368.16	-	-	113368.16
	PY	123553.28	-	-	123553.28
Total	CY	211136.56	-	-	211136.56
	PY	218507.02	-	-	218507.02

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Fair Value hierarchy disclosures:

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Input other than quoted price included within Level 1 that are observable for the assets or liability; either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

		(Rs. in Lacs)			
Particulars		Total	Level 1	Level 2	Level 3
Investment in equity instruments	CY	434.06	434.06	-	-
	PY	4813.48	4813.48	-	-

47: FINANCIAL RISKS MANAGEMENT

In the course of business, amongst others, the Company is exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Exchange Risk and Commodity Price Risk. These risks may be caused by the internal and external factors resulting into impairment of the assets of the Company causing adverse influence on the achievement of Company's strategies, operational and financial objectives, earning capacity and financial position.

The Company has formulated an appropriate policy and established a risk management framework which encompass the following process.

- identify the major financial risks which may cause financial losses to the company
- assess the probability of occurrence and severity of financial losses
- mitigate and control them by formulation of appropriate policies, strategies, structures, systems and procedures
- Monitor and review periodically the adherence, adequacy and efficacy of the financial risk management system.

The Company enterprise risk management system is monitored and reviewed at all levels of management, Audit Committee and the Board of Directors from time to time.

Credit Risk

Credit Risk refers to the risks that arise on default by the counterparty on its contractual obligation resulting into financial loss to the company. The company may carry this Risk on Trade and other receivables, liquid assets and some of the non current financial assets.

In case of Trade receivables, the company has framed appropriate policy for extending credits period & limit to each customer based on their profile, financial position and their external rating etc. The collections of trade dues are strictly monitored. In case of Export customers, even credit guarantee insurance is also obtained wherever required.

Company's exposure to Credit Risk is also influenced by the concentration of risk from top five customers. The details in respect of the% of sales generated from the top customer and top five customers are given hereunder.

Particulars	Current Year	Previous Year
Revenue from Top Customer	22%	24%
Revenue from Top Five Customers	33%	35%

The credit risk on cash & cash equivalent, investment in fixed deposits, liquid funds and deposits are insignificant as counterparties are banks or mutual funds with high credit ratings assigned by the rating agencies of international repute.

Liquidity Risk

Liquidity Risk arises when the company is unable to meet its short term financial obligations as and when they fall due.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

The company maintains adequate liquidity in the system so as to meet its all financial liabilities timely. In addition to this, the company's overall financial position is very strong so as to meet any eventuality of liquidity tightness.

Contractual maturities of financial liabilities are given as under:

Particulars	As at 31st March 2019	Due within 12 months from Balance sheet Date	(Rs. in Lacs)
			Due beyond 12 months of Balance Sheet Date
Borrowings	140661.38	68627.42	72033.96
Trade payables			
Total outstanding dues of Micro, Small & Medium enterprises	778.94	778.94	-
Total outstanding dues of creditors other than Micro, Small & Medium enterprises	62989.65	62989.65	-
Other Financial Liabilities	6706.59	5601.32	1105.27

Interest Rate Risk

Generally market linked financial instruments are subject to interest rate risk. The company does not have any market linked financial instruments both on the asset side as well liability side. Hence there is no interest rate risk linked to market rates.

However the interest rate in respect of major portion of borrowings by the Company from the banks and others are linked with the Benchmark / Base Prime lending rate of the respective lender and in case of foreign currency borrowings by way of ECB, the same is linked with the LIBOR. Any fluctuation in the same either on higher side or lower side will result into financial loss or gain to the company.

The amount which is subjected to the change in the interest rate is of Rs. 126680.44 lacs out of the total debt of Rs. 140661.38 Lacs.

Based on the Structure of the debt as at year end, a one percentage point increase in the interest rate would cause an additional expense in the net financing cost of Rs. 1266.80 Lacs.

Foreign Currency Risk

The company is exposed to the foreign currency risk from transactions & translation. Transactional exposures are arising from the transactions entered into foreign currency. Management keeps a close watch of the maturity of the financial assets in foreign currency and payment obligations of the financial liabilities.

The carrying amount of the Company's material foreign currency dominated monetary Assets and Liabilities at the end of the reporting period is as below:

Currency	(Rs. in Lacs)			
	Monetary Assets		Monetary Liabilities	
	Current Year	Previous Year	Current Year	Current Year
USD	3647.56	7478.36	15129.19	23947.35
Euro	4747.13	4421.99	1826.32	5185.63
GBP	2725.95	1699.41	3.50	858.18

Following Table Summarises approximate gain /(loss) on Company's Profit before tax on account of appreciation and depreciation of underlying foreign currencies of the above table

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Currency	(Rs. in Lacs)	
	Effect on Profit before tax	
	Current Year	Previous Year
Closing USD Rate (in Rs.)	69.17	65.04
Closing Euro Rate (in Rs.)	77.70	80.62
Closing GBP Rate (in Rs.)	90.48	92.28
5% appreciation	(291.92)	(819.57)
5% depreciation	291.92	819.57

Commodity Price Risk

The main raw materials which company procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly.

The pricing policy of the Company final product is structured in such a way that any change in price of raw materials is passed on to the customers in the final product however, with a time lag which mitigates the raw material price risk.

With regard to the finished products, the Company has been operating in a global competitive environment which continues to keep downward pressure on the prices and the volumes of the products.

In order to combat this situation, the Company formulated manifold plans and strategies to develop new customers & focus on new innovative products. In addition, it has also been focusing on improvement in product quality and productivity. With these measures, Company counters the competition and consequently commodity price risk.

Signatories to Notes 1 to 47.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Uflex Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Uflex Limited (hereinafter referred to as "the Holding Company") and its subsidiaries companies, viz. USC Holograms (P) Ltd, SD Buildwell (P) Ltd., U Tech Developers Ltd., Uflex Europe Ltd., Uflex Packaging Inc., Flex Middle East FZE, Flex P Films (Egypt) S.A.E., Flex Films Europa Sp. z.o.o, UPET Holdings Ltd., UPET (Singapore) PTE. Ltd., Flex Americas S.A. de C.V., Flex Films (USA) Inc., Flex Chemicals (P) Ltd., Flex Films Africa Pvt. Ltd., Flex Films Europa Korlatolt Felelossegu Tarsasag (Hungary), Flex Films Rus LLC (Russia) and Digicyl Pte. Ltd. (Upto June 27, 2018) (the Holding Company and its subsidiaries together referred to as "the Group"), its Associate, Flex Foods Limited and Jointly Controlled Entities, viz. Digicyl Pte. Ltd. (Singapore) (w.e.f. June 28, 2018) & Digicyl Ltd. (Israel) (w.e.f. July 18, 2018), being Wholly owned subsidiary of Digicyl Pte. Ltd. (Singapore), comprising of the consolidated balance sheet as at March 31, 2019, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, of their consolidated state of affairs of the Group as at March 31, 2019, of their consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated vide this report:

Key Audit Matter	Auditor's Response
Consolidation of Subsidiaries, Jointly Controlled Entities and Associate	<p>Audit Procedure Adopted:</p> <ul style="list-style-type: none"> Evaluated the design and implementation of internal controls laid down by the Group for identification of Subsidiaries, Jointly Controlled Entities and Associate; Evaluated the design and implementation of internal controls laid down by the Group for consolidation of group companies on line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating the intra-group transactions and also unrealized profit and losses resulting from intra-group transactions included in the carrying amount of assets. Evaluated the design and implementation of internal controls laid down by the Holding Company, for Consolidation of Jointly Controlled Entities and the Associate, by equity method. Evaluated the design and implementation of internal controls laid down by the Holding Company for alignment of accounting policy of foreign subsidiaries with Holding company Evaluated the design and implementation of internal controls laid down by the Holding Company for translating the financial statements of the Group companies which are incorporated outside India, as per Indian Accounting Standard.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and its Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our Auditors' Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate and Jointly Controlled Entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its Associate and Jointly Controlled Entities 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; 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 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.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its Associate and Jointly Controlled Entities are responsible for assessing the ability of the Group and of its Associate and Jointly Controlled Entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its Associate and Jointly Controlled Entities are responsible for overseeing the financial reporting process of the Group and of its Associate and Jointly Controlled Entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associate and Jointly Controlled Entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associate and Jointly Controlled Entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associate and Jointly Controlled Entities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We have audited two Indian subsidiaries viz. USC Holograms (P) Ltd and SD Buildwell (P) Ltd.. We did not audit the financial statements of rest of the 14 subsidiaries as at March 31, 2019 and Jointly Controlled Entities, whose financial statements reflect total assets of Rs. 429,436 Lacs as at March 31, 2019, total revenues of Rs. 455,686 Lacs and net cash outflows amounting to Rs. 2,370 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. 520 lacs and negative other comprehensive income of Rs. 15 lacs, for the year ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of Associate Company, whose financial statements have not been audited by us. In respect of above financial statements, which have been audited by other auditors, reports of other auditors 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, Jointly Controlled Entities and Associate, and our report in terms of sub-Sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, Jointly Controlled Entities and Associate, 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.

Report on Other Legal and Regulatory Requirements:

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 (including other comprehensive income), the Consolidated Statement of Changes in Equity 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.
- e) On the basis of the written representations received from the directors of the Holding Company and from the subsidiary companies audited by us as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and respective subsidiary companies audited by us and the reports of the statutory auditors of other subsidiary companies and associate company, incorporated in India & not audited by us, none of the directors of the Holding Company, its subsidiary companies and its associate company incorporated in India is disqualified as on March 31, 2019 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 requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its Indian Subsidiaries to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- g) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company and subsidiaries companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure.
- h) 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 Associate and Jointly Controlled Entities-Refer Note 33-IA, 33-IC and 33-II(i) to the consolidated financial statement.
 - ii. The Group, its Associate and Jointly Controlled Entities 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 and its Associate Company, incorporated in India;
 - b) There were no amounts which were required to be transferred to the Investor Education and protection fund by the subsidiary companies, which are companies incorporated in India.

For **KAAP & Associates**,
Chartered Accountants
ICAI Firm's Regn. No.: 019416N

Place : NOIDA,
Date : May 27, 2019

CA. Deepak Sehgal
Partner
Membership No. 085391

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" section of our report to members of Uflex Ltd. ("the Holding Company"), of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-Section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the Consolidated Financial Statements of the Uflex Limited (herein referred to as "the Holding Company"), its Subsidiaries and Associate, which are companies incorporated in India, as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Holding Company, its Indian Subsidiaries, viz. USC Holograms (P) Ltd, SD Buildwell (P) Ltd. and U Tech Developers Ltd., and its Indian Associate, viz. Flex Foods Ltd. (the Holding Company, its Indian Subsidiaries and its Indian Associate are together referred to as "Indian Enterprises") as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Indian Enterprises, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Indian Enterprises considering the essential components of internal control stated in the 'Guidance Note on Audit of Internal Financial Controls over Financial Reporting' (the 'Guidance Note'), issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Indian Enterprises' policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Indian Enterprises' internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143 (10) of the Companies act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Indian Enterprises' internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

The Indian Enterprises' internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with the Ind AS and other accounting principles generally accepted in India. An Indian Enterprises' internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Indian Enterprises; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with the Ind AS and other accounting principles generally accepted in India and that receipts and expenditures of the Indian Enterprises are being made only in accordance with authorizations of the Management and Directors of the Indian Enterprises; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Indian Enterprises assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in the "Other Matters" paragraph, the Indian Enterprises' have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Indian Enterprises, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far, as it relates to Subsidiary Companies and Associate Company, which are the Companies incorporated in India and not audited by us, is based on the corresponding reports of the auditors of respective Companies.

For **KAAP & Associates**,
Chartered Accountants
ICAI Firm's Regn. No.: 019416N

Place : NOIDA,
Date : May 27, 2019

CA. Deepak Sehgal
Partner
Membership No. 085391

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Note No.	(Rs in Lacs)	
		As at 31st March 2019	As at 31st March 2018
I ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	2A	368969.25	370453.72
b) Capital Work-in-Progress		26063.49	18715.86
c) Investment Property	2B	1464.95	1586.61
d) Goodwill	2C	0.20	0.20
e) Other Intangible assets	2C	5470.49	4533.83
f) Intangible assets under development		20.30	866.00
g) Financial Assets			
i) Investments	3A	4164.88	4343.86
ii) Pledged Equity Instruments	3B	-	4191.44
iii) Loans	4	6137.71	5039.48
iv) Other Non-Current Financial Assets	5	1815.09	3615.95
h) Other Non-Current Assets	6	26411.05	6794.17
Total Non-Current Assets		440517.41	420141.12
Current assets			
a) Inventories	7	84354.04	79684.27
b) Financial Assets			
i) Trade receivables	8	204552.37	193258.86
ii) Cash and cash equivalents	9A	21252.02	22324.71
iii) Bank Balances other than (ii) above	9B	7561.69	9226.04
iv) Loans	10	54.30	6.76
v) Other Financial Assets	11	7866.23	13661.45
c) Other Current Assets	12	29805.32	30517.10
Total Current Assets		355445.97	348679.19
TOTAL ASSETS		795963.38	768820.31
II EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	7221.15	7221.15
b) Other Equity	14	423212.22	390740.40
Total Equity		430433.37	397961.55
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	87636.68	105494.89
ii) Other Financial Liabilities	16	1117.49	1005.87
b) Provisions	17	2482.35	1969.28
c) Deferred tax liabilities (Net)	18	17895.08	12820.63
Total Non-Current Liabilities		109131.60	121290.67
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	19	87584.12	69868.37
ii) Trade payables	20		
- Total outstanding dues of Micro, Small & medium enterprises		778.94	683.03
- Total outstanding dues of creditors other than Micro, Small & medium enterprises		104851.12	118958.47
iii) Other Financial Liabilities	21	48345.94	47066.26
b) Other current liabilities	22	10086.37	9893.14
c) Provisions	23	2140.99	1253.77
d) Current Tax Liabilities (Net)	24	2610.93	1845.05
Total Current Liabilities		256398.41	249568.09
TOTAL EQUITY AND LIABILITIES		795963.38	768820.31

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

For and on behalf of the Board of Directors

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

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Note No.	(Rs in Lacs)	
		For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
INCOME:			
Revenue from Operations			
Gross Revenue from Sale of Products & Services	25 (A)	819372.32	714436.06
Less : Inter unit Sales of Products & Services		42820.65	48431.29
Net Revenue from Sale of Products & Services		776551.67	666004.77
Other Operating Income	25 (B)	19170.53	13966.61
Revenue from Operations		795722.20	679971.38
Other Income	26	2070.82	1998.38
Share in Profit of the Associate for the Year		520.21	320.99
Share in (Loss) of Joint Venture for the Year		(833.15)	-
Total Income		797480.08	682290.75
EXPENSES:			
Cost of materials consumed	27	489767.88	403305.29
Purchase of Stock-in-Trade		1329.56	4816.28
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(3299.21)	(2151.54)
Employee benefits expense	29	67051.58	59902.34
Finance costs	30	21792.90	19709.06
Depreciation and amortization expense		38085.21	35159.04
Other expenses	31	144973.41	130302.85
Expenses Allocated to Self Constructed Assets	32	(3096.47)	(4143.27)
Total Expenses		756604.86	646900.05
Profit before tax		40875.22	35390.70
Less / (Add) : Tax expense:			
- Current tax		5041.79	4357.88
- Deferred tax		4580.06	(141.96)
- (Excess) / Short Provision of Income Tax for earlier years		(268.11)	(45.68)
Profit for the year before Minority Interest		31521.48	31220.46
Non Controlling Interest		(137.90)	(172.34)
Profit for the year		31383.58	31048.12
Other Comprehensive Income			
a. Items that will be reclassified subsequently to Profit or Loss			
Exchange Difference on translation of foreign operations		3432.00	6019.52
b. Items that will not be reclassified subsequently to Profit or Loss			
Remeasurement of the net defined benefit liability / asset		(302.58)	(194.22)
Fair Value Changes/ Realised of / on Equity Instruments		(45.42)	767.62
Income tax relating to items that will not be reclassified Subsequently to Profit & Loss		(377.00)	-
Share in aggregate of other comprehensive income of the associates (Net of Tax)		(15.56)	(10.45)
Total (b)		(740.56)	562.95
Total Other Comprehensive Income for the year (a+b)		2691.44	6582.47
Total Comprehensive Income for the Year		34212.92	37802.93
Total Comprehensive Income for the Year attributable to:			
- Owners of the Holding Company		34075.02	37630.59
- Non-Controlling Interest		137.90	172.34
Earning Per Equity Share			
a) Basic (Rs.)		43.46	43.00
b) Diluted (Rs.)		43.46	43.00

