



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/2020/

24th August, 2020

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 31st Annual General Meeting (AGM) and Annual Report 2019-2020 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 31st Annual General Meeting (AGM) and Annual Report for the Financial Year 2019-2020. The same is also available in the Company's website at <https://www.uflexltd.com/pdf/financials/annual-reports/UFLEX-AR-2019-20.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

THIRTY FIRST ANNUAL REPORT 2019-2020



'A part of your daily life'

UFLEX LIMITED



UFLEX LIMITED

CIN: L74899DL1988PLC032166

THIRTY FIRST ANNUAL REPORT 2019-2020

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

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.oz.o., Poland
UPET Holdings Ltd., Mauritius
UPET (Singapore) Pte. Ltd., Singapore
Flex Americas S.A. de C.V., Mexico
Flex Films Africa Private Limited, Nigeria
LLC Flex Chemicals Private Limited, Russia
Flex Films Rus, LLC, Russia
Flex Films Europa Korlatolt Feleossegu
Tarsasag, Hungary
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
Indian Bank
The Jammu & Kashmir Bank Ltd.
Union Bank of India
UCO Bank
The 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

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.oz.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

Flex Films Europa Korlatolt Felelösségű Társaság, Hungary - Bankers

PKO Bank Polski, Poznań, Poland

Flex Film Rus LLC Russia - Bankers

Unicredit Bank, Prechistenskaya EMB,
Moscow

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 Brahmana, Jammu
Unit-II, Lane No. 2, Phase-I, SIDCO
Industrial Complex, Bari Brahmana, Jammu
Unit-III, Lane No. 3, Phase-I, SIDCO
Industrial Complex, Bari Brahmana, 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

Hungary

2651 ság, Pusztaszántói út 26-28, Hungary

Russia

Shmatovo village, Industrialnaya
Str., estate 4, building 1, Stupino,
Moscow region, Russian Federation

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

DIRECTORS' REPORT

To the Members,

Your Directors have the pleasure of presenting this Thirty First Annual Report together with the Standalone & Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS

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

[Rs. in Crores]

	Consolidated Year Ended		Standalone Year Ended	
	2020	2019	2020	2019
Revenue from Operations	7404.84	7957.22	4069.71	4220.97
Other Income	28.46	20.71	82.65	21.55
Share in Profit of Associates for the Year	3.2	5.2	--	--
Share in (Loss) of Joint Venture for the Year	(4.88)	(8.33)	--	--
Total Income	7431.62	7974.8	4152.36	4242.52
Profit before Finance Cost, Depreciation & Tax	1108.84	1007.53	616.42	480.57
Finance Cost	224.79	217.93	172.89	167.94
Depreciation	403.19	380.85	261.36	239.93
Profit before Tax	480.85	408.75	182.17	72.70
Less: Tax Expenses	109.98	93.54	38.90	21.04
Profit for the year before Minority Interest	370.87	315.21	143.27	51.66
Non Controlling Interest	(1.06)	(1.38)	--	--
Profit for the year	369.82	313.84	143.27	51.66
Total Other Comprehensive Income for the Year	38.53	26.91	(12.07)	-7.25
Total Comprehensive Income for the Year	408.35	340.75	131.20	44.41

During the year under review, your Company has achieved consolidated total income and net profit of Rs. 7431.62 crore and Rs. 369.82 crore respectively as against total income and net profit of Rs. 7974.80 crore and Rs. 313.84 crore respectively during the previous financial year ended 31st March, 2019.

Further, your Company has achieved standalone total income of Rs. 4152.36 and net profit of Rs 143.27 crore as against total income of Rs. 4242.52 crore and net profit of Rs. 51.66 crore during the previous financial year ended 31st March, 2019.

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.

The outbreak of coronavirus disease 2019 (COVID-19)

has created an unprecedented global health crisis that has a deep impact on the businesses and economy. Uflex operates in multiple countries across the globe – both in terms of its manufacturing operations and the markets for its products and all these countries had imposed lockdowns of varying types aimed at containing the spread of the virus. Given that Uflex business is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used in food and Pharma packaging, all out efforts were being made by all countries to ensure the adequate supply of food and medicines to the public, which was made possible only due to seamless continued operations of packaging industry. While Uflex did face initial administrative and supply chain challenges in some countries during initial lockdown period but there was no impact on its overall production and sales volumes during the quarter, which grew in Quarter 4 over the sequential quarter. While Uflex believes that its business will continue to remain unscathed by the pandemic as it continues to witness higher demand for its products globally so far in FY 2021, there could be uncertainties in the future due to underlying developments w.r.t COVID 19, which are difficult to predict.

TRANSFER OF UNCLAIMED DIVIDEND TO AUTHORITY

An amount of Rs. 13,40,414/- (Thirteen Lac Forty Thousand Four Hundred Fourteen 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 670207 (Six Lac Seventy Thousand Two Hundred Seven 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. 2.00 (Rupees Two only) per share for the financial year ended 31st March 2020 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 10th September, 2020. 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, 2020 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, 2020 none of the Directors of the Company except the following, held shares or convertible instruments of the Company:

Shri Ashok Chaturvedi, Chairman & Managing Director	5,02,533 Equity Shares
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FIXED DEPOSITS

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

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.

There is no change in composition of the Board of Directors of the Company. However, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Ashok Chaturvedi, Chairman and Managing Director (DIN: 0023452) of the Company retires by rotation and being eligible, offers himself for re-appointment.

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.

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 representations 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:

- that in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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, 2020 and of the Profit of the Company for the year ended on that date;
- 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;
- that the annual accounts have been prepared on a going concern basis;
- that proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively.
- 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 2019-20 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

Year ended 31st March, 2020 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 2020-2021.

SECRETARIAL AUDITORS

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

SUBSIDIARY COMPANIES

Flex Middle East FZE, UAE, UFlex Europe Limited, UK, UFlex Packaging Inc., USA, UPET Holdings Limited, Mauritius, LLC Flex Chemicals Private Limited, Russia, and USC Holograms Pvt. Ltd., India are Subsidiary Companies u/s 2(87) of the Companies Act, 2013. UTech Developers Limited, alongwith it's subsidiary SD Buildwell Private Limited ceased to be subsidiary of the Company w.e.f. 3rd October, 2019.

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, Flex Films Africa Private Limited, Nigeria, Flex Films Rus, LLC, Russia and Flex Films Europa Korlatolt Feleossegu Tarsasag, Hungary are step-down subsidiaries of the Company. Digicyl Pte. Limited, Singapore and Digicyl Limited, Israel are JV of the Company.

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

Financial position of 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 Companies Act, 2013, your Company has a Corporate Social Responsibility (CSR) Committee, which comprises Smt. Indu Liberhan, Chairperson; Shri Achintya Karati, Member and Shri 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. During the Financial Year 2019-2020, the Company was to undertake CSR Activities of an amount of Rs.279.91 Lacs based on the average profits of the three preceding financial years. However, the Company has spent only Rs. 68.90 Lacs upto 31st March, 2020. The balance amount of Rs.211.01 Lacs, 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 Smt. Indu Liberhan as the Chairperson and Shri Achintya Karati; Shri T. S. Bhattacharya; Shri Pradeep Poddar and Shri 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 2019-2020 and hence no complaint is outstanding as on 31st March, 2020 for redressal.

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

There has been no material change and commitments occurred, between the end of the financial year of the Company i.e. 31st March, 2020 and the date of this report affecting financial position of the Company. The impact of Global Pandemic Covid-19, have been already provided in this report.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

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

RISK MANAGEMENT

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

In respect of the Risk Associated at Transactional Level, the company has appropriate control mechanism and operating effectiveness of the Internal Financial Controls and 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 to 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'**.

BUSINESS RESPONSIBILITY REPORT

UFLEX's approach to business is Creating Shared Value as used by your Company and it is about the impact of

the business and engagement through it. Your Company is mindful of the needs of the communities and works to make a positive difference and create maximum value for the society. It has been conducting business in a way that delivers long-term shareholder value and benefits society. As stipulated under the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached in the format prescribed as **ANNEXURE - 'H'** and forms integral part of the Annual Report.

AWARDS

During the year under review, your Company & its subsidiaries received 29 Awards and Accolades conferred by reputable organizations/ bodies based out of India and Overseas for excellence, Some of these awards & accolades includes:

- UFlex adjudged 'Packaging Company of the Year' at 11th edition of PrintWeek India Awards 2019.
- UFlex named 'Aon Best Employer Company on Employee Experience' in 2019.
- Flexible Packaging Awards 2020 confers two Gold and one Silver award to FlexiTubes for Bio Creative Labs, USA in the categories of 'Packaging Excellence', 'Expanding the Use of Flexible Packaging' & 'Technical Innovation'.
- UFlex was ranked 188 in 'Fortune India 500 Largest Corporations' list.

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 : 30th June 2020

(DIN 00023452)

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

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

To
The Members
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, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

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

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

1. Indian Boilers Act, 1923 and Rules made thereunder
2. 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 and Rules made thereunder
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. The Company has spent an amount of Rs. 68.90 Lacs on CSR activities as against Rs. 279.91 Lacs, which the Company was required to spent pursuant to Section 135(5) of the Companies Act, 2013 during the financial year 2019-20.

We further report that

The Board of Directors 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.

**For Mahesh Gupta and Company
Company Secretaries**

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

**Place : Delhi
Date : 30-06-2020**

UDIN : F002870B000399411

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

FCS No.: 2870

C P No.: 1999

UDIN:F002870B000399411

Place : Delhi
Date : 30-06-2020

ANNEXURE – ‘B’ CSR REPORT FOR THE FY 2019-20

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	Smt. Indu Liberhan, Chairperson Shri Achintya Karati, Member Shri Amitava Ray, Member
3.	Average net profit of the company for last three financial years: Average net profit	Rs. 13,995.25 Lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs. 279.91 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. 68.90 Lacs
	b) Amount unspent, if any;	Rs. 211.01 Lacs
	c) Manner in which the amount spent during the financial year is detailed below:	The manner in which the amount is spent is detailed in the ANNEXURE “B-1”

ANNEXURE - B-1 CSR ACTIVITIES AT UFLEX

(1) Sl. No	(2) CSR project or activity identified	(3) Sector in Which the Project is covered	(4) Projects or programs: Local area or other Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) Project or programs wise	(6) Amount spent on the projects or programs Sub-heads Direct expenditure on projects or programs Overheads	(7) Cumulative expenditure up to the reporting period	(8) 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.3,62,500/-	Direct Expenditure: Rs. 3,53,200/-	Rs. 3,53,200/-	Bharti Consultancy Services

(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: Gautam Budha Nagar, Greater Noida, Uttar Pradesh	Rs.27,90,000/-	Direct Expenditure: Rs. 19,38,000/-	Rs.19,38,000/-	EKO Pro Engineers P Ltd
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 Bhind, Near Malanpur	Rs.94,579/-	Direct Expenditure: Rs. 94,579/-	Rs.94,579/-	Bal Mahila Vikas Samiti
4	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	District: Gautam Budha Nagar, Greater Noida, Uttar Pradesh	Rs.8,99,440.54	Direct Expenditure: Rs. 8,99,440.54	Rs.8,99,440.54	Kumar Constructions
5	Disaster Management, Including Relief, Rehabilitation and Reconstruction Activities	Companies Act 2013; Section 135, Schedule VII, item [(xii) disaster management, including relief, rehabilitation and reconstruction activities.]	District: Gautam Budha Nagar, Greater Noida, Uttar Pradesh	Rs.25,00,000/-	Direct Expenditure: Rs.25,00,000/-	Rs.25,00,000/-	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
6	Develop-ment of Bio-Degradable Films	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];	Ahmedabad, Gujarat	Rs.11,05,000/-	Direct Expenditure: Rs.11,05,000/-	Rs.11,05,000/-	Direct
Total				Rs. 77,51,519.54		Rs. 68,90,219.54	

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.279.91 Lacs during the year, but could spend Rs.68.90 Lacs, reason for which is provided in the Directors' Report to the members for the Financial Year 2019-20.