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

For and on behalf of the Board of Directors

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

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)

Particulars	Equity Share Capital	Other Equity							Total	Total Attributable to Owners of the Company	Attributable to Non Controlling Interest			
		Reserve & Surplus			Items of Other Comprehensive Income									
		Capital Reserve	Securities Premium	General Reserve	Legal Reserve	Retained Earnings	Equity Instrument through other comprehensive Income	Exchange differences on translating financial statements of foreign operations				Exchange differences on devaluation of Currency	Remeasurement of Defined Benefit Plans	Share in aggregate Other Comprehensive Income of associate(s)
Balance as at 1st April 2017	7221.15	10603.64	57110.63	21082.11	1633.51	249231.50	(1474.32)	27503.41	(9,525.32)	(35.22)	(6.70)	363344.39	362862.46	461.93
Total Other Comprehensive Income for the Year (Net of Tax)							767.62	6019.52	-	(194.22)	(10.45)	6582.47	6582.47	-
Dividend Paid (Including Dividend Distribution Tax)						(3041.92)						(3041.92)	(3041.92)	-
Profit for the Year						31220.46						31220.46	31048.12	172.34
Amount transferred to General Reserve & Legal Reserve						(611.96)						(611.96)	(611.96)	-
Amount Transferred from Retained Earnings				110.21	501.75							611.96	611.96	-
Arising due to disposal of Subsidiary		(45.75)				(100.02)						(145.77)	-	(145.77)
(Refer Note No 41(b))														
Balance as at 31st March 2018	7221.15	10557.89	57110.63	21192.32	2135.26	276698.06	(706.70)	33522.93	(9,525.32)	(229.44)	(17.15)	397959.63	397471.13	488.50
Balance as at 1st April 2018	7221.15	10557.89	57110.63	21192.32	2135.26	276698.06	(706.70)	33522.93	(9,525.32)	(229.44)	(17.15)	397959.63	397471.13	488.50
Total Other Comprehensive Income for the Year (Net of Tax)							(422.42)	3432.00	0.00	(302.58)	(15.56)	2691.44	2691.44	-
Dividend Paid (Including Dividend Distribution Tax)						(1741.10)						(1741.10)	(1741.10)	-
Profit for the Year						31521.48						31521.48	31383.58	137.90

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019 (Contd.)

Particulars	(Rs. in Lacs)										Total Attributable to Owners of the Company	Attributable to Non-Controlling Interest	
	Equity Share Capital	Reserve & Surplus			Other Equity					Total			
		Capital Reserve	Securities Premium	General Reserve	Legal Reserve	Retained Earnings	Equity Instrument through other comprehensive Income	Exchange differences on translating financial statements of foreign operations	Exchange differences on devaluation of Currency				Remeasurement of Defined Benefit Plans
Amount transferred to General Reserve & Legal Reserve					(875.72)							(875.72)	
Amount Transferred from Retained Earnings			304.41	571.31								875.72	
Amount transferred to Retained Earning on Sale of Investment recognized through Other Comprehensive Income (Net of Tax)					1136.08	(1136.08)						-	
Balance as at 31st March 2019	7221.15	10557.89	21496.73	2706.57	306738.80	(2265.20)	36954.93	(9525.32)	(532.02)	(32.71)	430431.45	429805.05	626.40

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

For and on behalf of the Board of Directors

This is the Consolidated Statement of Changes in Equity referred to in our report of even date attached

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

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

Deepak Sehgal
Partner
M.No.: 085391

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Place : Noida
Dated : 27th May, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lacs)

	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	40875.22	35390.70
Adjustment for :		
Remeasurement of the net defined benefit liability / asset	(302.58)	(194.22)
Share in Profit of the Associate for the Year	(520.21)	(320.99)
Share in (Profit) /Loss of the Joint Venture for the Year	833.15	-
Share in aggregate of OCI of associate	(15.56)	(10.45)
Exchange differences on translation of foreign operations (net of adjustment to cost of Property, Plant & Equipment (PPE), Intangibles & Deferred Tax)	(1830.67)	752.90
Depreciation & amortisation expense	38085.21	35159.04
Exchange rate fluctuations (Net)	898.83	(686.90)
Loss on Sale of Property, Plant & Equipment (Net)	141.87	120.73
Property, Plant & Equipments written Off	12.24	27.45
Finance Cost	21792.90	19709.06
Interest received from Banks / others	(890.55)	(954.36)
Rent Received	(862.47)	(705.80)
Dividend received on Investments carried at Fair value through other comprehensive income	(10.85)	(40.21)
Gain on sale of Investments (Net)	(12.53)	(117.61)
Sundry Credit Balances written Back	(5,077.33)	(547.08)
Allowance for Doubtful Trade Receivables Written Back	(43.76)	(342.05)
Goodwill Written Off	-	20.10
Allowance for bad and doubtful Trade receivables	851.25	662.66
Allowance for bad and doubtful Advance recoverable	1000.00	-
Sundry Debit Balances / Bad Debts written off	4086.10	-
Operating Profit before Working Capital changes	99010.26	87922.97
Adjustment for :		
Trade Receivables	(12072.94)	(28076.44)
Loans and Other financial assets and other assets	(15948.48)	(2445.82)
Inventories	(4669.77)	(11822.59)
Trade payables	(9071.72)	23911.62
Other financial liabilities, other liabilities and provisions	3750.70	(760.61)
Cash generated from operations	60998.05	68729.13
Income Tax	(4773.68)	(4312.20)
Exchange rate fluctuations	(898.83)	686.90
Cash from operating activities before exceptional items	55325.54	65103.83
Net Cash generated from operating activities (A)	55325.54	65103.83

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

	(Rs. in Lacs)	
	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment (PPE) & Intangible assets	(38536.48)	(47745.02)
Sale proceeds of PPE & Intangibles	221.76	3859.25
Investment in Joint Venture (Net)	(337.50)	-
Inflow on Investments (Net)	4362.09	1495.93
Income Tax on Sale of Investments	(377.00)	-
Loans to Employees & Others	(1430.98)	(1980.19)
Loan to Joint Venture	(51.88)	-
Interest received from Banks / others	890.55	954.36
Rent Received	862.47	705.80
Dividend received on Investments carried at Fair value through other comprehensive income	10.85	40.21
Net Cash used in Investing Activities (B)	(34386.12)	(42669.66)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1444.23)	(2527.40)
Dividend Distribution Tax	(296.87)	(514.52)
Finance Cost	(21792.90)	(19709.06)
Borrowings (Net)	(142.46)	2237.07
Net Cash used in Financing Activities (C)	(23676.46)	(20513.91)
Net (Decrease) / Increase in Cash and Cash equivalents (A+B+C)	(2737.04)	1920.26
Cash and Cash equivalents		
Opening Cash and Cash equivalents	31550.75	29630.49
Closing Cash and Cash equivalents #	28813.71	31550.75

Includes Rs. 7561.69 lacs (Previous Year Rs. 9226.04 lacs) in respect of amount lying in unclaimed dividend accounts / margin money accounts / fixed deposits pledged with banks as margin for letter of credits, guarantees & bills discounted.

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

For and on behalf of the Board of Directors

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

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1: SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPERATION OF FINANCIAL STATEMENTS

The financial statements of the group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time by the Ministry of Corporate Affairs (MCA), the provisions of Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Financial statements of the group are prepared under the historical cost convention except for the certain financial assets and liabilities measured at fair value as mentioned in applicable accounting policies.

The financial statements are presented in Indian Rupees (INR). Amount has been rounded off to nearest lacs.

B. BASIS AND PRINCIPLES OF CONSOLIDATION

The consolidated financial statements comprise those of UFLEX Limited and its affiliated companies (the Group).

Companies which the group controls are fully consolidated from the date at which the Group obtains the control over the entity, using the equity method. The Group controls the entity when it is exposed to, or has right to, variable returns from its involvement with the company and has ability to affect those returns through its power over the company. The Group holds either full or majority of voting rights in the companies which are controlled.

The financial statements of the Group Companies are consolidated 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. The group 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. Non-controlling interest which represent part of the net profit or loss and net assets of the subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded. The excess / short amount of investment of the Group over its share in the net assets of the respective affiliates is recognized as Goodwill or Capital Reserve in the financial statement.

Associates are entities over which the Group has significant influence, but not control. Investments in the associate companies have been accounted under the Equity Method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or reduced by the amount of share in profit & loss of the investee after the date of acquisition. The Groups investment in associates includes goodwill identified on acquisition.

Joint Ventures are entities over which the Group has joint control. Investments in the joint venture have been accounted under the Equity Method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or reduced by the amount of share in profit & loss of the investee after the date of acquisition.

The list of companies of the UFLEX Group, associates and joint ventures are given as under:

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.	Poland	Subsidiary	100%
6	UPET Holdings Limited	Mauritius	Subsidiary	100%
7	UPET (Singapore) PTE Ltd.	Singapore	Subsidiary	100%

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Sr. No.	Name of the Company	Country of Incorporation	Relation	Ownership Interest
8	Flex Americas S.A.de C.V.	Mexico	Subsidiary	100%
9	Flex Films (USA) Inc.	USA	Subsidiary	100%
10	U Tech Developers Limited	India	Subsidiary	100%
11	SD Buildwell Private Limited	India	Subsidiary	100%
12	USC Holograms (P) Ltd.	India	Subsidiary	68%
13	Flex Chemicals Pvt. Ltd.	Russia	Subsidiary	100%
14	Flex Films Africa Pvt. Ltd.	Nigeria	Subsidiary	100%
15	Flex Films Europa Korlatolt Felelossegu Tarsasag	Hungary	Subsidiary	100%
16	Flex Films RUS LLC	Russia	Subsidiary	100%
17	Digicyl Pte. Ltd.	Singapore	Joint Venture	50%
18	Digicyl Limited	Israel	Joint Venture	50%
19	Flex Foods Limited	India	Associate	47.15%

Business Combinations

Business combinations are accounted for using the acquisition method. Where not all of the equity of a subsidiary is acquired the non-controlling interests are recognized at the non-controlling interest share of the acquires net identifiable assets. Upon obtaining control in a business combination achieved in stages, the Group remeasures its previously held equity interest at fair value and recognizes a gain or a loss to the other comprehensive income.

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 Ind AS 21 on "The Effects of Changes in Foreign Exchange Rates".

C. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on going 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.

D. 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.

E. REVENUES

Revenues from sale of goods and processing

Revenue from the sale of goods and processing of material in the course of ordinary activities is measured at the value of the consideration received or receivable, net of returns, trade discounts, rate differences and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risks and rewards normally happen upon shipment (except in case of consignment sales in which case the revenues are recognized when the materials are sold to ultimate customers).

Further, revenues are recognized at gross value of consideration of goods & processing of goods (Job Work) excluding Goods and Service Tax (GST).

Revenue from Services

Revenue from the service contract is recognized when the related services are performed and revenue from the services at the end of the reporting period is recognized based on stage of completion method. When there is uncertainty as to the ultimate collection of the revenue, recognition is postponed until such uncertainty is resolved. Revenues from service contracts are measured based on the services performed to date as a percentage of total services to be performed. In case where the services are performed by an indeterminate number of acts over a specified period of time, revenue is recognized on a straight line basis over the specified period. After the initial recognition, in respect of uncollectible amount, provisions are made in the period in which amount is identified as uncollectible.

Interest Income & Expense

Interest income is recognized on time apportionment basis. Effective interest method is used to compute the interest income on long terms loans and advances.

Dividend Income

Dividend income is recognized when the right to receive is established, which is generally when shareholders approve the dividend.

Rental Income

Rental income from investment property is recognized as part of other Income in Statement of profit and loss on a straight-line basis over the term of the lease.

F. PROPERTY, PLANT AND EQUIPMENT (PPE)

Recognition and measurement:

Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

Cost of Self-constructed assets is determined using the same principles as for acquired assets after eliminating the component of internal profits.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit or loss.

Depreciation on all property, plant & equipment are provided for, from the date of put to use for commercial production on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013, except for the followings, where the management believes that technical useful lives is different from those prescribed in Schedule II of the Companies Act, 2013 based on technical evaluation:

Particulars	Description
Rotogravure Cylinders & Shims (useful life of 3 Years)	Over the useful life as technically specified by the management based on the past experience
Continuous process Plant for Packaging Film (useful life of 20 Years)	Over the useful life as technically specified by the management based on the past experience
Identifiable separate components of Plant & Equipment (useful life of 3 to 6 years)	Over the useful life as technically specified by the management based on the past experience

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Cost of leasehold land are written-off over the primary lease period of the land expect of the leasehold land, held by the company on the date of transition, which is amortised over the remaining useful lives of the assets. Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

Reclassification to investment property:

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

G. INTANGIBLE ASSETS

Acquired Intangible assets are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition intangibles are carried at cost less accumulated amortization and impairment losses, if any.

Intangible assets in respect of Product development is created when the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the product / technology and the cost is reliably measurable. Revenue expenditures pertaining to Research is charged to the statement of profit & loss. Development costs of products are charged to the statement of profit & loss unless a products technological and commercial feasibility has been established in which case such expenditure is capitalized. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment loss, if any.

Intangibles assets are amortised over their respective individual estimated useful lives on a straight line basis, from the date they are available for use, as per period prescribed in respective license/ agreement or five years.

Intangible asset is derecognized on disposal or when no future economic benefits are expected from continuing use or disposal.

The estimated useful lives, residual values and amortization method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

H. INVESTMENT PROPERTIES

Investment properties are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition the investment properties are carried at cost less accumulated depreciation and impairment losses, if any.

Transfer to and from the investment properties are made when and only when, there is change in the use of the investment property as evidenced by the conditions laid down under the Indian accounting standard. The carrying amount of the property as on the date of classification is considered as carrying value of the investment property and vice-versa.

Depreciation on investment properties are provided for from the date of put to use for on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013

The carrying amount of the investment properties are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The fair value of the investment properties are disclosed in the notes.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

I. INVENTORIES

Inventories of finished goods and 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 including specific payments & benefits to employees or net realizable value.

Raw Materials and other materials including packaging, stores and fuels 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 realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and sales.

J. FINANCIAL INSTRUMENTS

Initial Recognition:

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables/payables and where cost of generation of fair value exceeds benefits, which are initially measured at transaction price. Transaction costs directly related to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities through profit & loss account) are added to or deducted from the cost of financial assets or financial liabilities. Transaction cost directly attributed to the acquisition of financial assets or financial liabilities at fair value through profit & loss account are recognized immediately in the statement of profit & loss.

Subsequent Recognition:

Non-derivative financial instruments

- (i) **Financial assets carried at amortized cost:** A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments (all being not held for trading), to present the subsequent changes in fair value in other comprehensive income based on its business model.

Fair value of the listed equity instruments are measured using the rate quoted in the stock exchange wherein the securities are actively traded as on the last working day of the period of reporting. In respect of unlisted equity instruments, fair value is determined based on the latest audited financial statements and considering the open market information available, failing which it shall be measured at cost.

- (iii) **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of the above categories (including investment in units of mutual funds) are subsequently measure at fair valued through profit or loss.
- (iv) **Financial liabilities:** Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019**K. TRADE RECEIVABLES**

Trade receivables represents amount billed to customers as credit sales and are net off; a) any amount billed but for which revenues are reversed under the relevant Indian accounting standard and b) impairment for trade receivables, which is estimated for amounts not expected to be collected in full.

L. LOANS AND ADVANCES

Loans and advances are non-derivative financial assets with fixed and determinable payments. This category includes the loans, other financial assets and other current assets.

Subsequent to initial measurement, loans and receivables are carried at amortized cost based on effective interest rate method less appropriate allowance for doubtful receivables, if any.