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 : 30th June, 2020

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, 2020)

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. Further, none of the Independent Directors of the Company serve as an Independent Director in more than Seven Listed Companies and no Independent Director is serving as a Whole-time Director in any Listed Company. 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 31.03.2020 are as follows:

Name of Director	Designation	Category
Shri Ashok Chaturvedi DIN : 00023452	Chairman & Managing Director	Promoter/Executive Chairman
Shri Amitava Ray DIN : 00184143	Whole-time Director	Executive Director
Shri Achintya Karati DIN : 00024412	Director	Independent, Non-Executive
Shri Anish Babu Venugopal DIN : 02830575	Nominee Director – IFCI Limited	Non-Executive
Shri Tara Sankar Bhattacharya DIN : 00157305	Director	Independent, Non-Executive
Smt. Indu Liberhan DIN : 03341420	Director	Independent, Non-Executive
Shri Arvind Mahajan DIN : 02410540	Director	Independent, Non-Executive
Shri 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 2019-2020. The dates on which the meetings were held are 27.05.2019, 13.08.2019, 13.11.2019 and 13.02.2020 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
Shri Ashok Chaturvedi	4	4	No
Shri Amitava Ray	4	4	Yes
Shri Achintya Karati	4	4	Yes
Shri Anish Babu Venugopal	4	1	No
Shri Tara Sankar Bhattacharya	4	2	No
Smt. Indu Liberhan	4	4	Yes
Shri Arvind Mahajan	4	4	No
Shri 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 (*)	
Shri Ashok Chaturvedi	1	--	--	1) Uflex Limited, (Executive Chairman) 2) Flex Foods Limited, (Non-Executive Chairman)
Shri Amitava Ray	4	--	--	Uflex Limited, (Executive Director)
Shri Achintya Karati	6	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)
Shri Anish Babu Venugopal	--	--	--	Uflex Limited, (Nominee, Non-Executive)
Shri Tara Sankar Bhattacharya	4	3	--	1) Uflex Limited, (Independent, Non-Executive) 2) Surya Roshni Limited, (Independent, Non-Executive) 3) Arshiya Limited, (Independent, Non-Executive) 4) 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 Membership(s) of Board Committees in other Companies (*)	No. of Chairmanship(s) of Board Committees in other Companies (*)	
Smt. Indu Liberhan	1	1	1	1) Uflex Limited, (Independent , Non-Executive) 2) Flex Foods Limited (Independent , Non-Executive)
Shri Arvind Mahajan	--	--	--	Uflex Limited, (Independent , Non-Executive)
Shri Pradeep Narendra Poddar	3	2	2	1) Uflex Limited, (Independent , Non-Executive) 2) Welspun India Limited, (Independent , Non-Executive) 3) Polycab 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, 2020. Further, No. of Membership of Board Committees in other Companies is inclusive of Chairmanship(s) if any held by the respective Director(s).*

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, 2020, 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 a leading Indian multinational engaged in manufacturing, sale and export of flexible packaging products across the globe, therefore requires skills / expertise not only in flexible packaging business, but also in areas such as finance, quality, operations, research & development, marketing and logistics.

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

Shri Amitava Ray, Whole-time Director of the Company, has served in the Company, as President & Chief Executive Officer of Flexible Packaging Business. 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.

Smt. Indu Liberhan, Shri Tara Sankar Bhattacharya, Shri Achintya Karati, Shri Anish Babu Venugopal, Shri Pradeep Narendra Poddar and Shri Arvind Mahajan have vast knowledge in Finance, Banking, Law, Audit & Administration etc.

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 13th February, 2020 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.

During the year, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

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-19-20.pdf>).

3. Audit Committee

Presently, the Audit Committee comprises of Five Members Directors viz., Smt. Indu Liberhan, Shri Amitava Ray, Shri Achintya Karati, Shri Tara Sankar Bhattacharya & Shri Pradeep Narendra Poddar. All the Members of the Audit Committee are Non-Executive and Independent Directors except Shri Amitava Ray (Executive, Whole-time Director). Smt. 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 of the Company acts as the Secretary to the Audit Committee.

Smt. Indu Liberhan (Chairperson of Audit Committee) was present in the last Annual General Meeting held on 1st August, 2019.

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, if any;
- 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.
 - 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.

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

- i) management discussion and analysis of financial condition and results of operations;
- ii) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii) management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv) internal audit reports relating to internal control weaknesses; and
- v) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- vi) 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).

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 27.05.2019, 13.08.2019, 13.11.2019 & 13.02.2020. The attendance of each Committee members is as under:

Name of Member	Meetings Attended
Smt. Indu Liberhan	4
Shri Achintya Karati	4
Shri Amitava Ray	4
Shri Tara Sankar Bhattacharya	2
Shri 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 Divisions / 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.

4. Nomination and Remuneration Committee

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee includes:

- a) To identify persons who are qualified to become directors and who may be appointed in the senior management, recommend to the Board about their appointment and removal and carry out evaluation of every director's performance;
- b) Formulation of criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;
- c) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- d) To evaluate and recommend terms of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Director;
- e) Devising a Policy on Board Diversity; and
- f) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Composition and details of Meetings

Presently, the Nomination and Remuneration Committee consists of three Members viz. Smt. Indu Liberhan (Chairperson), Shri Achintya Karati and Shri Arvind Mahajan. All the members of the Nomination and Remuneration Committee are Non-Executive Directors and all are Independent. Smt. Indu Liberhan (Chairperson of Nomination and Remuneration Committee) was present in the last Annual General Meeting held on 1st August, 2019. The Company Secretary acts as the Secretary to the Committee.

During the year, the Nomination and Remuneration Committee had met on 27.05.2019. All the Members have attended the meeting.

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 31.03.2020 are given below:

(Rs. In Lacs)

Name	Sitting Fee	Salaries, Allowances and Employer's Contribution to PF	Perquisites	Total	Date of Appointment/ Re-Appointment	Service Term
Shri Ashok Chaturvedi (Chairman & Managing Director)	--	653.20	19.04	672.24	1st February, 2019	5 Years
Shri Amitava Ray (Whole-time Director)	--	228.94	14.40	243.34	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 other than 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
Shri Achintya Karati	2,00,000	8,00,000	10,00,000
Shri Anish Babu Venugopal Nominee – IFCI Limited	50,000	--	50,000
Shri Tara Sankar Bhattacharya	1,00,000	1,50,000	2,50,000
Smt. Indu Liberhan	2,00,000	5,00,000	7,00,000
Shri Arvind Mahajan	2,00,000	1,00,000	3,00,000
Shri 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. Shri Achintya Karati (Chairman), Shri Amitava Ray and Smt. Indu Liberhan.

The Committee, *inter-alia*, approves issue of duplicate certificates, oversees and reviews all matters connected with the securities transfer(s) / transmission(s). 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 / transmission, 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 09.07.2019, 30.11.2019, and 18.02.2020. All the Members had attended the meetings. Shri Achintya Karati (Chairman of Stakeholders' Relationship Committee) was present in the last Annual General Meeting held on 1st August, 2019.

The total numbers of complaints received and resolved during the year under review were 8. Outstanding complaints as on 31.03.2020 were Nil. There were no valid share transfers pending for registration for more than 10 days as on the said date.

Shri 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 Smt. Indu Liberhan (Chairperson), Shri Achintya Karati and Shri 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 21.03.2020 during the year and all the members had attended this Meeting. The Company was required to spend Rs. 271.91 Lacs during the year, but could spent Rs. 68.90 Lacs. Reason for unspent amount is clarified in the Directors' Report to the members for the Financial Year 2019-20.

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:

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

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-subidiaries.pdf>).

9. General Body Meetings

- 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
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	<ol style="list-style-type: none"> Re-appointment of Shri Arvind Mahajan (DIN: 02410540) as an Independent Director Re-appointment of Shri Achintya Karati (DIN: 00024412) as an Independent Director Amendment in Articles of Association of the Company Increase in total shareholding limit of Foreign Portfolio Investors (FPI) and/or Foreign Institutional Investors (FI).
30 th	Thursday, August 1, 2019, At 10:00 A.M.	Air Force Auditorium, Subroto Park New Delhi – 110010	<ol style="list-style-type: none"> Re-appointment of Shri Ashok Chaturvedi (DIN: 00023452), Chairman & Managing Director of the Company as Chairman & Managing Director of the Company Re-appointment of Shri Tara Sankar Bhattacharya (DIN: 00157305) as an Independent Director Re-appointment of Smt. Indu Liberhan (DIN: 03341420) as an Independent Director Re-appointment of Shri Pradeep Narendra Poddar (DIN: 00025199), as an Independent Director.

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

During the period under review, there was no postal ballot conducted by the Company.

(ii) Whether any Special Resolution is proposed to be passed through Postal Ballot?

Special Resolution(s) as may be considered necessary/required would be passed through Postal Ballot.

(iii) Procedure for Postal Ballot

For conducting a Postal Ballot, notice specifying the resolutions proposed to be passed through Postal Ballot as also the relevant explanatory statement & the postal ballot forms are dispatched to all the shareholders alongwith self-addressed postage prepaid/business reply envelope. The shareholders are requested to send back the postal ballot forms duly filled up & signed in the postage prepaid/ business reply envelopes provided to them by the Company, so as to reach the scrutinizer (in whose name the envelopes are made) on or before the 30th day from the date of issue of notice by the Company.

The company has entered into e-voting registration agreement with CDSL / NSDL to provide e-voting facilities to its shareholders.

The scrutinizer compiles the postal ballot result out of the postal ballot forms found valid and hands over the results to the Chairman or in his absence to any Director authorized by the Board. The Chairman or any other Director thereupon declares the results of the postal ballot.

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).

Detailed presentations were made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations were also uploaded on the Company's website (weblink : <https://www.uflexltd.com/earnings-conference-call.php>) and duly intimated to the Stock Exchanges where equity shares of the Company are listed. The Company regularly interacts with the shareholders through multiple channels of communication such as publication of Results including outcome of the Board Meeting, Annual Report, Press Releases and Analyst Call etc. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

The Company's corporate website, www.uflexltd.com provides comprehensive information on UFLEX's portfolio of businesses, CSR and Sustainability initiatives, Environment, Health & Safety (EHS) Policy, Shareholding Pattern, Key Company Policies, and Contact details of the Company's employees responsible for assisting investors & handling investor grievances. The website has entire sections dedicated to UFLEX's profile, history and evolution, its core values, corporate governance and leadership. An exclusive section "Investors" serves to inform and service Shareholders, enabling them to access information at their convenience. The entire Report and Accounts as well as the quarterly, half-yearly and annual financial results are available in downloadable formats under the section 'Investor' on the Company's corporate website as a measure of added convenience to the investors.

- 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.

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 30.06.2020.

12. General Shareholders Information

(a) Annual General Meeting to be held on:

Date : 17th September, 2020
 Day : Thursday
 Time : 11:00 AM
 Venue : Annual General Meeting through Video Conferencing/ Other Audio Visual Means
 (VC/OAVM facility)
 [Deemed Venue for Meeting: Registered Office: 305, 3rd Floor, Bhanot Corner, Pamposh
 Enclave, Greater Kailash – I, New Delhi – 110 048]

(b) Tentative Financial Calendar subject to relaxations due to COVID-19

- Results for quarter ending 30.06.2020 : By mid of August, 2020
 - Results for quarter ending 30.09.2020 : By mid of November, 2020
 - Results for quarter ending 31.12.2020 : By mid of February, 2021
 - Results for year ending 31.03.2021 : By 30th May, 2021

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

Friday, 11th September, 2020 to Thursday, 17th September, 2020 (both days inclusive)

(d) Dividend payment date

Dividend for the financial year 2019-2020, if declared will be paid/credited to the account of the shareholders on or after 17th September, 2020.

(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, 5th Floor, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

Note: Annual Listing fees for the year 2020-2021 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 2019-2020:

The Monthly High and Low Price of Shares Traded at "The National Stock Exchange Limited" and "The BSE Limited" for the Financial Year 2019-20 are as under:

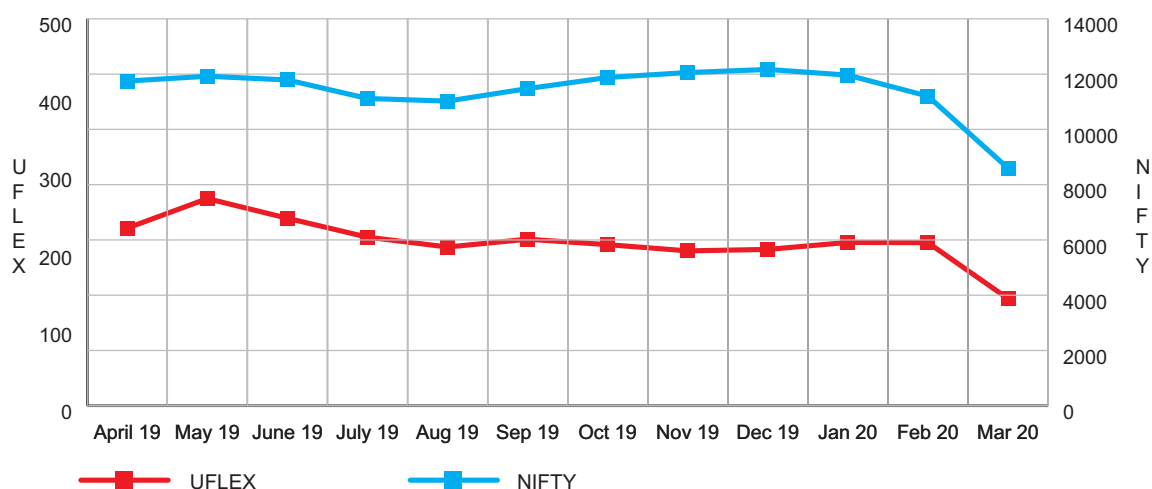
(Amount in Rs.)

Month	NSE		BSE	
	HIGH	LOW	HIGH	LOW
Apr-19	256.45	226.85	254.00	226.60
May-19	273.70	210.10	272.00	207.55
Jun-19	278.05	230.55	276.25	231.05
Jul-19	246.90	205.75	246.00	205.40
Aug-19	233.00	193.20	231.20	193.00
Sep-19	244.00	200.10	242.05	192.20
Oct-19	220.75	192.95	219.00	192.30
Nov-19	211.90	195.00	212.00	195.15
Dec-19	206.05	189.85	206.00	190.05
Jan-20	234.00	198.10	233.65	198.50
Feb-20	237.70	202.95	237.35	203.35
Mar-20	217.95	118.25	217.25	119.95

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

Performance in comparison to NIFTY

(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

The Company is complying the terms of the Listing Regulations, effective from 1st April, 2019, securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1st April, 2019 and returned due to deficiency in the document. Shareholders are advised to dematerialise their shares held by them in physical form. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

(l) Distribution of Shareholding as on 31.03.2020

Category (Share)	Number of Shareholders	Total Number of Shares	% to Total Shares
Up to 500	37292	3538579	4.90
501 – 1000	1574	1239712	1.72
1001 – 2000	712	1062613	1.47
2001 – 3000	255	645902	0.89
3001 – 4000	126	451061	0.62
4001 – 5000	87	408325	0.57
5001 – 10000	158	1154294	1.60
10001 – 20000	67	955662	1.32
Above 20000	109	62755338	86.91
TOTAL	40380	72211486	100.00

(m) Categories of Shareholders as on 31.03.2020

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	83	5183539	7.18
(2)	Non-Institutions	40286	35243708	48.80
Total Public Shareholding		40369	40427247	55.98
(C)	Non Promoter-Non Public			
(C1)	Shares underlying DRs	--	--	--
(C2)	Shares held by Employee Trusts	--	--	--
Total (A+B+C)		40380	72211486	100.00

(n) Dematerialization of Shares and liquidity

Nearly 99.39% of total equity share capital is held in dematerialized form upto 31.03.2020 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, 2020.

(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, 2020:

Rating Agency	Rating	Outlook
CRISIL Limited	CRISIL A	Stable
Brickwork Ratings India Private Limited	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-subsiidiaries.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, Guidance / Advisory issued by the Institute of Chartered Accountants of India (ICAI) 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 or FCCB issue

During the year, the Company has not raised any funds from public issue, rights issue, preferential issue or 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, 2020 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 – 'C-1'.
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, 2020 are as under:

Particulars	(Rs. in Lacs)
Audit Fees	132.40
Taxation Matters	37.20
Other Services	35.02
Out of Pocket Expenses	7.71
Total	212.33

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 in applicable mode.

(iii) Audit Qualifications

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

(iv) Business Responsibility Report ("BRR")

The Business Responsibility Report of the Company includes its responses to questions on the practices and performance on key principles defined by Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance, and stakeholder relationships forms an integral part of the Annual Report.

(v) 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	57	2379
2.	Number of shareholders who approached the Company for transfer of shares from unclaimed suspense account during the year	--	--
3.	Number of shareholders to whom shares were transferred from unclaimed suspense account during the year	--	--
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	18	357
5.	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the end of the year	39	2022

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 30.06.2020 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, 2020, 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 conditions contained in the Corporate Governance is the responsibility of the Management, along-with Directors of the Company. This responsibility includes the preparation and maintenance of all relevant supporting records & documents and also design, implementation and maintenance of internal controls 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.
5. 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.
6. 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.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the 'Report on Corporate Governance', with the applicable criteria. The procedures includes but not limited to verification of secretarial records, books of accounts and other financial information of the Company and obtained necessary representations and declarations from the Directors, including Independent Directors of the Company, for the purposes of providing reasonable assurance on the compliance with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
8. The procedures also include examining evidence supporting the particulars in the 'Report on Corporate Governance', on a test basis. Further, our scope of work under this Report did not involve us, performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company, taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations provided to us and the representations provided by the Management & the Directors of the Company and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, warranted due to the spread of the COVID-19 pandemic, 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, 2020.
10. 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 & the Directors of the Company have conducted the affairs of the Company.

Restriction on use

11. 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
Firm's Registration No.: 019416N

CA. Deepak Sehgal
Partner
Membership No.: 085391
UDIN: 20085391AAAAAF8340

Place : NOIDA
Date : June 30, 2020

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, 2020 pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **UFLEX LIMITED**

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

Place : NOIDA
Dated : 30th June, 2020

ANNEXURE – 'C-1' 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 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, 2020 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	Shri Ashok Chaturvedi	00023452	21-06-1988
2	Shri Amitava Ray	00184143	02-02-2016
3	Shri Achintya Karati	00024412	14-09-2000
4	Shri Anish Babu Venugopal, Nominee Director of IFCI	02830575	16-05-2017
5	Shri Tara Sankar Bhattacharya	00157305	14-02-2015
6	Smt. Indu Liberhan	03341420	28-05-2015
7	Shri Arvind Mahajan	02410540	03-08-2016
8	Shri 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

UDIN: F002870B000399442

Place : Delhi

Date : 30.06.2020

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

Global growth decelerated markedly in 2019, with continued weakness in global trade and investment. This weakness affected both advanced economies particularly the Euro Area and emerging market and developing economies (EMDEs). Various key indicators of economic activity declined touching their lowest levels since the global financial crisis. In particular, global trade in goods was in contraction for a significant part of 2019, and manufacturing activity slowed markedly over the course of the year.