Loans and advances are further classified as current and non-current depending whether they will realize within 12 months from the balance sheet date or beyond.

M. FINANCIAL LIABILITIES

Financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction cost.

Subsequent to initial measurement, financial liabilities viz borrowings are measured at amortised cost. The difference in the initial carrying amount of the financial liabilities and their redemption value is recognised in the statement of profit & loss over the contractual term using the effective interest rate method.

Financial liabilities are further classified as current and non-current depending whether they are payable within 12 months from the balance date or beyond.

Financial liabilities are derecognized when the company is discharged from its obligation; they expire, are cancelled or replaced by a new liability with substantial modified terms.

N. EARNING PER SHARE

Basic Earnings Per Share is computed by dividing the net profit attributable to the owners of the Group to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the owners of the Group after adjusting the effect of all dilutive potential equity shares that were outstanding during the period. The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

O. TAXATION**Current Tax**

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on net basis, or to realise the assets and settle the liability simultaneously.

Deferred Tax Assets and Liabilities

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred tax balances relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Group intends to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Deferred tax is not recognized for temporary differences relating to:

- initial recognition of goodwill;
- initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and
- Investments in subsidiaries, associates and jointly controlled entities where the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity as the case may be.

P. EMPLOYEE BENEFITS

The Group provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the Group towards the liability for employees benefits plans notified / enacted by the competent authority and defined benefits plans includes the retirement benefits, such as gratuity and paid absences (leave benefits) both accumulated and non-accumulated.

- a. In respect Defined Contribution Plans contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.
- b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Remeasurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.
- c. Liabilities for accumulating paid absences is determined at the present value of the amounts payable determined using the actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit method. Actuarial gain or losses in respect of accumulating paid absences are charged to statement of profit & loss account.
- d. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

Q. IMPAIRMENT

Financial assets

The Group recognizes the impairment on financial assets based on the expected credit loss model for the financial assets which are not fair value through profit and loss account. Loss allowance on trade receivables, with no significant financing component is measured at an amount equal to lifetime expected credit loss. The amount of expected credit losses or reversal that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss for the period.

Intangible assets, investment property and property, plant and equipment

Intangible assets, investment property and property plant & equipment are evaluated for recoverability wherever events or changes in circumstances indicate that their carrying amount may not be recoverable.

For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs).

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such asset is considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit & loss if there have been changes in the estimates used to determine the recoverable amount. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceeds the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss has been recognized for the asset in prior years.

R. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized, if as a result of past event the Group has present legal or constructive obligations that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the Group.

Contingent assets are not recognized in the financial statements. However due disclosures are made in the financial statements for the contingent assets, where economic benefits is probable and amount can be estimated reliably.

S. FOREIGN CURRENCY TRANSACTIONS**Functional Currency**

The Companies functional currency is Indian Rupees. The financial statement of the company is presented in Indian rupees rounded off to nearest lacs.

Transaction and Translations

Transactions in currency other than Indian Rupees are recorded at the rate, as declared by the custom authority / inter-bank rates, ruling on the date of transaction.

Unsettled Foreign currency denominated monetary assets and liabilities, as at the balance sheet date, are translated using the exchange rates as at the balance sheet date. The gain or loss resulting from the translation is recognized in the statement of profit & loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured carried at fair value are translated at the date when the fair value is determined.

Transaction gain or losses realized upon settlement of foreign currency transaction are included in determining the net profit for the period in which transaction is settled.

Exchanges difference arises on settlement / translation of foreign currency monetary items relating to acquisition of property, plant & equipment 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 property, plant & equipment.

T. LEASES

Payments made under operating leases are generally recognized in the statement of profit and loss on a straight line basis over the term of leases unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, lease incentive are recognized as integral part of the total lease expense over the term of the lease.

Minimum lease payments under the finance leases are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

U. BORROWING COST

Borrowings cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing cost directly 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 in the year in which they are incurred.

V. APPLICATION OF NEW AND REVISED INDIAN ACCOUNTING STANDARDS (IND AS)

Effective 1st April 2018, the Group has adopted Ind AS 115 on "Revenue from Contracts with Customers". This has been replaced for an existing Ind AS 18 on "Revenues" earlier adopted by the Group. The adoption of the same will not result into any material change in the principle of reorganization of revenue by the Group except that under the earlier Ind AS the amount of commission paid was adjusted against the revenues whereas now the same has been considered as part of the cost and revenue is recognized with Gross Amount. This is done based on the main concept laid down by Ind AS 115 for reorganizing the revenue at consideration which the entity expect to receive in exchange of the promised goods and services.

Further during the year, the Group has adopted all other Indian Accounting Standards (Ind AS) that are notified by the Ministry of Corporate Affairs and are relevant to its operations and effective for the financial year beginning on or after 1st April 2018.

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendments Rules, 2019, notifying amendments in the various Indian Accounting Standards which are effective for the financial periods beginning on or after 1st April 2019. The standards which might have impact on the financials of the Group are listed as under:

Ind AS 103	-	Business Combination
Ind AS 107	-	Financials Instruments: Disclosures
Ind AS 109	-	Financial Instruments
Ind AS 113	-	Fair Value Measurement
Ind AS 115	-	Revenue from Contracts with Customers
Ind AS 116	-	Leases
Ind AS 1	-	Presentation of Financial Statements
Ind AS 2	-	Inventories
Ind AS 7	-	Statement of Cash Flows
Ind AS 12	-	Income Taxes
Ind AS 16	-	Property, Plant and Equipment
Ind AS 17	-	Leases –(Omitted)
Ind AS 21	-	The Effects of Changes in Foreign Exchange Rates
Ind AS 23	-	Borrowing Costs
Ind AS 32	-	Financial Instruments: Presentation
Ind AS 37	-	Provisions, Contingent Liabilities and Contingent Assets
Ind AS 38	-	Intangible Assets
Ind AS 40	-	Investment Property

The Company is in the process of assessing the changes required/ possible impact of these Ind AS's on the financial statements in the period of initial application and accordingly will adopt these changes by suitably amending its accounting policies as well the presentations and disclosures in the financial Statements.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019
2A PROPERTY, PLANT & EQUIPMENT

	Freehold Land	Lease Hold Land	Building	Plant & Equipment	Electrical Installations	Office Equipments	Furniture & Fixtures	Vehicles	Aircraft	Total
Gross Carrying Value										
As at 1st April 2017	4127.37	21367.19	75706.54	421629.95	13647.64	6645.01	6536.12	3753.05	-	553412.87
Additions During the Year	2587.91	208.46	16626.72	50168.42	2724.77	1128.37	1106.07	1845.81	691.44	77087.97
Transfer to Investment Property	-	(194.57)	(2416.53)	-	-	-	-	-	-	(2611.10)
Adjustments for Exchange Difference on translation	136.86	19.63	1464.90	5404.25	344.14	36.75	38.17	53.55	-	7498.25
Deductions During the Year	-	(259.21)	(270.94)	(23737.37)	(475.44)	(114.36)	(24.66)	(185.52)	-	(25067.50)
As at 31st March 2018	6852.14	21141.50	91110.69	453465.25	16241.11	7695.77	7655.70	5466.89	691.44	610320.49
Additions During the Year	471.55	1228.43	5002.37	20555.58	954.02	728.29	487.80	360.83	-	29788.87
Adjustments for Exchange Difference on translation	16.42	402.44	1278.85	6742.81	150.99	76.19	39.44	41.30	43.91	8792.35
Deductions During the Year	-	-	-	(2536.84)	(48.90)	(89.17)	(122.55)	(425.81)	-	(3223.27)
As at 31st March 2019	7340.11	22772.37	97391.91	478226.80	17297.22	8411.08	8060.39	5443.21	735.35	645678.44
DEPRECIATION / AMORTISATION										
As at 1st April 2017	-	320.15	18532.55	183533.43	5832.16	4857.53	4410.49	1862.71	-	219349.02
Provided for the Year	-	313.87	2607.34	28155.13	715.42	637.06	863.12	571.21	34.28	33897.43
Transfer to Investment Property	-	(3.00)	(1465.27)	-	-	-	-	-	-	(1468.27)
Adjustments for Exchange Difference on translation	-	1.72	247.79	1521.14	82.81	23.75	22.43	18.56	0.29	1918.49
Deductions During the Year	-	(4.33)	(47.04)	(13391.48)	(149.11)	(73.60)	(20.87)	(143.47)	-	(13829.90)
As at 31st March 2018	-	628.41	19875.37	199818.22	6481.28	5444.74	5275.17	2309.01	34.57	239866.77
Provided for the Year	-	329.58	3013.77	30632.60	869.18	721.85	331.79	622.95	37.11	36558.83
Adjustments for Exchange Difference on translation	-	17.46	306.17	2661.39	28.61	54.58	33.00	27.86	1.85	3130.92
Deductions During the Year	-	-	-	(2370.45)	(46.46)	(83.91)	(121.43)	(225.08)	-	(2847.33)
As at 31st March 2019	-	975.45	23195.31	230741.76	7332.61	6137.26	5518.53	2734.74	73.53	276709.19
NET CARRYING VALUE										
As at 31st March 2018	6852.14	20513.09	71235.32	253647.03	9759.83	2251.03	2380.53	3157.88	656.87	370453.72
As at 31st March 2019	7340.11	21796.92	74196.60	247485.04	9964.61	2273.82	2541.86	2708.47	661.82	368969.25

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

2B INVESTMENT PROPERTY

(Rs. in Lacs)

	Freehold Land	Leasehold Land	Building	Total
Gross Carrying Value				
As at 1st April 2017	8.57	81.26	1615.06	1704.89
Additions During the Year	-	-	22.43	22.43
Transfer from Property, Plant & Equipment	-	194.57	2416.53	2611.10
Deductions During the Year	-	-	-	-
As at 31st March 2018	8.57	275.83	4054.02	4338.42
Additions During the Year	-	-	-	-
Deductions During the Year	-	-	-	-
As at 31st March 2019	8.57	275.83	4054.02	4338.42
AMORTISATION				
As at 1st April 2017	-	1.16	1179.17	1180.33
Provided for the Year	-	2.97	100.24	103.21
Transfer from Property, Plant & Equipment	-	3.00	1465.27	1468.27
Deductions During the Year	-	-	-	-
As at 31st March 2018	-	7.13	2744.68	2751.81
Provided for the Year	-	3.56	118.10	121.66
Deductions During the Year	-	-	-	-
As at 31st March 2019	-	10.69	2862.78	2873.47
NET CARRYING VALUE				
As at 31st March 2018	8.57	268.70	1309.34	1586.61
As at 31st March 2019	8.57	265.14	1191.24	1464.95

Notes:

- 1 Building includes Original Acquisition Cost of Rs. 5.30 lacs (Previous Year Same) acquired on ownership basis & Original Acquisition Cost of Rs.19.85 lacs (Previous Year Same), pending execution of title deed.
- 2 Fair value of the Investment Properties is of Rs 12248.68 Lacs (Previous Year Rs.13234.69 Lacs), as valued by Independent architect and approved valuer.

2C INTANGIBLE ASSETS

(Rs. in Lacs)

	Goodwill	Software	Patent	Technical Know How		Total
				Internally Generated	Other Than Internally Generated	
Gross Carrying Value						
As at 1st April 2017	20.30	2201.44	639.56	3308.57	1330.17	7500.04
Additions During the Year	-	147.91	-	563.87	149.10	860.88
Adjustments for Exchange Difference on translation	-	5.40	-	6.36	-	11.76
Deductions During the Year	(20.10)	-	-	-	-	(20.10)
As at 31st March 2018	0.20	2354.75	639.56	3878.80	1479.27	8352.58
Additions During the Year	-	57.33	-	1021.12	1167.34	2245.79
Adjustments for Exchange Difference on translation	-	0.45	-	130.38	-	130.83
Deductions During the Year	-	(6.89)	-	-	-	(6.89)
As at 31st March 2019	0.20	2405.64	639.56	5030.30	2646.61	10722.31
DEPRECIATION / AMORTISATION						
As at 1st April 2017	-	1355.04	536.99	202.03	557.60	2651.66
Provided for the Year	-	252.95	28.25	667.38	209.82	1158.40
Adjustments for Exchange Difference on translation	-	4.38	-	4.11	-	8.49

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)

	Goodwill	Software	Patent	Technical Know How		Total
				Internally Generated	Other Than Internally Generated	
Deductions During the Year	-	-	-	-	-	-
As at 31st March 2018	-	1612.37	565.24	873.52	767.42	3818.55
Provided for the Year	-	256.51	28.25	807.31	312.65	1404.72
Adjustments for Exchange Difference on translation	-	0.21	-	35.10	-	35.31
Deductions During the Year	-	(6.96)	-	-	-	(6.96)
As at 31st March 2019	-	1862.13	593.49	1715.93	1080.07	5251.62
NET CARRYING VALUE						
As at 31st March 2018	0.20	742.38	74.32	3005.28	711.85	4534.03
As at 31st March 2019	0.20	543.51	46.07	3314.37	1566.54	5470.69

Breakup of Depreciation and Amortisation charge for the Year:

	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Depreciation and Amortisation on:		
Property, Plant & Equipment	36558.83	33897.43
Investment Property	121.66	103.21
Other Intangible Assets	1404.72	1158.40
	<u>38085.21</u>	<u>35159.04</u>

3A: INVESTMENTS

Particulars	Description	Face Value	As At 31.03.2019		As At 31.03.2018	
			Number	Amount (Rs.in Lacs)	Number	Amount (Rs.in Lacs)
I Measured at Cost / Carrying Value (Less Impairment, if any)						
Equity Instruments in the Associate						
Quoted						
Fully Paid Up						
IN SHARES						
Carrying Value of Investment				443.73	443.73	
Add: Share in Post acquisition Profits / OCI				5044.80	4540.15	
				<u>5488.53</u>	4983.88	
Less: Dividend received upto the year end				(1262.06)	(1262.06)	
Carrying Amount of Investment	Equity	Rs.10/-		<u>4226.47</u>	3721.82	
Total -3A(I)				<u>4226.47</u>	3721.82	
II Measured at Cost / Carrying Value (Less Impairment, if any)						
Equity Instruments in Joint Venture						
Unquoted						
Fully Paid Up						
IN SHARES						
Carrying Value of Investment				337.50	-	
Add: Share in Post acquisition (Loss) / OCI				(833.15)	-	
Carrying Amount of Investment	Equity	US\$1		<u>(495.65)</u>	-	
Total -3A(II)				<u>(495.65)</u>	-	

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Description	Face Value	As At 31.03.2019		As At 31.03.2018	
			Number	Amount (Rs.in Lacs)	Number	Amount (Rs.in Lacs)
III Designated and carried at Fair value through Other Comprehensive Income						
Equity Instruments						
i) Quoted						
Fully Paid Up						
IN SHARES						
Ansal Properties & Infrastructure Ltd.	Equity	Rs.5/-	589910	66.66	589910	115.62
Kothari Products Ltd.	Equity	Rs.10/-	342900	282.89	342900	504.23
B.A.G.Films Ltd.	Equity	Rs.2/-	49300	2.31	49300	2.19
Reliance Infrastructure Ltd.	Equity	Rs.10/-	60000	82.20	-	-
ii) Unquoted						
Fully Paid Up						
IN SHARES						
Malanpur Captive Power Ltd.	Equity	Rs.10/-	635650	-	635650	-
Fair Growth Financial Services Ltd.	Equity	Rs.10/-	100000	-	100000	-
Vijaya Home Loans Ltd.	Equity	Rs.10/-	50000	-	50000	-
Total -3A(III)				434.06		622.04
TOTAL 3A (I+II+III)				4164.88		4343.86

3B: PLEDGED EQUITY INSTRUMENTS \$

Designated and carried at Fair value through Other Comprehensive Income

Equity Instruments

Quoted

Fully Paid Up

IN SHARES

Reliance Industries Ltd.	Equity	Rs.10/-	-	-	445784	3934.94
Reliance Infrastructure Ltd.	Equity	Rs.10/-	-	-	60000	256.50
TOTAL (3B)						4191.44

i) Aggregate amount of Quoted Investment (Including Pledged)				6613.56		8929.84
ii) Aggregate Market Value of Quoted Investments (Including Pledged)				3870.94		10988.72
iii) Aggregate amount of unquoted Investments				649.67		312.17
iv) Aggregate amount of impairment in value of Investments						
- Quoted				1953.03		394.53
- Unquoted				312.17		312.17
				2265.20		706.70
v) Investment Carried at Amortised Cost				3730.82		3721.82
vi) Investment Carried at Fair Value through Other Comprehensive Income				434.06		4813.48
\$ Pledge against the borrowing from a Body Corporate. (Refer Note No 19)						

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
4: LOANS		
(Unsecured, Considered Good)		
Security Deposits	2579.00	2748.72
Loans to :		
- Employees	151.34	196.36
- Related Parties	1370.00	1990.00
- Others	2275.00	179.00
	<u>3796.34</u>	<u>2365.36</u>
Less: Current Portion	237.63	74.60
TOTAL :	<u>3558.71</u>	<u>2290.76</u>
	<u>6137.71</u>	<u>5039.48</u>
5: OTHER NON-CURRENT FINANCIAL ASSETS		
Fixed deposit Accounts for a period more than 12 months *	29.28	4.83
Debt Security Coverage Account with lender banks	1785.81	3611.12
TOTAL :	<u>1815.09</u>	<u>3615.95</u>
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
6: OTHER NON-CURRENT ASSETS		
Capital Advances	24232.66	4641.76
Deposit with Excise/ GST / Sales Tax Authorities	563.09	614.24
Deposits / Advances with Income Tax Authorities	1615.30	1538.17
TOTAL :	<u>26411.05</u>	<u>6794.17</u>
7: INVENTORIES		
Raw Materials	36365.16	32964.09
Work-in-Progress	15067.96	14423.87
Finished Goods	16458.20	12760.59
Traded Goods	5900.05	5916.48
Material-in-Transit :		
- Raw Materials	4892.14	6067.86
- Raw Materials (Intra Group)	538.92	1006.29
- Finished Goods (Intra Group)	2596.31	3622.37
Stores, Packing Material & Fuel	2535.30	2922.72
TOTAL :	<u>84354.04</u>	<u>79684.27</u>
8: TRADE RECEIVABLES		
Current- Unsecured		
Considered Good #	204552.37	193258.86
Having Significant increase in Credit Risk	4027.50	3199.52
Credit Impaired	828.51	780.32
Trade Receivables	209408.38	197238.70
Less : Allowance for bad and doubtful debts	4856.01	3979.84
TOTAL :	<u>204552.37</u>	<u>193258.86</u>
# Includes due from :		
- Related Parties	1946.90	3094.35

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
Movements in allowance for bad and doubtful debts:		
Opening Balance	3979.84	3655.76
(+) Provision made during the year	851.25	662.66
(+)/(-)Adjustment for Exchange Difference on Translation	68.68	3.47
(-) Amount utilised from provision	(43.76)	(342.05)
Closing Balance	4856.01	3979.84
9: CASH & BANK BALANCES		
A) Cash & Cash Equivalents		
i) Cash on hand	58.61	120.40
ii) Balances with Banks:		
- In Current Accounts	18007.13	10195.23
- In EEFC Account	37.51	-
- In Cash Credits Accounts	2159.90	6959.99
- In Fixed Deposits Accounts	962.35	4688.67
iii) Remittance in Transit	15.45	59.06
iv) Cheques on hand	11.07	301.36
Sub-Total (A)	21252.02	22324.71
B) Other Bank Balances		
- In Fixed Deposits Accounts*	6880.35	6276.90
- In Unclaimed Dividend Accounts	123.99	147.16
- In Margin Money Accounts	557.35	2801.98
Sub-Total (B)	7561.69	9226.04
TOTAL (A+B):	28813.71	31550.75
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
10: LOANS		
(Unsecured, Considered Good)		
Loans to Employees and others	2.42	6.76
Loans to a Joint Venture	51.88	-
TOTAL :	54.30	6.76
Additional Information on Loan to Joint Venture:		
Name of the Company	Rate of Interest	Rate of Interest
Digicyl Pte. Ltd.(Singapore) -Joint Venture	6.5%	51.88
		-
		-
11: OTHER FINANCIAL ASSETS		
Current Portion of Long Terms Loans given	237.63	74.60
Advance against property	7283.80	11648.80
Interest accrued on :		
- Loan to Others	50.28	42.55
- Loan to Joint Venture	1.41	-
- Loan to Related Parties	161.10	7.68
- Deposits with Banks	88.17	106.07
- Other receivables	43.84	1781.75
TOTAL :	7866.23	13661.45

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
12: OTHER CURRENT ASSETS		
Advances recoverable	21488.76	21205.80
Advances recoverable from Related Parties	20.13	-
Advance recoverable from Joint Venture	73.44	-
Balances with Excise / GST/ VAT Authorities	8222.99	9311.30
TOTAL :	29805.32	30517.10

13: SHARE CAPITAL

A AUTHORISED

The Holding Company 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 and Subscribed Capital of the Holding Company as at 31st March 2019 is of Rs. 7228.42 Lacs, represented by 72284187 Equity Shares (Including 72701 Equity Shares forfeited) of Rs. 10/- each and the paid-up Capital as at 31st March 2019 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 (Rs in Lacs)	Number	Amount (Rs in Lacs)	Number	Amount (Rs in Lacs)
Balance as at 1st April 2017	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2018	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2019	72284187	7228.42	72211486	7221.15	-	-

Amount Originally paid up on the forfeited shares was of Rs. 3.89 Lacs (Previous Year Same).

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

	As at 31st March 2019		As at 31st March 2018	
	Number	%	Number	%
a) Promoter & Promoter Group	31784239	44.02	31784339	44.02
Of which Shareholders holding More than 5% of the Paid-up Capital				
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) Public Shareholding *	40427247	55.98	40427147	55.98
i) Institution	6050552	8.38	9857847	13.65
ii) Non- Institution	34376695	47.60	30569300	42.33
* Of which Shareholder holding More than 5% of the Paid-up Capital				
Kebale Trading Ltd.	5465840	7.57	5465840	7.57
IL & FS Trust Co. Ltd.	3981085	5.51	1268556	1.76

c) RESTRICTION ON VOTING RIGHTS

The Holding Company has only one class of issued equity share capital as on the date of the balance sheet and each holder of equity share is entitled for one vote per share and right to receive the dividend, if any, declared on the equity shares.

d) Dividend

The Board of Directors of the Holding Company has recommended a final dividend of Rs.2.00 (Previous Year Rs.2.00) per share aggregating to Rs.1741.10 lacs (Previous Year Rs. 1741.10 Lacs) (Including the dividend distribution tax of Rs. 296.87 lacs (Previous Year Rs. 296.87 Lacs)) for the financial year ended 31st March 2019 subject to the approval of the Shareholders in their ensuing Annual General Meeting.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

14: OTHER EQUITY	Reserve and Surplus					Other Comprehensive Income					Total	
	Particulars	Capital Reserve	Securities Premium	General Reserve	Legal Reserve	Retained Earnings	Equity Instrument through other comprehensive Income	Exchange differences on translating financial statements of foreign operations	Exchange differences on devaluation of Currency	Remeasurement of Defined Benefit Plans		Share in aggregate Other Comprehensive Income of associate(s)
Balance as at 01st April 2017	10603.64	57110.63	21082.11	1633.51	248769.57	(1474.32)	27503.41	(9,525.32)	(35.22)	(6.70)	1524.55	357185.86
Profit for the Year					31048.12						172.34	31220.46
Total Other Comprehensive Income for the Year (Net of Tax)						767.62	6019.52	-	(194.22)	(10.45)		6582.47
Dividend Paid Including Dividend Distribution Tax					(3041.92)							(3041.92)
Amount transferred to General Reserve & Legal Reserve					(611.96)							(611.96)
Amount Transferred from Statement of Profit & Loss			110.21	501.75								611.96
Arising due to disposal of Subsidiary (Refer Note No 41(b))	(45.75)				45.75						(1206.47)	(1206.47)
Balance as at 31st March 2018	10557.89	57110.63	21192.32	2135.26	276209.56	(706.70)	33522.93	(9525.32)	(229.44)	(17.15)	490.42	390740.40
Total Other Comprehensive Income for the Year (Net of Tax)						(422.42)	3432.00	-	(302.58)	(15.56)	-	2691.44
Dividend Paid Including Dividend Distribution Tax					(1741.10)							(1741.10)
Profit for the Year					31383.58						137.90	31521.48
Amount transferred to General Reserve & Legal Reserve					(875.72)							(875.72)
Amount Transferred from Statement of Profit & Loss			304.41	571.31								875.72
Amount transferred to Retained Earning on Sale of Investment recognized through Other Comprehensive Income (Net of Tax)					1136.08	(1136.08)						-
Balance as at 31st March 2019	10557.89	57110.63	21496.73	2706.57	306112.40	(2265.20)	36954.93	(9525.32)	(532.02)	(32.71)	628.32	423212.22

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Description of Reserves

1 Capital Reserve

This includes

- a. Rs. 10288.18 Lacs towards amount of warrant application money forfeited by the Holding Company in the past on non exercise of option by the warrant holders to convert the warrants into Equity Shares and Rs. 89.58 Lacs towards amount received by Holding Company on Equity Shares Forfeited in the past.
- b. Rs. 180.13 Lacs arising on consolidation of subsidiaries.

2 Securities Premium

Securities Premium was created by the Holding Company consequent to issuance of shares at Premium. These reserves can be utilized in accordance with the provisions of Section 52 of the Companies Act, 2013.

3 General Reserve

General Reserve amount is net of Rs.143.27 lacs in respect of Goodwill written off in the past on the acquisition of the Associate Company and includes :

- a. Rs. 20164.05 Lacs created by the Holding Company in accordance with erstwhile Companies Act, 1956 & Rules thereunder by transferring the Surplus in the Statement of Profit & Loss to the General Reserve, as per the limits laid down thereunder on distribution of Profits to Shareholders, as dividend. This is a part of free reserve and can be used for the purpose of distribution to Shareholders.
- b. Rs. 1475.95 Lacs created in respect of Flex Americas SA de CV its wholly owned subsidiary in terms of the legal requirement for the compulsory transfer 5% of the annual available surplus in the Statement of Profit & Loss to the General Reserve.

4 Legal Reserve

Legal Reserve represents :

- a. Rs. 1475.95 Lacs created in respect of Flex Americas SA de CV its wholly owned subsidiary in terms of the legal requirement for the compulsory transfer 5% of the annual available surplus in the Statement of Profit & Loss to the Legal Reserve. The Statutory Reserve cannot be distributed except in cases stated in the Law. The company may resolve to discontinue such annual transfer when the accumulated balance becomes 20% of its issued share capital.
- b. Rs. 1230.62 Lacs created in respect of Flex Films (Egypt) S.A.E. its wholly owned subsidiary in terms of the legal requirement for the compulsory transfer of the 5% of the annual available surplus in the Statement of Profit & Loss to the Legal Reserve. The Statutory Reserve cannot be distributed except in cases stated in the Law. The company may resolve to discontinue such annual transfer when the accumulated balance becomes 50% of its issued share capital.

15: BORROWINGS

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
A. Secured		
Term Loans :		
From Banks	97798.77	113720.35
From IFCI Limited	13841.28	14833.55
	111640.05	128553.90
B. Vehicle Loans :		
From Banks	373.67	395.93
From Others	477.05	1061.58
	850.72	1457.51

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
C. Unsecured		
From TFCI ~	7343.73	5229.21
From Bodies Corporate	3089.20	2831.03
	10432.93	8060.24
Sub- Total (A+B+C)	122923.70	138071.65
Less: Current portion	35287.02	32576.76
TOTAL :	87636.68	105494.89

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

(Rs in Lacs, except where otherwise stated)					
Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2019	Current Portion	Long Term Repayment Terms
PART A: TERM LOANS					
IFCI Limited	a	15000.00	13873.00 (14873.00)	2000.00 (1000.00)	11873.00 (13873.00) Repayable in 32 Quarterly Installments commencing from June 2018, first four installments of Rs. 250.00 Lacs each and balance 28 installments of Rs. 500.00 Lacs each.
UCO Bank	a	20000.00	16112.44 (1865.29)	3333.33 (833.33)	12779.11 (1031.96) Repayable in 24 Equal Quarterly Installments of Rs. 833.33 Lacs each commencing from Feb 2019.
Jammu & Kashmir Bank Ltd.	a	5000.00	-	-	-
			(1000.00)	(1000.00)	(-) Repayable in 20 Equal Quarterly Installments of Rs. 250.00 Lacs each commencing from Jun 2014.
Jammu & Kashmir Bank Ltd.	a	14930.00	14930.00 (14930.00)	933.12 (-)	13996.88 (14930.00) Repayable in 32 Equal Quarterly Installments of Rs. 466.56 Lacs each commencing from Dec 2019.
State Bank of India	a	25000.00	14044.14 (19044.27)	5000.00 (5000.00)	9044.14 (14044.27) Repayable in 60 Equal Monthly Installments of Rs. 416.67 Lacs each commencing from Oct 2017. However installments are restricted to the extent of loan availed
State Bank of India	a	15000.00	8215.21 (8751.28)	2144.00 (535.71)	6071.21 (8215.57) Repayable in 82 installments, First installment is of Rs 535.71 lacs in Mar 2019 and rest in 81 Equal Monthly Installments of Rs 178.57 lacs each from Apr 2019. However installments are restricted to the extent of loan availed.
South Indian Bank	a & b	5000.00	4285.46 (5000.00)	714.40 (714.40)	3571.06 (4285.60) Repayable in 28 Quarterly Installments commencing from June 2018. First 27 installments is of Rs 178.60 Lacs each and last installment is of Rs. 177.80 Lacs.
Woori Bank	a	3200.00	2133.33 (3200.00)	1066.67 (1066.68)	1066.66 (2133.32) Repayable in 12 Equal Quarterly Installments of Rs 266.67 commencing from May 2018.
Oriental Bank of Commerce	a	5000.00	4999.54 (4999.54)	714.28 (-)	4285.26 (4999.54) Repayable in 28 Equal Quarterly Installments of Rs. 178.57 Lacs each commencing from Apr 2019.
Canara Bank	a & b	12500.00	-	-	-
			(2307.14)	(2307.14)	(-) Repayable in 20 Equal Quarterly Installments of Rs. 625.00 Lacs each commencing from Jun 2014.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs in Lacs, except where otherwise stated)

Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2019	Current Portion	Long Term	Repayment Terms
Canara Bank-London (ECB Facility)	a	US \$ 23.175 Million	9804.85 (12926.70)	9804.85 (3707.28)	(9219.42)	- 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
KFW IPEX Bank GMBH- Phase I Egypt Location	d	Euro 15.45 Million	- (1421.86)	- (1421.86)	(-)	- Repayable in 17 equal consecutive semi-annual installments of Euro 0.91 Million each commencing from December 2010
KFW IPEX Bank GMBH- Phase II Egypt Location	d	Euro 19.79 Million	1697.11 (3453.08)	1697.11 (1700.57)	(1752.51)	- Repayable in 17 equal consecutive semi-annual installments of Euro 1.16 Million each commencing from December 2011
QNB Alahi Bank	e	US \$ 25 Million	5559.22 (7318.20)	2223.69 (2090.92)	3335.53 (5227.28)	Repayable in 27 equal quarterly installments of US\$0.81 Million each commencing from January 2015.
QNB Alahi Bank	e	US \$ 3.90 Million	2303.99 (1834.99)	1026.03 (253.66)	1277.96 (1581.33)	Repayable in 10 equal quarterly installments of US\$0.39 Million each commencing from January 2019.
QNB Alahi Bank	e	Euro 2.80 Million	199.54 (-)	- (-)	199.54 (-)	Repayable in 10 equal quarterly installments of Euro 0.28 Million each commencing from January 2020.
BBVA Bancomer SA, Mexico Location	f	US \$ 15 Million	9683.80 (9756.00)	1383.40 (650.40)	8300.40 (9105.60)	Repayable in 30 equal quarterly installments of US\$0.50 Million each commencing from Nov 2018.
Chase Bank - Kentucky (USA) Location	g	US \$ 14.00 Million	- (607.04)	- (607.04)	(-)	- Repayable in 60 equal monthly installments of US\$ 233,333 each commencing from August 2013.
BKB Bank - Kentucky (USA) Location (Formerly KBC Bank)	h	Euro 18.17 Million	4148.66 (5995.08)	1659.37 (1708.34)	2489.29 (4286.74)	Repayable in 17 equal consecutive semi-annual installments of Euro 1.07 Million each commencing from July 2013
KFW IPEX Bank GMBH- Poland Location	i	Euro 20.69 Million	- (5853.58)	- (1951.19)	(3902.39)	- Repayable in 17 equal consecutive semi-annual installments of Euro 1.22 Million each commencing from Jan 2013
United Arab Bank- Dubai Location	j	AED 146.80 Million	- (3902.40)	- (3902.40)	(-)	- Repayable in 20 equal quarterly installments of AED 7.34 Million each commencing from March 2014
Less: Adjustment for Transaction Cost (Pending Amortisation)			350.24 (485.55)	122.84 (138.02)	227.40 (347.53)	
Sub Total (A)			111640.05	33577.41	78062.64	
Previous Year			<u>(128553.90)</u>	<u>(30312.90)</u>	<u>(98241.00)</u>	
PART B: VEHICLE LOANS						
Jammu & Kashmir Bank Ltd.	c	93.00	- (9.96)	- (9.96)	(-)	- Repayable in 60 Equal Monthly Installments of Rs. 2.06 Lacs each commencing from September 2013 including interest amount.
Jammu & Kashmir Bank Ltd.	c	138.00	11.02 (43.97)	11.02 (32.57)	(11.40)	- Repayable in 60 Equal Monthly Installments of Rs. 3.02 Lacs each commencing from September 2014 including interest amount.
Jammu & Kashmir Bank Ltd.	c	239.00	99.22 (147.76)	54.27 (48.54)	44.95 (99.22)	Repayable in 60 Equal Monthly Installments of Rs. 5.23 Lacs each commencing from January 2016 including interest amount.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs in Lacs, except where otherwise stated)

Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2019	Current Portion	Long Term	Repayment Terms
HDFC Bank Limited	c	12.90	2.82 (6.27)	2.82 (3.45)	(2.82)	- Repayable in 48 Equal Monthly Installments of Rs. 0.33 Lacs each commencing from January 2016 including interest amount.
HDFC Bank Limited	c	66.00	43.62 (58.83)	16.44 (15.21)	27.18 (43.62)	Repayable in 48 Equal Monthly Installments of Rs. 1.61 Lacs each commencing from October 2017 including interest amount.
YES BANK LIMITED	c	130.00	100.60 (129.14)	30.79 (28.55)	69.81 (100.59)	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from April 2018 including interest amount.
YES BANK LIMITED	c	128.00	116.39 (-)	28.86 (-)	87.53 (-)	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from November 2018 including interest amount.
Toyota Financial Services India Limited	c	100.95	41.70 (66.57)	27.28 (24.94)	14.42 (41.63)	Repayable in 47 Equal Monthly Installments of Rs. 2.49 Lacs each commencing from November 2016 including interest amount.
Toyota Financial Services India Limited	c	58.55	33.70 (52.24)	20.02 (18.54)	13.68 (33.70)	Repayable in 36 Equal Monthly Installments of Rs. 1.83 Lacs each commencing from October 2017 including interest amount.
Daimler Financial Services India Pvt. Ltd	c	69.00	47.07 (62.81)	17.06 (15.74)	30.01 (47.07)	Repayable in 48 Equal Monthly Installments of Rs. 1.69 Lacs each commencing from November 2017 including interest amount.
Orix Leasing & Financial Services India Ltd	c	1383.49	354.58 (879.96)	254.35 (505.17)	100.23 (374.79)	Repayable in Equal Monthly Installments commencing from July 2017 over the period of respective Vehicles Loan.
Sub Total (B)			850.72	462.91	300.28	
Previous Year			(1457.51)	(702.67)	(754.84)	
Total (A+B)			112490.77	34040.32	78362.92	
Previous Year			(130011.41)	(31015.57)	(98995.84)	

Previous Year figures have been given in brackets.

- 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), NOIDA (U.P.) and Sanand (Gujarat) and c) by guarantee of Chairman & Managing Director of the Company.
- These are further secured by way of second *pari passu* charge on the current assets of the Holding Company.
- Vehicle Loans are secured by way of hypothecation of Specific Vehicles of the Holding Company. Further charges in respect of some of the vehicles, on the outstanding loan amounting to Rs. 354.58 Lacs (Previous Year Rs.879.96 Lacs), taken from one of the Lender is yet to be created.
- These are secured by way of first charge on specific tangible and intangible assets of the Flex P. Films (Egypt) S.A.E.. Further these are secured by the pledge of 14,999,900 shares of Flex P. Films (Egypt) S.A.E. held by Flex Middle East FZE.
- These are secured by way of first charge on tangible and intangible assets of the Flex P. Films (Egypt) S.A.E. other than those pledged with KFW IPEX Bank GMBH.
- This is secured by way of hypothecation of Specific Plant & Equipment and *pari passu* mortgage of Land & Building of the Company.
- This is secured on specific Plant & Equipment of the Flex Films (USA) Inc. other than those pledged with BKB Bank. This is further secured by mortgage of real estate of Flex Films (USA) Inc.
- This is secured by way of hypothecation of specific Plant & Equipment of the Flex Films (USA) Inc.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

- i This is secured by way of hypothecation of Specific Plant & Equipment and mortgage of Land & Building of the Company.
- j This is secured by way first charge on Building and Plant & Equipment of the Company.
- ~ These are secured by a) exclusive first charge by way of hypothecation of Specific aircrafts owned by M/s A.R. Airways Pvt. Ltd.(related party), b) corporate guarantee of A.R. Airways Pvt. Ltd. and c) guarantee of Chairman & Managing Director of the Holding Company.

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
16: OTHER FINANCIAL LIABILITIES		
Securities Received	629.24	438.93
Retention Money	488.25	566.94
TOTAL :	1117.49	1005.87
17: PROVISIONS		
Leave Encashment	1338.44	1136.21
Gratuity	1143.91	833.07
TOTAL :	2482.35	1969.28
18: DEFERRED TAX LIABILITIES (NET)		
Opening Balance	12820.63	12646.18
Add / (Less):		
Adjustment for Exchange Difference on Translation	494.28	316.41
Provision of Deferred Tax charge / (Credit) for the year	* 4580.17	(141.96)
TOTAL :	17895.08	12820.63

* Includes Rs.0.11 Lacs (Previous year Rs. NIL) adjusted in Pre-operative Expenses.

The Cumulative Tax effects of significant temporary differences, that resulted in Deferred Tax Assets & Liabilities and description of item thereof that creates these differences are as follows :

	(Rs.in Lacs)			
	Deferred Tax Assets / (Liabilities) As At 01.04.2018	Current Year (Charge) / Credit	Adjustment For Exchange Difference on Translation	Deferred Tax Assets / (Liabilities) As At 31.03.2019
Deferred Tax Assets				
Unabsorbed depreciation & tax losses	3226.93	(1384.53)	184.43	2026.83
Other than unabsorbed depreciation & carry forward of losses.	4416.95	(181.21)	(22.96)	4212.78
Unutilised Tax Credit	8563.73	(1552.99)	-	7010.74
Total (A)	16207.61	(3118.73)	161.47	13250.35
Deferred Tax Liabilities				
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	(28272.63)	(2467.18)	(655.75)	(31395.56)
Others	(755.61)	1005.74	-	250.13
Total (B)	(29028.24)	(1461.44)	(655.75)	(31145.43)
Net Deferred Tax (Liability) (A-B)	(12820.63)	(4580.17)	(494.28)	(17895.08)

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Income Tax Expense in the Total Comprehensive Income represents;

	For the Year Ended 31.03.2019	(Rs. in Lacs) For the Year Ended 31.03.2018
<u>In Statement of Profit & Loss</u>		
- Current tax	5041.79	4357.88
- Deferred tax	4580.06	(141.96)
- (Excess) / Short Provision of Income Tax for earlier years	(268.11)	(45.68)
	9353.74	4170.24

In Statement of Other Comprehensive Income

Items that will not be reclassified subsequently to Profit or Loss

Fair Value Changes/ Realised of / on Equity Instruments (Tax Liability on sale of Investment)	377.00	-
	377.00	-

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
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19: BORROWINGS

Secured

Working Capital Facilities From Banks	77157.39	53134.22
From Body Corporate	-	1870.00

Unsecured

From Banks #	375.73	5559.15
From Others	8701.00	9305.00
From a Related Party	1350.00	-
TOTAL :	87584.12	69868.37

- 1 Working capital facilities from banks are secured a) on first pari passu basis, by way of hypothecation of stock of raw materials, semi-finished goods, finished goods and book debts of the Holding Company, both present and future, b) by way of second pari passu charge on specific fixed assets of the Holding Company, situated at Malanpur (M.P.), Jammu (J & K), NOIDA (U.P.) and Sanand (Gujarat), and c) by guarantee of Chairman & Managing Director of the Holding Company. However, second pari passu equitable mortgage on enhanced working capital facilities is yet to be created.
- 2 Loan from a Body Corporate is secured by way of pledge of listed Equity Shares held as an Investment by the Holding Company. (Refer Note No. 3B)
- 3 Working Capital Facilities availed by Flex P. Films (Egypt) S.A.E. from QHB Al Ahli Bank of US\$19 Million are secured by way of Corporate Guarantee given by its Parent and Group Holding Company.
- 4 Working Capital Facilities availed by Flex Americas SA de C.V. of USD 20 Million from the BBVA Bancomer S.A. is secured by way of hypothecation of current assets of the Company.
- 5 Working Capital facilities of US \$24 Millions availed by Flex Films USA Inc. from Chase Bank is secured on the company's account receivables and inventory.
- # Includes Rs.NIL (Previous Year 4531.66 Lacs) in respect of deferred letters of credits for capital goods secured by way of hypothecation of specific machines under the letters of credits and pledge of fixed deposits of Rs.NIL (Previous Year Rs.590.65 Lacs).

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	As At 31.03.2019	(Rs. in Lacs) As At 31.03.2018
20: TRADE PAYABLES		
Suppliers		
Total outstanding dues of creditors other than Micro, Small & Medium enterprises and Related Parties	94032.41	106022.53
Total outstanding dues of Micro, Small & Medium enterprises	778.94	683.03
Due to Related Parties	10818.71	12935.94
TOTAL :	105630.06	119641.50
21: OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Borrowings	35287.02	32576.76
Capital Creditors	2764.36	3048.18
Interest Accrued but not due on Loans		
- From Others	434.24	633.35
Unclaimed Dividend*	123.99	147.16
Due to Employees	2510.23	1852.89
Others Payable	6484.69	7233.66
Bank Overdraft	741.41	1574.26
TOTAL :	48345.94	47066.26
* These figures do not include any amount, due and outstanding, required to be transferred to Investor Education and Protection Fund.		
22: OTHER CURRENT LIABILITIES		
Advances from Customers	4758.24	4596.96
Advances from Others	2500.00	2500.00
Advances from a Related Party	-	21.90
Statutory Dues	2828.13	2774.28
TOTAL :	10086.37	9893.14
23: PROVISIONS		
Leave Encashment	876.02	700.67
Staff Benefits	1238.04	534.89
Warranty	26.93	18.21
TOTAL :	2140.99	1253.77
24: CURRENT TAX LIABILITIES (NET)		
Current Income Tax (Net)	2610.93	1845.05
TOTAL :	2610.93	1845.05

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	For the Year Ended 31.03.2019	(Rs. in Lacs) For the Year Ended 31.03.2018
25: REVENUE FROM OPERATIONS		
A. i) REVENUE FROM SALE OF PRODUCTS		
Gross Sales	810823.51	706235.27
Less : Inter Unit Sales	40825.60	46202.98
	769997.91	660032.29
ii) REVENUE FROM SALE OF SERVICES		
a. Gross Job work / Services Rendered	5650.23	5800.79
Less : Inter Unit Job Work	1995.05	2228.31
	3655.18	3572.48
b. Technical Fees	2898.58	2400.00
	6553.76	5972.48
TOTAL (A) :	776551.67	666004.77
B. OTHER OPERATING INCOME		
Scrap Sales	5274.70	4943.39
Packing, Forwarding and Insurance Recoveries	590.47	182.61
Exchange Rate Fluctuation (Net)	-	686.90
Export Incentive	3109.07	3397.94
Excise Duty / GST Refund	4871.10	2231.65
Miscellaneous Operating Income	247.86	1530.90
Consultancy Fees Received	-	429.25
Support Fees	-	10.00
VAT Refund	-	6.89
Sundry Credit Balances Written Back	5077.33	547.08
TOTAL (B) :	19170.53	13966.61
TOTAL (A+B):	795722.20	679971.38
26: OTHER INCOME		
Rent Received	862.47	705.80
Gain on sale of Investments (Net)		
- On Disposal of Subsidiary	-	110.09
- On sale of Units of Mutual Funds	12.53	7.52
Miscellaneous Income	294.42	180.40
Interest :		
- from Banks	216.84	776.94
- from Others	673.71	177.42
Investment Income:		
- Dividend received on Investments carried at Fair value through other comprehensive income	10.85	40.21
TOTAL :	2070.82	1998.38

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

			(Rs. in Lacs)	
	For the Year Ended 31.03.2019		For the Year Ended 31.03.2018	
27: COST OF MATERIALS CONSUMED				
Opening Stock	33970.38		28036.53	
Add : Purchases	533151.71		453651.27	
	<u>567122.09</u>		<u>481687.80</u>	
Less : Inter Unit Purchases	40450.13		44412.13	
	<u>526671.96</u>		<u>437275.67</u>	
Less : Closing Stock	36904.08	489767.88	33970.38	403305.29
		<u>489767.88</u>		<u>403305.29</u>
28: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE				
Opening Stock :				
Stock-in-Trade	5916.48		5961.66	
Finished Goods	16382.96		14778.64	
Work-in-Progress	14423.87		13831.47	
		<u>36723.31</u>		34571.77
Less: Closing Stock :				
Stock-in-Trade	5900.05		5916.48	
Finished Goods	19054.51		16382.96	
Work-in-Progress	15067.96		14423.87	
		<u>40022.52</u>		36723.31
TOTAL :		<u>(3299.21)</u>		<u>(2151.54)</u>
29: EMPLOYEE BENEFITS EXPENSE				
Salaries,Wages,Bonus,Benefits and Amenities	61748.65		54807.03	
Contribution to Provident Fund and Other Funds	3359.28		3335.55	
Employee Welfare Expenses	1943.65		1759.76	
TOTAL :		<u>67051.58</u>		<u>59902.34</u>
30: FINANCE COSTS				
Interest				
- On Loans for Fixed Period	13222.68		11607.78	
- On Other Loans / Liabilities	4779.44		3956.87	
- On Shortfall in payment of Advance Tax	55.36	18057.48	169.64	15734.29
Discounting & Financial Charges		<u>3735.42</u>		<u>3974.77</u>
TOTAL :		<u>21792.90</u>		<u>19709.06</u>

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	For the Year Ended 31.03.2019	(Rs. in Lacs) For the Year Ended 31.03.2018
31: OTHER EXPENSES		
A. OTHER MANUFACTURING EXPENSES		
Power & Fuel Consumed	38069.08	31188.42
Repair & Maintenance-Machinery	10542.03	9217.99
Stores Consumed	5213.48	4532.75
Tools, Jigs & Dies	316.62	344.98
Packing Material Consumed	21490.57	18469.94
Flexo Plates / Processing Charges for Cylinders	3396.46	3368.35
Less : Inter Unit Charges	2370.52	2496.07
	1025.94	872.28
Design & Development Charges	40.17	85.12
Excise Duty on Others	-	(205.43)
Duties paid on Revenues	-	9118.87
Job Work Charges	1679.20	3192.25
Royalty Expenses	423.93	446.50
Other Direct Charges	187.64	399.75
R & D Charges	87.67	100.34
TOTAL (A) :	79076.33	77763.76
B. ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Rent	1783.26	1682.79
Rates & Taxes	745.66	456.61
Insurance charges	1865.84	1804.45
Electricity & Water charges	544.22	489.93
Printing & Stationery	270.57	275.42
Postage & Telephone Expenses	956.04	917.18
Vehicle Running & Maintenance Expenses	560.12	599.68
Lease Rent -Vehicles	379.63	597.01
Conveyance & Travelling Expenses	6864.96	6623.64
Repair & Maintenance :		
- Building	840.27	1084.94
- Others	4760.31	5180.97
Legal & Professional Charges	3468.92	3099.11
Directors' sitting fees	29.00	29.07
General Expenses	3765.66	3558.92