The COVID-19 pandemic is inflicting high human costs worldwide. Protecting lives and allowing health care systems to cope have required isolation, lockdowns, and widespread closures to slow the spread of the virus. The health crisis is therefore having a severe impact on economic activity. As a result of the pandemic, the global economy is projected to contract sharply by 3 percent in 2020, much worse than during the 2008–09 financial crisis. In a baseline scenario, which assumes that the pandemic fades in the second half of 2020 and containment efforts can gradually unwind, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. There is however, uncertainty around the global growth forecast. The economic fallout depends on factors that are hard to predict, including the pathway of the pandemic, the intensity and efficacy of containment efforts, the extent of supply disruptions, the repercussions of the dramatic tightening in global financial market conditions, shifts in spending patterns, behavioral changes (such as people avoiding shopping malls and public transportation), confidence effects, and volatile commodity prices. Many countries face a multi-layered crisis comprising a health shock, domestic economic disruptions, plummeting external demand, capital flow reversals, and a collapse in commodity prices. Effective policies are essential to minimize

adverse outcomes. Necessary measures to reduce contagion and protect lives will take a short-term toll on economic activity but should also be seen as an important investment in long-term human and economic health. The immediate priority is to contain the fallout from the COVID-19 outbreak especially by increasing health care expenditures to strengthen the capacity and resources of the health care sector while adopting measures that reduce contagion. Economic policies will also need to cushion the impact of the decline in activity on people, firms, and the financial system; reduce negative effects from the unavoidable severe slowdown; and ensure that the economic recovery can begin quickly once the pandemic fades. Because the economic strain will be felt more in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses. Such actions will help maintain economic relationships throughout the shutdown and are essential to enable activity to gradually normalize once the pandemic abates and containment measures are lifted. Fiscal measures need to be implemented appropriately. Economies facing financing constraints to combat the pandemic and its effects may require external support. Broad-based fiscal stimulus can preempt a steeper decline in confidence, lift demand and avert an even deeper downturn. It is most likely to be more effective once the outbreak fades and people are able to move freely. The significant actions of large central banks include monetary stimulus and liquidity facilities to reduce systemic stress. These actions have supported confidence and contribute to limiting the amplification of the shock, thus ensuring that the economy is better placed to recover. The synchronized actions can magnify impact on individual economies and will also help generate the space for emerging market and developing economies to use monetary policy to respond to domestic cyclical conditions. Banks shall also renegotiate loans to distressed households and firms while maintaining a transparent assessment of credit risk. Strong multilateral cooperation is essential to overcome the effects of the pandemic to financially help countries facing twin health and funding shocks, and for channeling aid to countries with weak health care systems. Countries urgently need to work together to slow the spread of the virus and to develop a vaccine and therapies to counter the disease. Until such medical interventions become available, no country is safe from the pandemic as long as transmission occurs elsewhere. **(Source: World Economic Outlook, April 2020: The Great Lockdown)**

Global growth is projected at 3.0 percent in 2020, an outcome far worse than during the 2009 global financial crisis. The growth forecast is marked down by more than 6 percentage points relative to the October 2019 World Economic Outlook (WEO) and January 2020 WEO Update projections, an extraordinary revision over such a short period of time. Growth in the advanced economy group where several economies are experiencing widespread outbreaks and deploying containment measures is projected at 6.1 percent in 2020. Although essential to contain the virus, lockdowns and restrictions on mobility are having a sizable toll on economic activity. Adverse confidence will have negative effects on economic prospects. Among emerging market and developing economies, all countries face a health crisis, severe external demand shock, tightening in global financial conditions, and a plunge in commodity prices, which will have a severe impact on economic activity in commodity. Even in countries not experiencing widespread outbreaks as at the end of March (and therefore not yet deploying containment measures of the kind seen in places with outbreaks) the significant downward revision to the 2020 growth projection reflects large anticipated domestic disruptions to economic activity from COVID-19. Growth would be even lower if more stringent containment measures are necessitated by a wider spread of the virus among these countries. Emerging Asia is projected to be the only region with a positive growth rate in 2020 (1.0 percent), albeit more than 5 percentage points below its average in the previous decade. Even with a sharp rebound in the remainder of the year and sizable fiscal support, the economy is projected to grow at a subdued 1.2 percent in 2020.

2. Indian Economy

The WEO of October 2019 has estimated India's economy to become the fifth largest in the world, as measured using GDP at current US\$ prices, moving past United Kingdom and France. The size of the economy is estimated at US\$ 2.9 trillion in 2019. However, the year 2019-20 has been challenging for the Indian economy owing to the decelerating growth rate experienced in the first half of the year. India's economy grew at its slowest pace in over six years in the June quarter following a sharp deceleration in consumer demand and tepid investment. India saw a steep decline in its growth rate in the July-September quarter of 2019, when Gross Domestic Product (GDP) was at its lowest in 7 years at 4.5 percent. Several sectors such as real estate, aviation, automobile and construction sectors suffered a constant decline in demand. On the other hand, the Banking sector and financial services witnessed serious crisis due to rising NPAs & bad loans and

squeezing credit limits. The low rate of expansion in the economy seen in the December quarter was mostly an extension of the weak manufacturing, falling exports and weak consumer demand and private investment witnessed in the previous quarter against the backdrop of a global slowdown.

The growth in real GDP during 2019-20 was estimated at 5.0 per cent as compared to the growth rate of 6.8 per cent in 2018-19. Amidst a weak environment for global manufacturing, trade and demand, Indian economy grew at its slowest pace in eight years at 3.1 per cent for the fourth quarter and at 11-year low of 4.2 per cent for the fiscal year 2019-20 as against 6.1 percent in the fiscal year 2018-19. The economic growth was the lowest since 2008-09 when the economy had expanded at 3.1 percent (**Source : National Statistical Office (NSO)**).

The Novel coronavirus (COVID-19) pandemic has ravaged economies all over the world. The economic impact of the pandemic on India depends on a number of factors including the effectiveness of the policy responses and how the abrupt shifts in supply and demand further compound the economic damage. However, The International Monetary Fund (IMF) projects India to be the fastest growing major economy this year in a world plunged into a recession by the coronavirus pandemic, despite drastically slashing its growth rate to 1.9%.

3. Industry Structure & Developments

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. Various applications of flexible packaging in the food industry include packaging of ready-to-eat food items, boil-in-bag pouches, and foods that are often transferred from freezer-to-microwave. Packaging used for freezer-to-microwave type food is resistant to high temperature extremes and a good moisture-resistant. The non-food product applications of flexible packaging include insulation, cosmetics, and healthcare. The market is growing rapidly with flexible packaging ensuring food safety, enhanced value of food products, extended shelf-life, heating and moisture barrier, effective permeability, and ease of use. Consumers are preferring this packaging type because of convenience, aesthetic appeal and durability.

Plastics dominates the flexible packaging market owing to its characteristics of aroma retention, sealing & heating insulation, barrier against moisture, and strength. These properties make flexible packaging

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ideal for the food & beverage and consumer goods industry as pre-cooked, processed, and packed foods are now being introduced in flexible packaging, thereby making way for trends such as modified atmosphere packaging and vacuum packaging.

The emergence of bio-based and biodegradable films is the primary factor that will fuel the growth of the global flexible packaging market. Metalized Films leads to be oxygen and water transmission resistant, thereby leading to market growth. Moreover, the demand for small packs has given an impetus to the flexible pouch segment, which can be used in small material packaging.

In addition, ease of printing has made flexible packaging a branding and displaying tool for retail products. Replacement of conventional packaging materials such as glass, tin, plate, and jute with flexible packaging materials such as tetra packs, PET bottles, aluminum foils, etc., acts as an emerging opportunity for the market growth. The need to ensure the quality and safety of products and to preserve them from contamination and damage drives the demand for flexible packaging, globally. However, concerns related to handling in specific applications and various recyclability issues are expected to restrict the growth of the market in future.

The flexible packaging industry is expected to grow rapidly in the coming years. The use of renewable materials and bio-based materials for packaging in various applications is likely to emerge in flexible packaging. As the world is moving towards sustainability, the novel bio-based and biodegradable packaging materials are expected to create a profitable future in the flexible packaging. Cost-effectiveness and increased shelf life of the products is creating demand for flexible plastic packaging. Moreover, due to busy lifestyles, the demand for convenient products has increased, which has led to a rise in demand for flexible packs. Flexible plastic packaging requires less resources and energy for packaging; thus, flexible packs are accessible at low costs. Flexible plastic packaging enables to pack the product in the least amount of packaging material, thereby lowering product warehousing and shipping expenses while maintaining or improving product protection. Technological innovation, sustainability and attractive economics are the reasons for the phenomenal growth of flexible packaging.

Further, the Indian flexible packaging market is expected to grow significantly. Over the years, the Indian packaging industry has witnessed a gradual shift from rigid to flexible variants, since the latter are visually appealing, cheaper, and durable. **(Source: <https://www.businesswire.com>).**

Although flexible packaging market enjoys continuing growth over the years to come, yet is facing some challenges on occurrence of stringent environmental regulations & issues related to recyclability etc. Stringent environmental regulations related to plastic manufacturing and their use is hindering the market growth further. Strict legislation is designed to mitigate the adverse effect on the health and environment of consumers and workers. The indiscriminate disposal of plastic has become a major threat to the environment. The rising prevalence of stringent regulation has increased the demand for environment-friendly material such as bioplastics. There are many eco-labels and government regulations to reduce the impact of harmful products on the environment.

4. Business Review

(i) Films Business

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

The Company's OPP (Orientated Polypropylene) films comprising BOPP (Biaxially 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 renders 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 slop 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. The company manufactures BOPP films at its India and Egypt plant with two and one line respectively at each location with a cumulative capacity of 62,400 TPA.

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 manufactures CPP film at its Indian plant (Noida) which largely caters to the captive & domestic market while the Egypt plant caters to the international market. The cumulative capacity of its two CPP lines stands at 13,000 TPA.

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, UAE, Egypt, Poland, Mexico and United States of America with a cumulative production capacity in excess of 2,26,000 TPA. Indian plants meet captive & Indian market requirements whereas overseas plants serve overseas markets across the globe through the strategic locational nodes. 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. The company has ten BOPET lines at its packaging films facilities located in India and globally.

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, moistures, 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.

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 various industries. AIOx coated transparent ultra-high barrier films manufactured by the Company finds extensive use in stand-up pouches that offer see through features to consumers at the point-of-sale (POS). FlexFilms' Mexico plant saw its second AIOx line with maximum width of 1615 mm commencing operations, in this fiscal. Besides providing good clarity to the film, the line offers better barrier uniformity across the web width.

Metallized films are manufactured at all film manufacturing plants of the Company, i.e. India, UAE, Poland, Egypt, Mexico and USA. At FlexFilms Egypt plant, two new avant-garde High Barrier Metallizers were installed enhancing the existing production capacity of high barrier metallized film to 18,000 TPA; besides installation of three state-of-the-art highly sophisticated Slitting machines to aid High Barrier Metallizers. A 1.2 meter wide Narrow Web Micro Slitter with capabilities of efficiently slitting film upto 30 inches was also commissioned at Mexican plant, this financial year.

This year saw capacity utilisation levels at all packaging films lines increasing steadily and some of the plants operating at their peak capacity utilisation levels. To ensure that the company is future-ready and has a better outreach of its material to its clients located globally, **the company decided to scale up its operations internationally by setting up greenfield projects for packaging films in Hungary, Nigeria and Russia and brownfield expansion in Poland.** Nigeria and Russia will house BOPET lines with a capacity of 45,000 TPA and 30,000 TPA respectively whereas Hungary will have BOPP line of 42,000 TPA. To optimally use its packaging film line capacities, the company is shifting one of its BOPET film manufacturing line from UAE to Russia, since the production from this line was already largely dedicated to markets in Russia & CIS countries. FlexFilms Poland plant has an existing BOPET capacity of 30,000 TPA and the new BOPET line will increase the capacity by 42,000 TPA.

(ii) Flexible Packaging Business

The main products of this business are laminates made of various combinations of Polyester, BOPP, Poly, Metallized & 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 and solutions.