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

	For the Year Ended 31.03.2019	(Rs. in Lacs) For the Year Ended 31.03.2018
Commission on Sales	751.65	1116.70
Advertisement & Publicity	1081.73	1273.86
Entertainment Expenses	579.43	565.87
Charity & Donation	32.94	27.35
Corporate Social Responsibility Expenditure	36.25	317.34
Donation to Political Party	1000.00	-
Freight & Forwarding charges	27853.87	21446.41
Goodwill Written Off	-	20.10
Property, Plant & Equipments written Off	12.24	27.45
Loss on Sale of Property, Plant & Equipment (Net)	141.87	120.73
Exchange Rate Fluctuations (Net)	898.83	-
Amount utilised from allowance for bad and doubtful Trade receivables	(43.76)	(342.05)
Allowance for bad and doubtful Trade receivables	851.25	662.66
Allowance for bad and doubtful Advance recoverable	1000.00	-
Sundry Debit Balances / Bad Debts written-off	4086.10	-
Quality Claims	780.22	902.95
TOTAL (B) :	65897.08	52539.09
TOTAL :	144973.41	130302.85
Above includes following expenses on Investment Properties, that generated rental income;		
Rent (Lease Rent)	10.97	10.18
Insurance	7.18	6.26
Repair & Maintenance :		
- Building	8.05	15.45
	26.20	31.89
32: EXPENSES ALLOCATED TO SELF CONSTRUCTED ASSETS		
Cost of Material Consumed	1611.30	2376.79
Employee Benefits Expense	810.37	1022.12
Depreciation and amortisation expense	211.56	215.57
Other Expenses	463.24	528.79
TOTAL :	3096.47	4143.27

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

		(Rs.in Lacs)	
		As At 31.03.2019	As At 31.03.2018
33.I CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :			
A	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.	5978.87	7950.77
	ii) Additional demands raised by the Income Tax Department, which are under rectification & appeal	955.02	538.18
	iii) Additional demands raised by the Sales Tax Department, which are under rectification & appeal	1448.12	1110.68
	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	13.82	13.82
	vi) Claims against the Company/disputed liabilities not acknowledged as debt.	108.84	135.94
	vii) Demand raised by the Concerned Development corporation on surrender of unutilised Industrial Leasehold Land.	62.69	62.69
	viii) Demands raised by the Electricity Departments, which are paid and protested or under appeal	509.52	364.29
B	i) Guarantees issued by Banks	3025.52	3291.75
	ii) Corporate Guarantees issued for facilities taken by Related Party	5000.00	5000.00
	iii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes	33759.71	31866.41
	iv) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	19887.07	11683.56
C	Liability in respect of Bonus for the FY 2014-15 arising due to retrorespective amendment in the Payment of Bonus (Amendment) Act, 2015; which is contested by the Company.	429.85	429.85
II	The share in aggregate contingent liability of the Associates	398.68	429.53
	i) In respect of litigations	353.55	369.86
	ii) In respect of other matters	45.13	59.67

34: CAPITAL COMMITMENTS :

a.	The estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for :	74881.29	11112.36
b.	The share in the aggregate capital commitments of the associates	421.37	49.10

35: DISCLOSURES FOR ASSETS UNDER OPERATING LEASES

The Group has taken certain vehicles & Machineries on operating Lease. The required disclosures are as under:
Minimum future Lease Rentals on assets under Operating Leases taken:

				(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	386.99	705.63	-	1092.62
	<i>287.84</i>	<i>359.30</i>	-	<i>647.14</i>

Previous Year figures have been given in Italic.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

36: DEFINED BENEFIT PLAN

a) Gratuity

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 Indian Accounting Standard-(Ind AS)-19, "Employee Benefits" is as under:

	(Rs. In Lacs)	
	Current Year	Previous Year
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	3630.02	2949.81
Current Service cost	399.55	377.84
Past Service Cost	-	379.83
Interest cost	272.06	209.95
Actuarial (gain) / loss due to unexpected experience	328.81	13.38
Benefits paid	(361.72)	(300.79)
Obligations at period end	4268.72	3630.02
b. Reconciliation of opening and closing balances of fair value assets		
Plan assets at period beginning, at fair value	3701.47	3249.13
Interest Income	277.41	243.68
Return on Plan Assets excluding Interest Income	26.23	(180.84)
Contributions	-	690.29
Benefits paid	(361.72)	(300.79)
Plan assets at period end, at fair value	3643.39	3701.47
c. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	4268.72	3630.02
Fair value of plan assets at the end of the period	(3643.39)	(3701.47)
Liability/ (Asset) recognized in the balance sheet	625.33	(71.45)
d. Gratuity cost for the period		
Current Service cost	399.55	377.84
Past Service cost	-	379.83
Interest cost	272.06	209.95
Expected return on plan assets	(277.41)	(243.68)
Net Gratuity Cost recognised in Statement of Profit & Loss	394.20	723.94
e. Remeasurement (gains) and losses		
Actuarial (gain) / loss due to change in financial assumptions	328.81	13.38
Return on Plan assets, excluding interest income	(26.23)	180.84
Net Gratuity Cost recognised in Statement of Other Comprehensive Income	302.58	194.22
Assumptions		
Interest rate	7.7% P.A.	7.5% P.A.
Estimated rate of return on plan assets	7.7% P.A.	7.5% P.A.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

The expected benefits increases are based on the same assumptions as are used to measure the Group's defined benefit plan obligations as at 31st March 2019. The Group is expected to contribute Rs. 279.48 lacs to defined benefits plan obligations fund for the year ending 31st March 2020.

The significant accounting assumptions are the discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period while other assumptions constant.

If the discount rate increases /(decreases) by 0.5%, the defined benefit plan obligations would decrease by Rs.157.68 Lacs (increase by Rs.168.67 Lacs) as at 31st March 2019.

If the expected salary growth increases /(decreases) by 0.5%, the defined benefit plan obligations would increase by Rs.169.38 Lacs (decrease by Rs.159.56 Lacs) as at 31st March 2019.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

b) Leave Encashment

The Group has provided for its Liability towards Leave encashment, based on the actuarial valuation, disclosure whereof in terms of Indian Accounting Standard (Ind AS)- 19, "Employee Benefits" is as under:

	Current Year	Previous Year
		(Rs. In Lacs)
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	1518.52	1565.38
Service cost	249.62	685.44
Interest cost	113.81	99.70
Actuarial (gain) / loss	476.06	(359.95)
Benefits paid	(488.37)	(472.05)
Obligations at period end	1869.64	1518.52
b. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	1869.64	1518.52
Liability recognized in the balance sheet	1869.64	1518.52
c. Leave Encashment cost for the period		
Service cost	249.62	685.44
Interest cost	113.81	99.70
Actuarial (gain) / loss	476.06	(359.95)
Net Leave Encashment cost for the period	839.49	425.19
Assumptions		
Interest rate	7.7% P.A.	7.5% P.A.

37: PREVIOUS YEAR FIGURES HAVE BEEN RECASTED / REGROUPED/ RECLASSIFIED, WHEREVER CONSIDERED NECESSARY.

38: IMPACT OF IMPLEMENTATION OF GOODS AND SERVICES TAX (GST) ON THE FINANCIAL STATEMENTS

In accordance with Ind AS 18 on "Revenue" and Schedule III of the Companies Act, 2013, Revenue from Sales of Products and Services for the period from 1st April 2017 to 30th June 2017 were reported gross of Excise Duty and

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Net of Value Added Tax (VAT) / Sales Tax. Excise Duty was reported as separate expense item in Note No “31(A)” as Duties paid on Revenues. Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST. GST has not been recognized as part of Revenue from Sales of Products and Services as per the requirement of Ind AS 115. This has resulted into lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. With the change in the structure expenses are also reported net of taxes (where credit is available). Accordingly, financial statements for the year ended 31st March 2019 and in particular, sales, absolute expenses, Inventory and ratios in percentage to Revenues are not comparable with the figures of previous year.

39: EARNING PER SHARE

The following disclosure is made, as required by Indian Accounting Standard (Ind AS-33) on “Earning Per Share” :-

	Current Year	Previous Year
(A) Profit for the year, after Adjustments, for computation of Basic Earning & Diluted Earning Per Share (Rs in Lacs);	31383.58	31048.12
(B) (i) Weighted Average Number of Equity Shares (viz. denominator) for Basic Earning Per Share	72211486	72211486
(ii) Weighted Average Number of Equity Shares (viz. denominator) for Diluted Earning Per Share	72211486	72211486
(C) Nominal Value Per Share	Rs. 10/-	Rs. 10/-
(D) Earning Per Share		
(a) Basic [A/B(i)] (Rs.)	43.46	43.00
(b) Diluted [A/B(ii)] (Rs.)	43.46	43.00

40: SEGMENT DISCLOSURE :

Segment disclosure in accordance with the Ind AS 108 on “ Operating Segments” are as under:

Accounting Principles and policies, as reported in Significant Accounting policies, used in the preparation of financial statements are consistently applied to record revenue, expenditure, assets and liabilities, in each segment.

For the Year Ended 31st March 2019

Particulars	(Rs. in Lacs)			Total
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	
Revenue from				
- External Customers	764197.81	31997.05	(472.66)	795722.20
- Transaction with other operating segments	-	6284.43	-	6284.43
Total Revenue	764197.81	38281.48	(472.66)	802006.63
Identifiable operating expenses	(650031.23)	(29759.36)	(16936.16)	(696726.75)
Less: Cost of Intersegment Revenue	(2370.52)	-	(3913.91)	(6284.43)
Operating Profit	111796.06	8522.12	(21322.73)	98995.45
Other Income				2070.82
Share in Profit of Associates for the Year				520.21
Share in (Loss)/ Profit of Joint Venture for the Year				(833.15)
EBIDTA				100753.33
Depreciation & Amortization Expenses				(38085.21)
EBITA				62668.12
Finance Cost				(21792.90)
Profit before Tax				40875.22
Tax expenses				(9353.74)
Net Profit				31521.48
Segment Assets	674036.12	46236.11	75691.15	795963.38
Segment Liabilities	201864.98	39531.63	124133.40	365530.01

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

For the Year Ended 31st March 2018

Particulars	(Rs. in Lacs)			
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	645621.82	34299.06	64.50	679985.38
- Transaction with other operating segments	-	7567.92	-	7567.92
Total Revenue	645621.82	41866.98	64.50	687553.30
Identifiable operating expenses	(547411.86)	(33113.69)	(11506.40)	(592031.95)
Less: Cost of Intersegment Revenue	(2503.75)	-	(5064.17)	(7567.92)
Operating Profit	95706.21	8753.29	(16506.07)	87953.43
Other Income				1998.38
Share in Profit of Associates for the Year				320.99
EBIDTA				90272.80
Depreciation & Amortization Expenses				(35159.04)
EBITA				55113.76
Finance Cost				(19709.06)
Profit before Tax				35404.70
Tax expenses				(4170.24)
Net Profit				31234.46
Segment Assets	634938.30	50972.68	82909.33	768820.31
Segment Liabilities	203529.87	39495.98	127832.91	370858.76

41: BUSINESS COMBINATIONS

- a) During the year, the Group has incorporated Flex Chemicals (P) Ltd, Flex Films Africa Pvt. Ltd., Flex Films Europa Korlatolt Felelossegu Tarsasag (Hungary) and Flex Films Rus LLC (Russia.) as its Wholly Owned Subsidiaries.
- b) During the previous year, the Group had sold its entire stake in its Subsidiaries, Refex Energy (Rajasthan) Private Limited and Bundelkhand Projects Private Limited for a total consideration, in cash, of Rs. 2069.20 Lacs . Total assets of the Subsidiaries as on the date of transfer is Rs. 8511.51 Lacs (Including Cash and Cash Equivalents of Rs. 533.75 Lacs) and total liabilities of Rs. 6465.13 Lacs Including Non-Controlling Interest of Rs. 1206.47 Lacs).

42: RELATED PARTY DISCLOSURES

(a) List of Related Parties (as per IND AS-24) :

- i) **Associates** : Flex Foods Limited
- ii) **Joint Venture** : Digicyl Pte. Ltd. (Singapore) (w.e.f. 28/06/2018) & Digicyl Ltd. (Israel) (w.e.f. 18/07/2018) being Wholly owned subsidiary of Digicyl Pte. Ltd. (Singapore)
- iii) **Key Management Personnel & their relatives / HUF (also exercising significant influence over the Company)** : Mr. Ashok Chaturvedi, Chairman & Managing Director (relative Mrs. Rashmi Chaturvedi and Ms. Anshika Chaturvedi), Ashok Chaturvedi (HUF), Mr. Amitava Ray, Wholetime Director , Mr. Rajesh Bhatia, CFO, Mr. Ajay Krishna, Company Secretary, Mr. Anantshree Chaturvedi (Director of Flex Middle East FZE) , Mr. Apoorva Shree Chatuvedi (Director of Flex Films Europa SP. Z. O.O.), Mr. Sandeep Saxena (Director of Flex Middle East FZE), Mr. Sanjay Tikku (Director of Flex Films Africa Pvt. Ltd.), Mr. Pradeep Srivastava (Director of Uflex Europe Ltd.) and Mr. S.K.Sharma (Manager of Utech Developers Limited),
- iv) **Enterprises in which the persons referred in (iii) along with their relatives exercise significant influence:** AKC Retailers Pvt. Ltd., Anshika Investments Pvt. Ltd., Anant Overseas Pvt. Ltd., Apoorva

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Extrusion Pvt. Ltd., Anshika Consultants Pvt. Ltd., A.R. Leasing Pvt. Ltd., A.R. Infrastructures & Projects Pvt. Ltd., AC Infrastructures Pvt. Ltd., Cinflex Infotech Pvt. Ltd., Flex International Pvt. Ltd., Ultimate Infratech Pvt. Ltd., Ultimate Flexipack Ltd., Ultimate Prepress LLP, Naveli Collections Pvt. Ltd., Modern Info Technology Pvt. Ltd., Flex Industries Pvt. Ltd., Club One Airways Pvt. Ltd., Niksar Finvest Pvt. Ltd., Ganadhipati Infraproject Pvt. Ltd., Nirman Overseas Pvt. Ltd., Kaya Kalpa Medical Services Pvt. Ltd., Sungrace Products (India) Pvt. Ltd., Virgin Infrastructures Pvt. Ltd., Saga Realtors Pvt. Ltd., Ganadhipati Infrastructure & Projects Pvt. Ltd., Gangotri Management Pvt. Ltd., Manpasand Marketing Pvt. Ltd., Magic Consultants Pvt. Ltd., A.L. Consultants Pvt. Ltd., First Flexipack Corporation, Ultra America Inc., AR Airways Pvt. Ltd., A-one Catering LLP, Refex Energy (Rajasthan) Pvt. Ltd., Bundelkhand Projects Pvt. Ltd., Affatus Gravures Pvt. Ltd., Affatus Graphics Pvt. Ltd., RCMT Clothings Pvt. Ltd., Manushree Creations Pvt. Ltd. (w.e.f. 18/05/2018), Mansarovar Hotels Pvt. Ltd. (w.e.f. 03/10/2018), Sigma Resorts & Hospitality Pvt. Ltd. (w.e.f. 24/01/2019), Gadaadharath Sales Pvt. Ltd., Primesoft Vincom Pvt. Ltd., Angan Commerce Pvt. Ltd. and Saamag MDDA Reality Pvt. Ltd.

- (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	Joint Venture	Key Management Personnel & their Relatives / HUF	Enterprises as referred to in 'a (iv)' above	Total
i) Trade Transactions					
Sale of Goods/Services (Net)	34.53 45.65	-	-	5226.94 5252.06	5261.47 5297.71
Purchase of Goods/Services (Net)	-	-	-	30621.90 28092.16	30621.90 28092.16
Purchase of Fixed Assets	-	-	-	728.15 229.30	728.15 229.30
Sale of Fixed Assets	-	-	-	- 19.69	- 19.69
Purchase of DEPB	52.80 173.40	-	-	-	52.80 173.40
Rent Received	9.00 6.75	-	48.00 48.00	23.78 16.46	80.78 71.21
Rent Paid	-	-	238.05 238.05	422.56 395.86	660.61 633.91
Royalty Expenses	-	-	225.00 200.00	-	225.00 200.00
Interest Paid on Loans	-	-	-	82.13 151.54	82.13 151.54
Interest Received	-	1.41	-	142.78 119.58	144.19 119.58
Dividend Received	- 146.75	-	-	-	- 146.75
Security Deposit Received	-	-	-	0.60	0.60

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)

Transactions	Associates	Joint Venture	Key Management Personnel & their Relatives / HUF	Enterprises as referred to in 'a (iv)' above	Total
	-	-	-	-	-
Refund of Security Deposit given	-	-	-	40.00	40.00
	-	-	-	-	-
Remuneration *	-	-	1730.91	-	1730.91
	-	-	1303.33	-	1303.33
ii) Non Trade Transactions	-	-	-	-	-
	-	-	-	2069.19	2069.19
Loan Taken	-	-	-	1680.00	1680.00
	-	-	-	265.00	265.00
Repayment of Loan Taken	-	-	-	330.00	330.00
	-	-	-	1640.00	1640.00
Dividend Paid	-	-	46.43	589.25	635.68
	-	-	81.26	1031.18	1112.44
Loan Given	-	54.75	-	1700.00	1754.75
	-	-	-	1775.00	1775.00
Recovery of Loan Given	-	-	-	2320.00	2320.00
	-	-	-	550.00	550.00
Total	96.33	56.16	2288.39	43908.09	46348.97
	372.55	-	1870.64	41607.02	43850.21
Balance as on 31.03.2019					
Debit	9.15	126.73	-	3327.18	3463.06
	10.54	-	-	3533.71	3544.25
Credit	-	-	51.00	15129.11	15180.11
	32.66	-	61.20	14515.27	14609.13

Previous Year figures have been given in Italic.

*Includes

	(Rs. in Lacs)	
	Current Year	Previous Year
Salary	1689.10	1263.93
Perquisites	33.04	27.88
Short Term Employees Benefits	8.77	11.52
Total	1730.91	1303.33

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

43: FINANCIAL INSTRUMENTS

The carrying value of instruments by categories are as follows:

					(Rs. in Lacs)
Particulars		Amortised Cost	Financial assets / liabilities at fair value through Profit or Loss	Financial assets / liabilities at fair value through OCI	Total Carrying Value
Assets					
Cash and cash equivalents (Including Other Bank Balances)	CY	28813.71	-	-	28813.71
	PY	31550.75			31550.75
Investments					
Equity and other securities	CY	3730.82	-	434.06	4164.88
	PY	3721.82		4813.48	8535.30
Trade Receivables	CY	204552.37	-	-	204552.37
	PY	193258.86			193258.86
Loans	CY	6192.01	-	-	6192.01
	PY	5046.24			5046.24
Other financial assets	CY	9681.32	-	-	9681.32
	PY	17277.40			17277.40
Total	CY	252970.23	-	434.06	253404.29
	PY	250855.07	-	4813.48	255668.55
Liabilities					
Trade payables	CY	105630.06	-	-	105630.06
	PY	119641.50	-	-	119641.50
Other financial liabilities	CY	49463.43	-	-	49463.43
	PY	48072.13	-	-	48072.13
Borrowings	CY	175220.80	-	-	175220.80
	PY	175363.26	-	-	175363.26
Total	CY	330314.29	-	-	330314.29
	PY	343076.89	-	-	343076.89

Fair Value hierarchy disclosures:

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Input other than quoted price included within Level 1 that are observable for the assets or liability; either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

					(Rs. in Lacs)
Particulars		Total	Level 1	Level 2	Level 3
Investment in equity instruments	CY	434.06	434.06	-	-
	PY	4813.48	4813.48	-	-

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

44: FINANCIAL RISKS

In the course of business, amongst others, the Group is exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Exchange Risk and Commodity Price Risk. These risks may be caused by the internal and external factors resulting into impairment of the assets of the Group causing adverse influence on the achievement of Group's strategies, operational and financial objectives, earning capacity and financial position.

The Group has formulated an appropriate policy and established a risk management framework which encompass the following process.

- identify the major financial risks which may cause financial losses to the Group
- assess the probability of occurrence and severity of financial losses
- mitigate and control them by formulation of appropriate policies, strategies, structures, systems and procedures
- Monitor and review periodically the adherence, adequacy and efficacy of the financial risk management system.

The Group enterprise risk management system is monitored and reviewed at all levels of management, Audit Committee and the Board of Directors from time to time.

Credit Risk

Credit Risk refers to the risks that arise on default by the counterparty on its contractual obligation resulting into financial loss to the Group. The Group may carry this Risk on Trade and other receivables, liquid assets and some of the non current financial assets.

In case of Trade receivables, the Group has framed appropriate policy for extending credits period & limit to each customer based on their profile, financial position and their external rating etc. The collections of trade dues are strictly monitored. In case of Export customers, even credit guarantee insurance is also obtained wherever required.

Group's exposure to Credit Risk is also influenced by the concentration of risk from top five customers. The details in respect of the% of sales generated from the top customer and top five customers are given hereunder.

Particulars	Current Year	Previous Year
Revenue from Top Customer	12%	13%
Revenue from Top Five Customers	18%	20%

The credit risk on cash & cash equivalent, investment in fixed deposits, liquid funds and deposits are insignificant as counterparties are banks or mutual funds with high credit ratings assigned by the rating agencies of international repute.

Liquidity Risk

Liquidity Risk arises when the Group is unable to meet its short term financial obligations as and when they fall due.

The Group maintains adequate liquidity in the system so as to meet its all financial liabilities timely. In addition to this, the Group's overall financial position is very strong so as to meet any eventuality of liquidity tightness.

Contractual maturities of financial liabilities are given as under:

Particulars	(Rs. in Lacs)		
	As at 31st March 2019	Due within 12 months from Balance sheet Date	Due beyond 12 months of Balance Sheet Date
Borrowings	210507.82	122871.14	87636.68
Trade payables			
Total outstanding dues of Micro, Small & Medium enterprises	778.94	778.94	-
Total outstanding dues of creditors other than Micro, Small & Medium enterprises	104851.12	104851.12	-
Other Financial Liabilities	14176.41	13058.92	1117.49

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Interest Rate Risk

Generally market linked financial instruments are subject to interest rate risk. The Group does not have any marked linked financial instrument both on the asset or liability side. Hence no interest rate risk.

In case of the borrowings by the Group, the Group is subject to interest rate risk on account of any fluctuation in the base prime lending rate (BPLR) fixed by the banks. Every fluctuation in the BPLR of the bank either on the higher or lower side will result into financial loss or gain to the Group.

The major portion of the Group debt are linked with the BPLR of the Indian Banks. The total proportions of these debts are Rs. 196526.88 Lacs out of the total debt of Rs. 210507.82 Lacs.

Based on the structure of net debt as at year end, a one percentage point increase in the debt would cause an additional expense in the net financing cost of Rs. 1965.27 Lacs.

Foreign Currency Risk

The Group is exposed to the foreign currency risk from transactions & translation. Transactional exposures are arising from the transactions entered into foreign currency. Management keeps a close watch of the maturity of the financial assets in foreign currency and payment obligations of the financial liabilities.

The carrying amount of the Group's material foreign currency denominated monetary Assets and Liabilities at the end of the reporting period is as below:

Currency	(Rs. in Lacs)			
	Monetary Assets		Monetary Liabilities	
	Current Year	Previous Year	Current Year	Previous Year
USD	37395.27	28571.2	41525.24	41600.75
Euro	40997.46	33210.55	25776.26	24007.71
GBP	3127.27	3947.46	25.73	1761.93

Following Table Summarises approximate gain /(loss) on Company's Profit before tax on account of appreciation and depreciation of underlying foreign currencies of the above table

Currency	(Rs. in Lacs)	
	Effect on Profit before tax	
	Current Year	Previous Year
Closing USD Rate (in Rs.)	69.17	65.04
Closing Euro Rate (in Rs.)	77.70	80.62
Closing GBP Rate (in Rs.)	90.48	92.28
5% appreciation	709.64	(82.06)
5% depreciation	(709.64)	82.06

Commodity Price Risk

The main raw materials which Group procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly.

The pricing policy of the Group final product is structured in such a way that any change in price of raw materials is passed on to the customers in the final product however, with a time lag which mitigates the raw material price risk.

With regard to the finished products, the Group has been operating in a global competitive environment which continues to keep downward pressure on the prices and the volumes of the products.

In order to combat this situation, the Group formulated manifold plans and strategies to develop new customers & focus on new innovative products. In addition, it has also been focusing on improvement in product quality and productivity. With these measures, Group counters the competition and consequently commodity price risk.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

45: 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		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount (Rs) in Lacs)	As % of consolidated profit or loss	Amount (Rs) in Lacs)	As % of consolidated profit or loss	Amount (Rs) in Lacs)	As % of consolidated profit or loss	Amount (Rs) in Lacs)
Parent									
	Uflex Limited	49.83%	214,503.16	16.46%	5,166.14	-26.94%	(725.00)	13.03%	4,441.14
		<i>27.55%</i>	<i>211,803.13</i>	<i>32.50%</i>	<i>10,092.11</i>	<i>8.71%</i>	<i>573.40</i>	<i>28.34%</i>	<i>10,665.51</i>
Subsidiary									
Indian									
1	U Tech Developers Limited	3.22%	13,841.47	-15.42%	(4,840.68)	0.00%	-	-14.21%	(4,840.68)
		<i>2.43%</i>	<i>18,682.16</i>	<i>0.14%</i>	<i>80.81</i>	<i>0.00%</i>	-	<i>0.21%</i>	<i>80.81</i>
2	USC Holograms Pvt. Ltd.	0.46%	1,963.48	0.93%	293.05	0.00%	-	0.86%	293.05
		<i>0.20%</i>	<i>1,963.48</i>	<i>0.47%</i>	<i>273.90</i>	<i>0.00%</i>	-	<i>0.73%</i>	<i>273.90</i>
3	S.D.Buildwell Private Limited	0.31%	1,333.42	0.20%	63.84	0.00%	-	0.19%	63.84
		<i>0.17%</i>	<i>1,269.58</i>	<i>0.34%</i>	<i>194.87</i>	<i>0.00%</i>	-	<i>0.52%</i>	<i>194.87</i>
4	Refex Energy (Rajasthan) Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
		<i>0.00%</i>	-	<i>0.13%</i>	<i>74.06</i>	<i>0.00%</i>	-	<i>0.20%</i>	<i>74.06</i>
5	Bundelkhand Projects Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
		<i>0.00%</i>	-	<i>0.00%</i>	<i>(0.38)</i>	<i>0.00%</i>	-	<i>0.00%</i>	<i>(0.38)</i>
Foreign									
1	Flex Middle East FZE	35.29%	151,911.15	8.44%	2,649.21	0.00%	-	7.77%	2,649.21
		<i>18.26%</i>	<i>140,349.82</i>	<i>0.48%</i>	<i>279.67</i>	<i>0.00%</i>	-	<i>0.74%</i>	<i>279.67</i>
2	Flex Americas S.A. de C.V.	8.27%	35,594.13	19.40%	6,088.16	0.00%	-	17.87%	6,088.16
		<i>3.81%</i>	<i>29,308.88</i>	<i>3.79%</i>	<i>2,204.24</i>	<i>0.00%</i>	-	<i>5.86%</i>	<i>2,204.24</i>
3	Flex P. Films Egypt S.A.E.	9.80%	42,193.70	17.02%	5,339.92	0.00%	-	15.67%	5,339.92
		<i>4.60%</i>	<i>35,394.77</i>	<i>13.47%</i>	<i>7,830.82</i>	<i>0.00%</i>	-	<i>20.81%</i>	<i>7,830.82</i>
4	Flex Films Europa Sp. Z.o.o.	14.66%	63,090.78	37.78%	11,858.05	0.00%	-	34.80%	11,858.05
		<i>6.98%</i>	<i>53,675.70</i>	<i>17.91%</i>	<i>10,407.83</i>	<i>0.00%</i>	-	<i>27.66%</i>	<i>10,407.83</i>
5	Flex Films (USA) Inc.	7.09%	30,517.80	16.64%	5,222.34	0.00%	-	15.33%	5,222.34
		<i>3.09%</i>	<i>23,785.13</i>	<i>-0.37%</i>	<i>(214.63)</i>	<i>0.00%</i>	-	<i>-0.57%</i>	<i>(214.63)</i>
6	UFlex Europe Limited	-0.14%	(597.17)	-0.81%	(253.34)	0.00%	-	-0.74%	(253.34)
		<i>-0.50%</i>	<i>(350.66)</i>	<i>0.51%</i>	<i>295.30</i>	<i>0.00%</i>	-	<i>0.78%</i>	<i>295.30</i>
7	UFLEX Packaging Inc.	0.46%	1,964.43	2.18%	684.78	0.00%	-	2.01%	684.78
		<i>0.20%</i>	<i>1,560.96</i>	<i>1.48%</i>	<i>858.53</i>	<i>0.00%</i>	-	<i>2.28%</i>	<i>858.53</i>
8	UPET Holdings Limited	6.15%	26,457.53	-0.02%	(6.92)	0.00%	-	-0.02%	(6.92)
		<i>3.24%</i>	<i>24,884.30</i>	<i>-0.01%</i>	<i>(6.50)</i>	<i>0.00%</i>	-	<i>-0.02%</i>	<i>(6.50)</i>
9	UPET Singapore Pte. Ltd.	6.13%	26,388.36	-0.02%	(6.92)	0.00%	-	-0.02%	(6.92)
		<i>3.23%</i>	<i>24,819.26</i>	<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-
10	Flex Films RUS LLC	0.55%	2,346.61	0.03%	9.56	0.00%	-	0.03%	9.56
		<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-
11	Flex Films Africa Pvt Ltd.	0.84%	3,602.95	0.00%	-	0.00%	-	0.00%	-
		<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-
12	Flex Chemicals (P) Ltd.	0.00%	(0.42)	0.00%	(0.96)	0.00%	-	0.00%	(0.96)
		<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-
13	Flex Films Europa Kortatolt Felelossegu Tarsasag	1.18%	5,092.16	0.00%	-	0.00%	-	0.00%	-
		<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-
	Minority Interest in Subsidiaries	-0.15%	(628.32)	-0.44%	(137.90)	0.00%	-	-0.40%	(137.90)
		<i>0.06%</i>	<i>(490.42)</i>	<i>-0.66%</i>	<i>(172.34)</i>	<i>0.00%</i>	-	<i>-0.46%</i>	<i>(172.34)</i>
	Exchange Difference on translating foreign operations					127.52%	3,432.00	10.07%	3,432.00
						<i>91.45%</i>	<i>6,019.52</i>	<i>16.00%</i>	<i>6,019.52</i>
Associates & Joint Venture (Investment as per Equity Method)									
Associate									
1	Flex Foods Limited	0.98%	4,227.28	1.66%	520.21	-0.58%	(15.56)	1.48%	504.65
		<i>0.48%</i>	<i>3,722.63</i>	<i>1.03%</i>	<i>320.99</i>	<i>-0.16%</i>	<i>(10.45)</i>	<i>0.82%</i>	<i>310.54</i>
Joint Venture									
2	Digicyl Pte. Ltd.	0.09%	374.19	0.09%	28.34	0.00%	-	0.08%	28.34
		<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-
3	Digicyl Limited (Wholly Owned Subsidiary of Digicyl Pte. Ltd.)	-0.20%	(853.83)	-2.75%	(861.49)	0.00%	-	-2.53%	(861.49)
		<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-	<i>0.00%</i>	-