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

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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 offers packaging solutions for a variety of products such as snack foods, candy and confectionery, sugar, rice & other cereals, beverages, tea & coffee, desert mixes, noodles, wheat flour, soaps and detergents, shampoos & conditioners, vegetable oil, spices, marinades & pastes, cheese & dairy products, frozen food, sea food, meat, anti-fog, pet food, pharmaceuticals, contraceptives, garden fertilizers and plant nutrients, motor oil and lubricants, automotive and engineering components among several others. Thus, 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 boosted its entire bouquet of product offerings.

Thus to summarize, the Company offers end-to-end flexible packaging solutions for:

- Solid Products/ Granular material/ Powder (10 grams to 40 kg)
- Semi Liquid Products (10 ml to 200 ml)
- Non-aerated liquid products (65 ml to 1000 ml) through aseptic packaging

Flexible Packaging Business launched several packaging solutions and its innovations like 4D Bag with Handle and brand FlexiTubes' range went on to win coveted international and domestic industry awards thereby attesting its commitment to deliver packaging excellence to each of its customer. For FY 2019-20, export sales of tubes division contributed to 19% of total turnover.

The Cylinder Business of UFlex installed a new automated Chrome Plating Line for Rotogravure Cylinders that helps enhance efficiency and ensure consistency with improved print quality. It also launched Water-based Cylinders throwing up new opportunities for the business to tap into customers looking for green and cost effective printing processes.

The Engineering Business of the company worked on the objective to penetrate and consolidate in the field of machines for multi-layered paper based laminates and to boost productivity in packing of products. A whole new range of machines were developed like *Collar Type Machine CTCH* for packing of light weight snacks and extruded snacks; machine for high speed packing of namkeen, snacks and related products; *ACCUSLIT-25 Secondary Slitter* for efficient slitting of enormous packaging films. With increased focus on recycling of post-consumer waste *RELAM 250*, the recycling machine developed by the company and built with a technology that makes all types of multi-layered flexible plastics (MLP) bags, carry bags etc. recycled homogeneously into granules without separating layers of plastic and aluminum, got an overwhelming response from the industry interested in converting MLP waste into valuable commodities.

At Chemicals Business of UFlex, the cumulative capacity of ink and adhesive manufacturing plant at Noida and Jammu for FY 2019-20 stood at 62,000 TPA. Some of the green inks launched last year by Chemicals Business like *FlexGreen LED* cured inks for sheetfed, offset and narrow web printing; and PU based inks *FlexGlide*, with high strength low viscosity that substantially cuts down use of solvents, were well received by the packaging industry registering sizeable spike in sales and adding key customers to its list. These green inks helped draw the business closer to its goal of making their products more sustainable as they emit zero emission, do not cause any ozone depletion nor harm human health. Furthermore, coatings such as anti-fog, paper touch effect, single & dual component matt finish, primer for PP extrusion lamination and PU adhesives for offset application, were some of the successful products introduced during FY 19-20.

The Holography Business of the company provided anti-counterfeiting solutions to over 500+ customers in FY 2019-20 including pharmaceutical industry and key drug makers. These customers are from Indian sub-continent to EMEA to Latin America and include names

such as *Sanofi, Alembic, Alkem, JCB, Konica Minolta, Tata, Nikon, Eveready, ITC, Saint Gobin, Volvo, JK Cements, Perfetti, Cavinkare* etc. Hot Stamping Foil development for leather industry will lead to acquisition of multiple customers and shall contribute to a significant growth in this segment. Additionally, the company developed secure lamination grade film for multiple use amongst different business verticals namely FMCG, Publications, Textiles etc. The cumulative production capacity of Holography business stood at 18,000 TPA for wide web products and 50 lac sqm annually for narrow web solutions, thereby enabling to serve customers faster, with delivery lead time of 7-10 days, a bench mark in the Industry.

(iii) Aseptic Liquid Packaging Business

The fiscal year 2019-20 has been a remarkable one for Asepto™, the Liquid Packaging Brand from UFlex, with regards to its brand positioning, market presence and market share in the aseptic liquid packaging segment. The year was studded with several highlights that reflected the reach for and attraction of Asepto as an innovative packaging solution. A marked impact in terms of market expansion in the segments of Juices, Alcohol, Dairy & Dairy products was seen, in the year gone by. The growth surpassed the expectations as market reacted to Asepto in an extremely positive manner, an outcome of extensive promotion and knowledge sharing since its operations commenced two year ago. Its success can be attributed to 100% machine capacity utilization, fastest in the world till date, a testament of the demand Asepto has been able to generate.

The year saw the launch of a radical packaging solution that lends 3D effects on aseptic packs using lens technology *Asepto Eye* for the beverages segment at the *Gulfood Manufacturing* held in Dubai in October 2019. Recognizing its commitment to deliver brilliance in aseptic packaging, *SIES SOP Star Awards 2019* was awarded to *Juiceka Holographic Asepto Packs* from *SMS International Beverages Pvt. Ltd.*

Some of the updates of product innovations and launches of the Company and its Subsidiaries are listed below:

i. **4D Bag, a Brick Shaped all Panel Registered Bag with Handle and Re-closable Option:** An ideal packaging solution for the FMCG industry was launched starting with Middle East, Iraq and Sri Lanka markets. This revolutionary

product combines the standability feature of a rigid packaging with functional advantages of conventional flexible packaging, lending it prominence on the shelf. The handle and re-closable option provides convenience and ease of use.

ii. Ultra-Clear Tubes with UV Additives:

Ultra Clear tubes with UV additives was developed by FlexiTubes brand that helps prevent discoloration of tubes when exposed to UV rays from direct sunlight and display lights at retail shelves. During production of the film for making the tubes, UV inhibitors is added to address this challenge.

iii. Eco-friendly Paper based Tubes with Reduced Plastic at Source:

The tubes business launched first-of-its-kind eco-friendly paper based tubes for the cosmetic and food industry. Depending on application and pack size, these tubes help reduce plastic consumption at source by upto 65% by replacing it with paper. The virgin kraft paper used in tubes are laden with properties of high bursting force and very low moisture absorption properties and lend the tubes an earthy and rusty look.

iv. Innovative Products by Chemicals to Promote Sustainability:

With an objective to promote sustainability, UFlex Chemicals Business launched an array of green inks and adhesives for the domestic and global markets that included:-

a. **Water-based Inks for Various Kinds of Packaging –** Water-based inks called FLEXAQUA for paper printing for flexible packaging, paper & board segments for food wraps and paper cups for beverages was launched by the Chemicals Business. The ink that comes with excellent printability, good scuff and water repellent properties has successfully qualified for big cola brands.

b. **Flexseal HSL-WBHS 18, a Heat Seal Lacquer –** A water-based dispersion, designed to give good adhesion and heat-sealing properties on a range of substrates like paper, foil, metal and other polar substrates; it can achieve appropriate Coefficient of Friction (CoF) for high speed packing lines. FLEXSEAL HSL-WBHS series heat seal coatings that are water-based and balance low seal initiation temperature

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- with high seal strength, is compliant with FDA regulations in direct food contact applications.
- c. **FlexSeal Blister Coating-** A water-based PUD used as heat sealable paperboard overprint varnish for sealing PET or PVC blisters and fold-over packages suitable for both inline & offline process, it also offers multiple benefits such as excellent slip property with very low CoF value, high scuff resistance and good gloss property.
 - d. **Aqueous Narrow Web Inks-** These inks were specially created to replace solvent based wide web flexo inks for high-end food & pharma labels packaging applications.
 - d. **Aqueous Water resistant OPV-** Superior scuff and water resistant properties for deep-freeze and food wrap application.
 - e. **Launched fast cure Solvent-free Adhesive SL 777A/999C** - A fast cure laminating adhesive for flexible packaging industry, it ensures no change in CoF even after the process of lamination.
- v. **Customised Packaging, Printing & Converting Machines to Strengthen its Portfolio:** Showcasing its technical capability, Engineering business of UFlex launched a series of cutting-edge machines to achieve higher productivity and efficiency:
- a. **Collar Type Form Fill & Seal Packaging Machine with Higher Productivity** – Fully Automatic Collar Type Twin Head Form Fill & Seal Machine UFLEX SUPER CTSD is an indigenously designed continuous motion machine for the efficient packing of various products like Tea, Sugar, Spices, Cookies, Snack Foods, Wafers, Detergent, Pulses, Rice, Flour, Candies, etc. in center-seal pouches of size 10gm to 100gm. The unsurpassed accuracy and speed of the machine to pack upto 280 pouches per minute though with less utilization of space, capital, maintenance cost has led to higher output and productivity.
 - b. **Improved Vertical Form Fill & Seal Machine** – Being the only Indian manufacturer of a packaging machine in India that addresses the challenge of packing snacks like wafers that are light in weight, yet not freefalling, CT150C can pack 75- 85 pouch per minute.
 - c. **New Pick Fill Seal Machine with 8 Stations for Packing Bigger Pouches** – PFS8 is a fully automatic intermittent motion machine with 8 station rotary indexing, filling and sealing mechanism to pack granules snacks in pre-formed pouches like four-side seal, centre-seal pouch, stand-up pouch and zipper pouch. Instead of the earlier version of packaging machine with 10 stations that had a limitations with the size of product it can pack, PFS8 has the ability to pack bigger pouches required for family packs, 1.5 kg packs etc. It is useful for packing of products such as pesticides, pet food, snacks, detergent, agricultural seeds etc.
 - d. **Converting Machine for Big Bags** – BBM-12 is ideal to make bags of size upto 10kgs such as pet food, rice, flour etc. and can produce upto 25 bags per minute. The machine can make centre-seal bag, side gusseted bag, side gusseted truncated bag etc. It makes UFlex the only India based and amongst the two global manufacturers to build this machine.
 - e. **High Output Multi Lane Filling & Packing Machine for Stick Packs** - Two versions of Multi-lane Fill & Pack machines *STICK PACK 200P* & *STICK PACK 200L* were launched by the Engineering business for efficient packaging of granular products like Sugar, Salt, Coffee Creamer etc. and liquid content like Mayonnaise, Honey, Sauces, Tomato Ketchup etc. *STICK PACK 200P* for packaging of powder & granules is equipped with a 5-track system leading to higher production capacity of 175 to 225 stick packs per minute, whereas for *STICK PACK 200L*, the 3-tracks can easily produce anywhere between 75 to 90 stick packs per minute. The machines are ideal to pack a weight of 3 to 8gm and can run various combinations of multi-layer packaging substrates like PET, PE, Aluminium and Paper, depending on the packaging requirement. These

machines offer additional benefits like easy operation of the machine, low maintenance cost and reduced energy consumption. *STICK PACK 200P* is also used to pack pharma products ranging in weight from 1gm to 20 gm in sachets that can be consumed in a single dose.

- f. **Rotogravure Printing Press Designed to Print on Aluminum Foil-** 'ROTOFLEX STANMAS 20' is an engineering innovation for pharma packaging industry that strengthens the portfolio of Rotogravure printing machine it already offers. This machine can be used for printing multiple substrates and can print on aluminium foil of varying thickness as well as other substrates spread over polymer family and paper. The ideal printing speed on the machine is 150 meters per minute for aluminium foil, while other substrates can run upto 200 meters per minute. The press that prints with solvent-based inks also comes affixed with the unique feature of Electrical Heating. Suitable for narrow web application, ROTOFLEX STANMAS 20 is a mechanical line shaft that can stretch upto 8 colours configuration. UFlex developed this machine with technical inputs from MRG Grafomac of Italy and its in-house design team.
- g. **Engineered Special Slitters to Boost Efficiency & Volumes:** Developed secondary slitter ACCUSLIT-25 for efficient slitting of jumbo PET/BOPP and other films. Made for the first time in India, ACCUSLIT-25 has proved to be a substitute for slitters imported so far for this use. The division also developed a Special Slitting Machine with high re-winder diameter to fulfil high volumes of requirement for Pharma Packaging.
- h. **New Oil Pouch Packaging Machines:** For optimum packing of edible oil, a machine with the ability to handle both virgin film as well as laminated films was built that has the capacity to pack one litre oil packs at a speed of 60 packs per minute.
- i. **A Stylish Revival to Aseptic Packaging with Lens Effect:** Asepto

launched a cutting-edge packaging solution with lens effect called 'ASEPTO EYE' for the beverages segment that gives myriad choices to beverage manufacturers creating value added differentiation to make an impact on the shelf. ASEPTO EYE is a ripple concave lens and single lens technology that gives 3-D effects on the aseptic packs. These lenses come in various sizes & shapes and offers bespoke artwork, as per the brand owner's requirements.

- vi. **Ramped-up its Offerings with New Path-breaking Innovations in Cylinders:** From unveiling green products to those that enhance quality, Cylinder Business launched specialized cylinders and processes that included:-
 - a. **Laser Embossed Cylinder for Hand Embossing Effect:** Getting hand embossing effect on a table cover, curtain and wall paper was made possible with the launch of Laser Embossed Cylinders. Targeting niche markets with this product, the Cylinder Business of UFlex witnessed an upsurge in demand in the domestic as well as international markets.
 - b. **Special Effects through Specialized Cylinders:** With the development of Laser Engraving specialized Cylinders that produces holographic and 2D effects, UFlex has achieved high depth tissue paper embossing and cotton handbag paper embossing, a feat never attempted before in the industry.
 - c. **Water based Cylinders:** Water based cylinder is a new innovation to achieve low ink GSM and low volatile organic compound (VOC) thereby helping achieve low cost and further eco-friendliness.
- vii. **Aesthetic Enhancement & Anti-Counterfeit Solutions for Textile & Pharmaceutical, Leather & Stationary Industry by Holography Business:** Holography Business bolstered its offering with solutions that helped boost aesthetics and anti-counterfeiting benefits for several industries:-
 - a. **Transparent Holographic PVC** for pharmaceutical packaging market,

wherein holographic image is transferred on to 250 micron PVC, which not only enhances the aesthetic appeal of pharma packs but also provides an anti-counterfeit solution to this business vertical. This has enabled a significant growth for Holography Division.

- b. With already a majority stake in Sequin market in India, UFlex launched its variant of **Multicolor Printed Sequin** for the textile industry, further strengthening its position in this segment.
- c. The indigenously built **Multi-wash Stamping Foil** can withstand multiple washes without it being damaged.
- d. **Dhoop Chaon Design for Hot Stamping Foil**, a unique offering by Holographic Business of UFlex enabling hot stamping coatings on 12 micron PET base film to give special effects, without holography. This product made inroads into Textile market especially for fabrics to create fashion clothing, home furnishing & other decorative products. Dhoop Chaon design finds its application in Graphic Grade as well as for Cartons, Labels & Stationary, Books etc.
- e. Developed an anti-counterfeit feature **Registered De-metalized Holographic Tape** made with 19 micron PET base film which is hot stamped on product labels.
- f. **Soft Touch Lamination film for Carton Packaging** was made available in PET as well as BOPP base films. In this, the film is induced with a special coating that gives a soft smooth and silky touch effect adding to the aesthetics of the product. This product found takers in segments like Stationary, Product Catalogues, Books, Cartons Labels etc.
- g. **Multi-colour Rainbow Stamping Foil** that augments aesthetic and shelf appeal of a product was developed for stationary products. Achieved by hot stamping on a 12 micron PET base film with multi-colour printed foils, the solution also serves as an anti-counterfeit tool and has application for Cartons, Labels, Stationary industry.

5. FUTURE-PROOFING BUSINESS GROWTH WITH SUSTAINABILITY INITIATIVE

Plastic waste management has been a burning issue, both in India and globally. As a manufacturer of flexible plastic packaging and an environmentally responsible corporation, UFlex is cognizant both of the value of plastic as a commodity as well as the threats that uncollected waste poses. The company has always lead the way with treading on the roads unknown and discovering the best of technology for a better future. It has been working each day towards developing newer technologies to address the stock and flow issues of plastics waste such that it is able to convert its waste into commodities that have an economic value.

With this in mind, the company launched a global sustainability initiative **Project Plastic Fix** in September 2019 with a vision to make the **company part of a solution to keep plastic in the economy and out of the environment by recycling and reducing plastic waste**. In essence it converts 'waste into wealth'. UFlex will eradicate plastic waste through a mix of various methodologies it already practices, such as:

- a. **Recycling plastic waste into granules** further used to make over 10,000 household and industrial products like road dividers, flower pots, outdoor furniture, dustbins and many more useful articles.
- b. **Reprocessing plastic waste into fuel** through a process called Pyrolysis that emits zero greenhouse emission.
- c. **Converting plastic bottle waste into Asclepius, its range of green BOPET packaging film with upto 100% post-consumer recycled (PCR) content** that has the same properties and application as any of its fossil-fuel based substrate twin. This method creates an endless loop of polymer that is reused in packaging and labelling to make a new product each time.
- d. The company is also working on introducing a **Biodegradable and Recyclable packaging solution** that will convert uncollected plastic waste/laminate waste into biomass, upon degradation.

As part of Project Plastic Fix, **the company commissioned two lines in its Noida plant for Washing and Recycling of post-consumer PET Bottles waste and Multi-layer Plastic waste (MLP) to be converted into chips and granules** for further useful applications such as its green films Asclepius; and other household

and industrial articles like dustbins, flower pots, road dividers and much more. This plant in Noida is India's first such washing and recycling line that mitigates the piling plastic dumps in Delhi-NCR and give these wastes a second life. For recycling of post-consumer waste MLP, the plant uses UFlex developed RELAM 250 machine.

The PCPR line for recycling of MLP waste has a capacity to wash and recycle upto 850 tons of MLP waste in a month. Whereas the PCR line can upcycle upto 800 tons of PET bottle waste a month.

6. HALL OF FAME

Some of the awards and accolades UFlex walked away with during FY2019-20 are:

- UFlex adjudged 'Packaging Company of the Year' at 11th edition of PrintWeek India Awards 2019.
- UFlex named 'Aon Best Employer Company on Employee Experience' in 2019.
- Flexible Packaging Awards 2020 confers two Gold and one Silver award to FlexiTubes for Bio Creative Labs, USA in the categories of 'Packaging Excellence', 'Expanding the Use of Flexible Packaging' & 'Technical Innovation'.
- UFlex was ranked 188 in 'Fortune India 500 Largest Corporations' list.
- UFlex recognized as 'India's Most Trusted Company 2019' in Flexible Packaging Solutions by International Brand Consulting Corporation, USA
- Dun & Bradstreet listed UFlex in India's Top 500 Companies in 2019
- Flexible Packaging Awards 2020 'Gold Award in Shelf Impact' to 4D Bags with Handle
- Flexible Packaging Awards 2020 'Silver Award in Sustainability' to FlexFilms Asclepius™ PCR Based BOPET Films
- Flexible Packaging Awards 2020 'Silver Award in Shelf Impact' to Ultra Soft Super Durable BOPET Film FLEXPET™ F-STF
- The Economic Times Polymers Awards 2020 to Nine PE/PE Mono-polymer Laminate Pouch by UFlex in the category of 'Excellence in Packaging – Healthcare'
- SIES SOP Star Awards 2019 in 'Excellence in Flexible Packaging' to Nilgiris Filter Coffee Decoction Spout Pouch by UFlex

- SIES SOP Star Awards 2019 in 'Excellence in Flexible Packaging' to Tasty Tale Spoonful of Stories Profile Pouch by UFlex
- SIES SOP Star Awards 2019 in 'Excellence in Flexible Packaging' to Dahabi Premium Extra Long Indian Basmati Rice 4D Bags by UFlex
- SIES SOP Star Awards 2019 in 'Excellence in Primary Packaging' to Juiceka Holographic Asepto Packs
- SIES SOP Star Awards 2019 in 'Excellence in Packaging Machinery, Equipment and Systems' to RELAM 250 Recycling Machine
- SIES SOP Star Awards 2019 in 'Excellence in Flexible Packaging' to Park Avenue Hair Styling Gel FlexiTubes
- UFlex won 'Excellence in Sustainable Packaging' in Solid Dosage Forms for its pharma packaging innovation Alu-Au Laminates at the 4th Annual India Packaging Awards
- IFCA Star Awards 2019 in 'Innovations from Allied industries' to Flexbon - 901A/901W, a general to Medium Performance 2K Solvent-free Pigmented PU Adhesive for Flexible Packaging
- IFCA Star Awards 2019 in 'Innovations from Allied industries' to Recycling Machine RELAM 250
- IFCA Star Awards 2019 in 'Flexible Packaging - Innovations and Creativity' to Dahabi Premium Extra Long Indian Basmati Rice 4D Bags by UFlex
- IFCA Star Awards 2019 in 'Flexible Packaging - Innovations and Creativity' to Tasty Tale Spoonful of Stories Profile Pouch by UFlex
- IFCA Star Awards 2019 in 'Flexible Packaging - Innovations and Creativity' to Candy Lake - Jungle Toons by UFlex
- UFlex Packaging Films Business in Noida awarded with a Gold Medal at National Award for Manufacturing Competitiveness 2018-2019 hosted by International Research Institute of Manufacturing
- Special Jury Award was awarded to the Chemicals Business of UFlex at CII National Competition on Low Cost Automation for Productivity Improvement
- Apex India Plant Efficiency Award 2019 conferred on UFlex Chemicals Business in the Platinum category

- Platinum Award for 'Risk Management Systems' to Chemical Business of UFlex at Fame Risk Management Award 2019
- The Jammu facility of UFlex Chemical Business was recognized with a Gold Award by GrowCare India and Gold Exceed Award by Ek Kaam Desh Ke Naam in the category of 'Occupational Health and Safety'
- UFlex Chemicals Business won its '2nd International Award' from Royal Society of Prevention of Accidents (RoSPA), UK for good EHS practices at its facility
- UFlex Chemicals Business won the 'International Safety Award' from British Safety Council for its commitment towards good health and safety practices

7. FINANCIAL & OPERATIONAL PERFORMANCE-OVERVIEW

(Rs. In Crores)

	2019-20		2018-19	
	Consolidated	Stand-alone	Consolidated	Stand-alone
Total Income	7431.62	4152.36	7974.80	4242.52
Profit before Finance, Cost, Depreciation & Tax	1108.84	616.42	1007.53	480.57
Profit before Tax	480.86	182.17	408.75	72.70
Profit for the Year	369.82	143.27	313.84	51.66

8. Opportunities; Key Trends & Threats

Opportunities

Advancements in packaging technology and global demand of flexible packaging material are exhibiting a strong growth of the Sector. Moreover, the popularity of flexible packaging among consumers has also increased, as it is a cost-effective alternative for storage, minimizes product wastage along with keeping the food safe and healthy. The pharmaceuticals and nutraceuticals industry have also been driving the demand of flexible packaging as it provides such industries with a sustainable and recyclable alternative that are based on polymers. Other factors that are currently driving the market include customizing ability, safety assurance, reusability, transparency, reliability, etc. Looking forward, the market value is projected to reach US\$ 144.3 Billion by 2025, exhibiting a CAGR of 4.2% during 2020-2025.