Notes:

- 1 Net Assets & Share in Profit or Loss / Other Comprehensive Income / Total Comprehensive Income of the Foreign subsidiaries are converted into INR based on the Closing Exchange Rates stated in the Note No.46.
- 2 Previous Year figures have been given in italics.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

46: 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

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	FC in Million			Rs. in Lacs	
										Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after taxation		Proposed dividend
Indian														
1	U Tech Developers Limited	Not Applicable	CY	10,000.00	3,841.47	19,063.45	5,221.98	1.00	325.80	(4,811.87)	28.81	(4,840.68)	-	100%
			PY	10,000.00	8,682.16	24,319.23	5,637.07	1.00	266.24	78.25	(2.56)	80.81	-	100%
2	USC Holograms Pvt. Ltd.	Not Applicable	CY	6.00	1,957.48	7,192.69	5,229.21		6,474.11	547.51	116.56	430.95	-	68%
			PY	6.00	1,526.53	8,064.43	6,531.90		5,973.66	608.21	205.41	402.80	-	68%
3	S.D.Buildwell Private Limited	Not Applicable	CY	1.00	1,332.42	1,342.44	9.02		89.68	84.98	21.14	63.84	-	100%
			PY	1.00	1,268.58	1,302.60	33.02		190.92	190.31	(4.56)	194.87	-	100%
4	Reflex Energy (Rajasthan) Private Limited	Not Applicable	CY	-	-	-	-	-	325.66	117.73	-	-	-	62.91%
			PY	-	-	-	-	-	-	-	-	-	-	-
5	Bundelkhand Projects Private Limited	Not Applicable	CY	-	-	-	-	-	-	-	-	-	-	62.91%
			PY	50.00	(14.91)	260.84	225.75	-	-	(0.61)	-	(0.61)	-	62.91%
Foreign														
1	Flex Middle East FZE	Not Applicable	CY	20,169.97	131,741.18	166,796.54	14,885.38	100,946.70	70,470.40	2,649.21	-	2,649.21	-	100%
			PY	29.16	190.46	241.14	21.52	145.94	101.88	3.83	-	3.83	-	100%
			INR	18,965.66	121,384.15	158,723.62	18,373.80	89,377.97	49,788.12	279.67	-	279.67	-	100%
			US \$	29.16	186.63	244.04	28.25	137.42	76.55	0.43	-	0.43	-	100%
2	Flex Americas S.A. de C.V.	Not Applicable	CY	14,963.22	20,630.91	71,951.38	36,357.25		91,983.00	8,550.44	2,762.28	6,088.16	-	100%
			PY	419.22	578.01	2,015.84	1,018.61		2,577.06	247.96	77.39	170.57	-	100%
			INR	14,863.45	14,445.43	53,892.31	24,583.43		57,124.03	3,224.63	1,020.39	2,204.24	-	100%
			MX\$	419.22	407.43	1,520.02	693.37		1,611.17	90.95	28.78	62.17	-	100%
3	Flex P. Films Egypt S.A.E.	Not Applicable	CY	33,139.35	9,054.35	87,361.71	45,168.01		84,539.57	7,020.76	1,680.83	5,339.92	788.54	100%
			PY	31,160.66	4,234.10	83,062.58	47,667.82		79,674.00	10,126.73	2,295.91	7,830.82	-	100%
			INR	47.91	6.51	127.71	73.29		122.50	15.57	3.53	12.04	-	100%
			US \$	65.04	47.91	127.71	73.29		122.50	15.57	3.53	12.04	-	100%
4	Flex Films Europa Sp. Z.o.o.	Not Applicable	CY	18,481.71	44,639.07	80,531.43	17,440.66	11,732.57	61,332.34	11,876.23	18.18	11,858.05	-	100%
			PY	101.47	245.48	442.86	95.91	64.52	337.28	65.31	0.10	65.21	-	100%
			INR	19,331.56	34,344.14	70,602.95	16,927.26		66,499.26	10,407.83	-	10,407.83	-	100%
			PLN	101.47	180.27	370.59	88.85		349.05	54.63	-	54.63	-	100%
5	Flex Films (USA) Inc.	Not Applicable	CY	24,901.20	5,616.60	63,567.23	33,049.43	-	119,760.94	7,684.79	2,462.45	5,222.34	-	100%
			PY	36.00	8.12	91.90	47.78		173.14	11.11	3.56	7.55	-	100%
			INR	23,414.40	370.73	59,082.34	35,297.21		78,913.03	(481.30)	(266.66)	(214.63)	-	100%
			US \$	36.00	0.57	90.84	54.27		121.33	(0.74)	(0.41)	(0.33)	-	100%
6	UFlex Europe Limited	Not Applicable	CY	904.80	(1,501.97)	9,391.82	9,988.99		9,952.80	(316.68)	(63.34)	(253.34)	-	100%
			PY	1.00	(1.66)	10.38	11.04		11.00	(0.35)	(0.07)	(0.28)	-	100%
			INR	922.80	(1,273.46)	6,247.36	6,598.02		8,129.87	73.82	(221.47)	295.30	-	100%
			GBP	1.00	(1.38)	6.77	7.15		8.81	0.08	(0.24)	0.32	-	100%

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Part "A" : Subsidiaries Rs. in Lacs

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	FC in Million			% of Shareholding
										Profit (Loss) before taxation	Provision for Taxation	Profit (Loss) after taxation	
7	UFLEX Packaging Inc.	Not Applicable	CY INR	2,545.46	(581.03)	2,462.45	498.02	-	7,574.12	892.29	207.51	684.78	100%
			US \$	3.68	(0.84)	3.56	0.72	-	10.95	1.29	0.30	0.99	0.55
			INR	2,393.47	(832.51)	3,225.98	1,665.02	-	11,408.02	897.55	39.02	858.53	100%
			US \$	3.68	(1.28)	4.96	2.56	-	17.54	1.38	0.06	1.32	-
8	UPET Holdings Limited	Not Applicable	CY INR	26,561.28	(103.76)	26,464.44	6.92	26,409.11	-	(6.92)	-	(6.92)	100%
			US \$	38.40	(0.15)	38.26	0.01	38.18	-	(6.50)	-	(0.01)	-
			INR	24,975.36	(91.06)	24,890.81	6.50	24,832.27	-	(6.50)	-	(6.50)	100%
			US \$	38.40	(0.14)	38.27	0.01	38.18	-	(0.01)	-	(0.01)	-
9	UPET (Singapore) Pte. Ltd.	Not Applicable	CY INR	26,422.94	(34.59)	26,395.27	6.92	26,319.19	-	(6.92)	-	(6.92)	100%
			US \$	38.20	(0.05)	38.16	0.01	38.05	-	(0.01)	-	(0.01)	-
			INR	24,845.28	(26.02)	24,819.26	-	24,747.72	-	-	-	-	100%
			US \$	38.20	(0.04)	38.16	-	38.05	-	-	-	-	-
10	Flex Films RUS LLC #	31-Dec-18	CY RUB	2,337.05	9.56	2,610.99	264.38	-	-	9.56	-	9.56	100%
			INR	220.02	0.90	245.81	24.89	-	-	0.90	-	0.90	-
			RUB	-	-	-	-	-	-	-	-	-	-
			INR	-	-	-	-	-	-	-	-	-	-
			RUB	-	-	-	-	-	-	-	-	-	-
11	Flex Films Africa Pvt Ltd.	Not Applicable	CY INR	3,602.95	-	6,318.98	2,716.03	-	-	-	-	-	100%
			N	1,896.29	-	3,325.78	1,429.49	-	-	-	-	-	-
			INR	-	-	-	-	-	-	-	-	-	-
			N	-	-	-	-	-	-	-	-	-	-
12	Flex Chemicals (P) Ltd. #	31-Dec-18	CY INR	0.53	(0.96)	0.32	0.74	-	-	(1.06)	(0.11)	(0.96)	100%
			RUB	1.0622	(0.09)	0.03	0.07	-	-	(0.10)	(0.01)	(0.09)	-
			INR	-	-	-	-	-	-	-	-	-	-
			RUB	-	-	-	-	-	-	-	-	-	-
13	Flex Films Europa Koriatolt Feletossegu Tarsasag	Not Applicable	CY HUN	5,092.16	-	11,578.77	6,486.61	-	-	-	-	-	100%
			INR	2,103.33	-	4,782.64	2,679.31	-	-	-	-	-	-
			INR	-	-	-	-	-	-	-	-	-	-
			HUN	-	-	-	-	-	-	-	-	-	-

CY represents Current Year and PY represents Previous year

Notes :

- 1 Name of subsidiaries which are yet to commence operations NIL
 - 2 Names of Subsidiaries which have been liquidated or sold during the year NIL
 - 3 Name of Subsidiary not considered for Consolidation
 - Name of The company Reason for Non Consolidation
 - AKC Developers Ltd. Its Parent Company, Utech Developers Ltd., 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.
- # Figures reported above (and also included for consolidated accounts) are for the period from the date of incorporation/ acquisition till 31st March 2019 based on the audited accounts of the Company both for the period from date of Incorporation till 31st December 2018 and for the period from 1st January 2019 to 31st March 2019.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and joint Ventures

SI 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	Net worth attributable to Shareholding as per latest Audited Balance Sheet		Profit or Loss for the Year		Other Comprehensive Income			
			No	Amount of Investment in Associates / Joint Venture			Rs in Lacs		Considered in Consolidation	Not Considered in Consolidation	Considered in Consolidation	Not Considered in Consolidation	Rs in Lacs	Rs in Lacs
			Extent of Holding %				Rs in Lacs		Rs in Lacs	Rs in Lacs	Rs in Lacs	Rs in Lacs		
Associate														
1	Flex Foods Limited	31-Mar-19	5870000	587.00	47.15%	By Virtue of Shareholding	NA	4,227.28	520.21	-	(15.56)	-		
		31-Mar-18	5870000	587.00	47.15%	By Virtue of Shareholding	NA	3,722.63	320.99	-	(10.45)	-		
Joint Venture														
2	Digicyl Pte. Ltd., Singapore	31-Mar-19	500000	337.50	50%	By Virtue of Shareholding	NA	374.19	28.34	-	-	-		
		NA	-	-	-	By Virtue of Shareholding	NA	-	-	-	-	-		
3	Digicyl Limited, Israel (Wholly Owned Subsidiary of Digicyl Pte. Ltd.)	31-Mar-19	-	-	-	By Virtue of Shareholding in Digicyl Pte. Ltd.	NA	(853.83)	(861.49)	-	-	-		
		NA	-	-	-	By Virtue of Shareholding	NA	-	-	-	-	-		

Notes:

- 1 Name of Associates / Joint Ventures which are yet to commence operations **NIL**
- 2 Names of Associates / Joint Ventures which have been liquidated or sold during the year **NIL**
- 3 Name of Associate / Joint Venture which are not considered for consolidation **NIL**

Signatories to Notes 1 to 46

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Amitava Ray
Whole-time Director
DIN 00184143

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

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

Deepak Sehgal
Partner
M.No.: 085391

Place : Noida
Dated : 27th May, 2019



UFLEX LIMITED

CIN: L74899DL1988PLC032166

Regd. Office : 305, Third Floor, Bhanot Corner, Pamposh Enclave,
Greater Kailash - I, New Delhi - 110 048

ATTENDANCE SLIP 30th 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 30th Annual General Meeting of the Company being held on **Thursday, 1st August, 2019** 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 30th Annual General Meeting of the Company to be held on **Thursday, 1st August, 2019** 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 Statements (Standalone and Consolidated) for the year ended 31st March, 2019		
2	To declare the dividend for the year 2018-2019		
3	To appoint Shri Amitava Ray (DIN: 00184143), who retires by rotation and, being eligible, offers himself for re-appointment		
	Special Business		
4	Re-appointment of of Shri Ashok Chaturvedi (DIN: 00023452), Chairman & Managing Director of the Company as Chairman & Managing Director of the Company		
5	Re-appointment of Shri Tara Sankar Bhattacharya (DIN: 00157305) as an Independent Director		
6	Re-appointment of Smt. Indu Liberhan (DIN: 03341420) as an Independent Director		
7	Re-appointment of Shri Pradeep Narendra Poddar (DIN: 00025199), as an Independent Director		
8	Ratification of Remuneration to the Cost Auditors		

Signed this.....day of.....2019

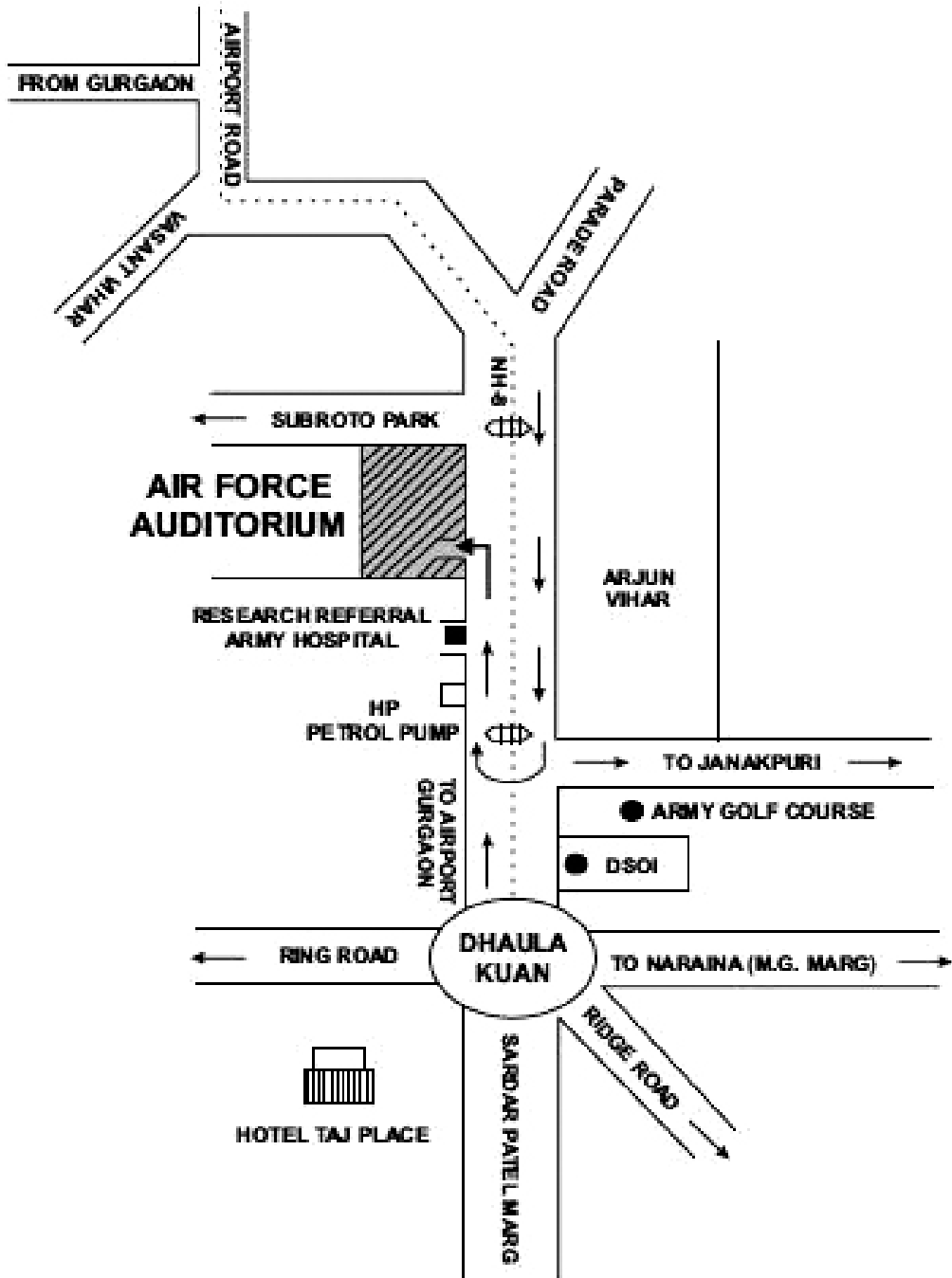
Affix
Revenue
stamp

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 30th 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.

ROUTE MAP





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UFLEX LIMITED