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. Customized solutions provided by leading flexible packaging companies are bringing pool of opportunities for the strengthening the growth of flexible packaging Industry. Moreover, growing demand for processed meat & sea food, ready to eat meals, soups, dairy products and baby foods are expected to create new scope for the development of flexible packaging industry in near future.

The growth of the Indian flexible packaging market is a result of increased use in food service outlets, along with higher demand for packaged beverages. Consumers prefer flexible packaging over rigid packaging since they are lighter and easily disposable. Being the fourth-largest sector in the Indian economy, the fast moving consumer goods (FMCG) sector represents the largest opportunities for flexible packaging. Sub-segments like food and beverages, and personal care are the major end users of flexible packaging in India. With the growth of this market, demand for flexible packaging is expected to increase.

The large and growing Indian middle class, along with the growth in organised retailing in the country are fuelling growth in the flexible packaging industry. Another factor, which has provided substantial stimulus to the packaging industry is the rapid growth of exports, which requires superior packaging standards for the international market. The Indian packaging industry is dominated by plastic flexible packaging. Traditional rigid packaging users are also shifting to flexible packaging mainly because flexible packages are aesthetically attractive, cost-effective and sturdy. Consumer preference for the use of convenient packaging and packaged products in affordable quantities in laminates is also one of the main reasons that have contributed to the growth of flexible packaging in India. The food-processing sector is the largest user of flexible packaging, accounting for more than 50% of the total demand. The flexible packaging segment is estimated to be growing at over 35% annually (<https://wedc.org/>).

Key Trends for the Flexible Packaging Industry

Sustainability: Shifting demographics and consumer preferences are driving the demand for more sustainable solutions, in flexible packaging. 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. Huge sustainable benefits are responsible for shifting demands from rigid to flexible packaging. Focus is also towards more cost-effective and technologically feasible recyclable packaging solutions.

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. Reason for using flexible packaging is not only cost effectiveness but also greater utility, enhanced reusability, reduced shipping and freight cost etc.. Research are being carried out for developing more economic, environment friendly bio-degradable flexible packaging material.

Though there is rising popularity of “premium” organic food items and beverages, cosmetics and baked goods that have fewer preservatives, synthetic chemicals and other questionable additives, yet they have to be protected from the environment and mishandling. To this end, flexible packaging pioneers are applying their materials and techniques to modified atmosphere packaging (MAP). This type of packaging helps increasing so as to cater increased shelf life and allow them to survive in transit in good conditions. In the past, when a product required packaging with more robust barrier properties, glass and aluminum were used as packaging materials. Such materials are now being replaced by advanced, reusable plastics and high-performance, bio-based films.

Consumer Demands : 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. The trend towards busier, more mobile lifestyles has brought about high demand for food products that are easy to carry, simple to open, and require little preparation 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 is substantial. 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

New product designs in the flexible packaging industry aim at minimizing waste, reducing costs, attracting customers, and maintaining the freshness and condition of the products on the store shelves. There are some challenges to the growth of the flexible packaging industry, some of which are given hereunder :

Rising raw material costs : Some of the common raw materials used by flexible packaging companies include paper, plastic, resins, films, paperboard, and adhesives. In recent times, the flexible packaging industry has witnessed a steep rise in the prices of these raw materials. Also, the prices for polypropylene, used in resins, bottles, and packaging films have been on a rise.

Rapid technological changes : Consumer Packaged Goods (CPG) companies are on a constant lookout for ways to cater to consumers' demands. They tend to rely on flexible packaging companies to innovate and attract more customers. At times, the flexible packaging industry may find it difficult to keep pace with these fast-changing demands. Furthermore, flexible packaging companies have to make constant technology upgrades to meet these demands, which would require huge capital investments.

Sustainability challenges : The flexible packaging industry has been facing flak from governmental organizations, consumers, and environmental groups due to the wastages. Most of the materials used are often non-recyclable. To prevent themselves from being flagged by various stakeholders, flexible packaging companies have to account for designs that address environmental issues, disposal / concerns and reduction of greenhouse gas and water footprints. This could prove to be a costly process.

Flexible packaging companies have the pressure to design their products to ensure that the packed items are protected from the external environment, withstanding factors such as sunlight, UV rays, high and low temperature, humidity, moisture, and rain. Also, the environmental conditions vary from region to region. Hence, to design and implement a flexible packaging material that meets all these parameters is, at times, very difficult task.

9 Future Outlook

As per “Flexible Packaging Market: Global Industry Trends, Share, Size, Growth, Opportunity and Forecast 2020-2025 “, the global flexible packaging market was worth US\$ 112.8 Billion in 2019. The market is growing rapidly with flexible packaging ensuring food safety, enhanced value of food products, extended shelf-life, heating and moisture barrier, effective permeability, and ease of use. Consumers also prefer this packaging type because of its commitment to convenience, aesthetic appeal and durability. Increasing addition of layers into a flexible packaging structure in order to improve the functionality and economic viability of the flexible packaging is expected to offer immense growth opportunities. Moreover, with introduction of new products such as high-temperature retort pouch, vacuum pouch, and stand-up pouches is encouraging flexible packaging manufacturer to introduce materials with advanced and improved properties that will favor the market growth. Bio-based flexible packaging is gaining popularity in the market and this is expected to open new avenues to the market of flexible packaging.

The challenge however, is to educate consumers about the sustainable advantages flexible packaging products offer today, including a lower carbon footprint, easy storage, extended shelf life and less waste. With recyclability so important, the consumers must be informed about which flexible packaging materials can be recycled and the availability of store drop-off programs.

Uflex has progressed exponentially in the last few years with its products, technological and engineering capabilities, keeping in mind the evolving needs of the packaging industry, along with environmental needs. The Company is striving hard and making all possible efforts to provide its customers with innovative and sustainable packaging solutions that are also economical.

The Company is rapidly focused on its mission “**To meet customers’ dynamic packaging needs by providing innovative, productive, cost-effective, optimised and eco-friendly packaging solutions, continually adding value to their business**”, to achieve its vision “**Be a leading company and preferred supplier for providing flexible packaging solutions to customers across the world maximizing value for all stakeholders.**”

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.

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-20	Year ended 31-Mar-19	Year ended 31-Mar-20	Year ended 31-Mar-19
INCOME				
Revenue from Operations	4069.71	4220.97	7404.84	7957.22
Other Income	82.65	21.55	28.47	20.71
Share in Profit of Associates for the Year	--	--	3.2	5.20
Share in (Loss) of Joint Venture for the Year	--	--	(4.89)	(8.33)
Total Income	4152.36	4242.52	7431.62	7974.80
EXPENDITURE				
Cost of Materials consumed	2482.62	2700.53	4294.65	4897.68
Purchase of Stock-in-Trade	9.67	13.30	9.67	13.30
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	(81.39)	0.63	(47.93)	(32.99)
Employee benefits expense	461.93	424.50	725.59	670.52
Other expenses	674.55	653.95	1356.09	1449.73
Expenses Allocated to Self Constructed Assets	(11.44)	(30.96)	(15.29)	(30.97)
Total Operating Expenses	3535.94	3761.95	6322.782	6967.27
EBIDT	616.42	480.57	1108.84	1007.53

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

13. Significant Changes in Financial Ratios

During the year, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

Consolidated Basis

Financial Ratio	Consolidated		Change (%)	Reason for change
	FY 2019-20	FY 2018-19		
Debt Equity Ratio	0.78%	0.50%	58%	Change is due to the debt raised to fund the capex incurred at global level
Net Profit Margin	5.0%	3.90%	26%	Improve-ment is due to higher operating profit

Standalone Basis

Financial Ratio	Standalone		Change (%)	Reason for change
	FY 2019-20	FY 2018-19		
Interest Coverage Ratio	3.57%	2.86%	25%	Change is due to improvement in operating profit
Operating Profit Margin	14.8%	11.3%	31%	Improvement is due to higher value addition and operating margin
Net Profit Margin	3.50%	1.20%	183%	Improvement is due to higher operating profit
Return on Networth	6.50%	2.40%	168%	Improvement is due to higher net profit

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 6360 permanent employees in Indian operations as on 31st March, 2020. The industrial relations scenario remained harmonious and conducive throughout FY 2019-20.

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, 2020

[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.	94.58%

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. 222 BRUCE REYNOLDS BLVD.SUITE 700 FORT LEE, NJ 07024	Foreign Company	Subsidiary	100%	2(87)
4	UPET HOLDINGS LIMITED IQ EQ CORPORATE SERVICES MAURITIUS (LTD.), 33, EDITH CAVELL STREET, PORT LOUIS, 11324, 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	Foreign Company	Subsidiary	100%	2(87)
11	DIGICYL PTE LIMITED 10, JALAN BESAR, # 10-10, SIM LIM TOWER, SINGAPORE 208787	Foreign Company	Joint Venture	50%	2(6)
12	DIGICYL LIMITED MINISTER SHAPIRA MOSHE 4, RISHON LEZION ZIP CODE 7570406 ISRAEL	Foreign Company	Joint Venture	50%	2(6)
13	LLC FLEX CHEMICALS PRIVATE LIMITED RUSSIA, 107031, MOSCOW, ROGDESTVENKA STREET, 5/7, BUILDING 2, 3 RD FLOOR, OFFICE QUARTERS V, ROOM 4, OFFICE 65	Foreign Company	Subsidiary	100%	2(87)
14	FLEX FILMS RUS, LLC SHMATOVO VILLAGE, INDUSTRIALNAYA STR., ESTATE 4, BUILDING 1, STUPINO, MOSCOW REGION, RUSSIAN FEDERATION	Foreign Company	Subsidiary	100%	2(87)
15	FLEX FILMS EUROPA KORLÁTOLT FELELŐSSÉGŰ TÁRSASÁG 2651SÁG, PUSZTASZÁNTÓI ÚT 26-28, HUNGARY	Foreign Company	Subsidiary	100%	2(87)
16	UTECH DEVELOPERS LIMITED 205, 2ND FLOOR, V-4 MAYUR PLAZA-2 LOCAL SHOPPING CENTER, MAYUR VIHAR PHASE-1 DELHI - 110091 <i>(Upto 3rd October, 2019)</i>	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 205, 2ND FLOOR, V-4, MAYUR PLAZA-2 LOCAL SHOPPING CENTER, MAYUR VIHAR PHASE-1 DELHI - 110091 <i>(upto 3rd October, 2019)</i>	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. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

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	400	29462510	40.80	29462110	400	29462510	40.80	--
	(d)	Financial Institutions / Banks	--	--	--	--	--	--	--	--	--
	(e)	Any Other (specify)	--	--	--	--	--	--	--	--	--
Sub - Total (A)(1)			31783839	400	31784239	44.02	31783839	400	31784239	44.02	--
(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	400	31784239	44.02	31783839	400	31784239	44.02	--
(B) Public Shareholding											
(1) Institutions											
	(a)	Mutual Funds/ UTI	165025	7392	172417	0.24	3837	1067	4904	0.01	-0.23
	(b)	Banks/Financial Institutions	114112	442	114554	0.16	112837	442	113279	0.16	0.00
	(c)	Central Government	--	--	--	--	--	--	--	--	--
	(d)	State Government(s)	--	--	--	--	--	--	--	--	--
	(e)	Venture Capital Funds	--	--	--	--	--	--	--	--	--
	(f)	Insurance Companies	1083805	--	1083805	1.50	1083805	--	1083805	1.50	0.00
	(g)	Foreign Institutional Investors	4660172	19604	4679776	6.48	3962197	19354	3981551	5.51	-0.97
	(h)	Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
	(i)	Any Other (specify)	--	--	--	--	--	--	--	--	--
Sub - Total (B)(1)			6023114	27438	6050552	8.38	5162676	20863	5183539	7.18	-1.20
(2) Non-Institutions											
(a) Bodies Corporate											
	(i)	Indian	10412035	7404	10419439	14.43	12166296	6184	12172480	16.86	2.43
	(ii)	Overseas	--	--	--	--	--	--	--	--	--
(b) Individuals-											
	i.	Individual Shareholders holding Nominal Share Capital upto Rs.1 lakh	8329854	440829	8770683	12.15	8434410	411422	8845832	12.25	0.10
	ii.	Individual Shareholders holding nominal Share Capital in excess of Rs.1 lakh	5576606	14900	5591506	7.74	4680454	10	4680464	6.48	-1.26
	(c)	Any Other (specify) - NRIs	4041755	--	4041755	5.60	4023874	--	4023874	5.57	-0.03
	-	Foreign Bodies Corporate	5465840	--	5465840	7.57	5465840	--	5465840	7.57	--
	-	Clearing Members (in Transit Position)	87472	--	87472	0.12	55218	--	55218	0.08	-0.04

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	%	
Sub - Total (B)(2)	33913562	463133	34376695	47.61	34826092	417616	35243708	48.81	1.20
Total Public Shareholding (B) = (B)(1)+(B)(2)	39936676	490571	40427247	55.98	39988768	438479	40427247	55.98	0
(C) Shares held by Custodians for GDRs & ADRs	--	--	--	--	--	--	--	--	--
GRAND TOTAL (A)+(B)+(C)	71720515	490971	72211486	100.00	71772607	438879	72211486	100.00	0

(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	1.68	9197577	12.74	2.77	--
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	2.52	3778524	5.23	4.57	--
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	41778	0.06	--	41778	0.06	--	--
Total		31784239	44.02	4.20	31784239	44.02	7.34	--

(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	31784239	44.02	31784239	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):	--	--	--	--
At the End of the year		31784239	44.02	31784239	44.02

(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 (01/04/2019)	% of total Shares of the company	No of shares at the end of the year (31/03/2020)	% of total Shares of the company
1	VISTRA ITCL (INDIA) LIMITED*	3981085	5.51	6865878	9.51
2	KEBALE TRADING COMPANY LIMITED	5465840	7.57	5465840	7.57
3	MONTAGE ENTERPRISES PRIVATE LIMITED	2966844	4.11	2966844	4.11
4	DILIPKUMAR LAKHI	2014282	2.79	2004867	2.78
5	LIFE INSURANCE CORPORATION OF INDIA	1083805	1.50	1083805	1.50
6	KESWANI HARESH	1120719	1.55	1019094	1.41
7	HARESH TIKAMDAS KESWANI	1000000	1.38	1000000	1.38
8	SEETHA KUMARI	197262	0.27	800777	1.11
9	RICKY ISHWARDAS KIRPALANI	500000	0.69	500000	0.69
10	RICKY ISHWARDAS KIRPALANI	--	--	463374	0.64
11	SOYUZ TRADING COMPANY LIMITED	489757	0.68	351716	0.49
12	RICKY ISHWARDAS KIRPALANI	698554	0.97	250000	0.35

* Formerly known as IL and FS Trust Co. Ltd.

(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
Shri 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
Shri Achintya 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	--	--	--	--
Shri 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	--	--	--	--
Shri 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	--	--	--	--
Smt. 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
Shri 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	--	--	--	--
Shri 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	--	--	--	--
Shri 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	--	--	--	--
Shri 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	--	--	--	--
Shri 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	120,156.16	20,886.73	-	141,042.89
II) Interest due but not paid	-	-	-	-
III) Interest accrued but not due	77.80	179.49	-	257.29
Total (I + II + III)	120,233.96	21,066.22	-	141,300.18
Change in Indebtedness during the financial year				
• Addition	5,980.80	13,435.81	-	19,416.61
• Reduction	25,118.42	13,632.73	-	38,751.15
Net Change	(19,137.62)	(196.92)	-	(19,334.54)
Indebtedness at the end of the financial year				
i) Principal Amount	101,018.54	20,689.81	-	121,708.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	686.16	456.28	-	1,142.44
Total (i + ii + iii)	101,704.70	21,146.09	-	122,850.79

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	Shri Ashok Chaturvedi Chairman & Managing Director	Shri Amitava Ray Whole-time Director	Total Amount
1.	Gross salary	653.20	228.94	882.14
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18.04	--	18.04
	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.	1.00	14.40	15.40
	Total (A)	672.24	243.34	915.58
	Ceiling as per the Act	673.13	673.13	1346.26

B. Remuneration to other Directors:

1. Independent Directors

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri Achintya Karati	Smt. Indu Liberhan	Shri Tara Sankar Bhattacharya	Shri Arvind Mahajan	Shri Pradeep Narendra Poddar	
1.	• Fee for attending board / committee meetings	10.00	7.00	2.50	3.00	3.50	26.00
	• Commission	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--
	Total B(1)	10.00	7.00	2.50	3.00	3.50	26.00

2. Other Non-Executive Director

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Shri 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)		
	Total Managerial Remuneration		942.08
	Overall Ceiling as per the Act		1480.89

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

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Rajesh Bhatia, Group President (F&A) [CFO]	Shri 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	241.20	84.88	326.08
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.11	1.19	1.30
	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		241.31	86.07	327.38

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
Shri Achintya Karati	2.56
Smt. Indu Liberhan	1.79
Shri Tara Sankar Bhattacharya	0.64
Shri Arvind Mahajan	0.77
Shri Pradeep Narendra Poddar	0.90
Shri Anish Babu Venugopal	0.13
Executive Director	
Shri Ashok Chaturvedi	172.06
Shri Amitava Ray	62.28

- (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	
Shri Achintya Karati	5.26
Smt. Indu Liberhan	-17.65
Shri Tara Sankar Bhattacharya	-28.57
Shri Arvind Mahajan	-14.29
Shri Pradeep Narendra Poddar	-
Shri Anish Babu Venugopal	-
Executive Director	
Shri Ashok Chaturvedi (M.D.)	54.54
Shri Amitava Ray (Whole Time Director)	5.24
Key Managerial Personnel (KMP)	
Shri Rajesh Bhatia (CFO)	4.06
Shri Ajay Krishna (Company Secretary)	5.74

- (c) **The percentage increase in the median remuneration of employees in the financial year:** 4.29%

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

As on 31.03.2020 employees are 6360, however the data taken for calculation of median remuneration of the employee is 7196.

- (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 2019-20 was approximately 8%. Percentage increase in the managerial remuneration for the year was 37.43%

- (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 : 30th June, 2020 DIN 00023452

ANNEXURE 'G' TO DIRECTORS' REPORT

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies Accounts Rule, 2014 and forming part of Directors' Report.

A. CONSERVATION OF ENERGY

The activism in energy conservation & its management comes from the increased demand of energy and its cost in the current scenario. The interest in energy efficiency is increasing at local consumption level, corporate level and the national level. It is important to address the environmental concerns resulting from the use of energy and also there are concerns about energy security. This issue has gained prominence in achieving sustainable development of the industry.

Energy conservation means the change in the pattern of energy consumption and pursued efforts in reducing the increasing growth in energy consumption.

The issue of rationalization of energy consumption needs clear mechanisms to address the problem of high consumption rates. Also attention should be paid to the transition to a sustainable energy sources that can generate energy through natural sources rather than fossil fuels. Achieving improved energy efficiency in industry can make a significant contribution in solving local, national and global energy problems.

For a developing country like India, the energy criterion decides the growth of the country. Energy demand in our country is increasing exponentially. Energy conservation can be the best solution for this rising energy demand. Energy conservation is reducing energy consumption by using lesser of an energy service. Likewise, reduction in energy consumption thru process efficiency is prioritized in our company too. The focus this year was not only to buy new energy efficient equipment but also on improving and maximizing the usage of existing equipment.

Uflex always focus on reducing energy consumption as it opens up opportunities for innovation and improved efficiency, while reducing risks arising from price volatility and helping us manage natural resources. We have taken several steps across production units and utilities to boost our energy efficiency in order to achieve our commitment towards reducing absolute energy consumption and moreover specific energy consumption of various products. Our Energy management system is now certified with ISO 50001: 2018.

In brief, some of the efforts initiated in 2019-20, in respect of Energy conservation, are described

below:

(a) Energy conservation measures taken

1. Installation of 1.5 million Kcal/hr gas fired Thermopack (replacement of 20 years old liquid fuel fired Thermopack) :

The Company have installed and commissioned 1.5 million Kcal/hr Thermopack which will lead our commitment of shifting from oil fired Thermopack to natural gas fired Thermopack. This has further resulted in improving the Exhaust gas emissions and increasing the Thermopack fuel efficiency from 85 % to 91 %. This investment will save about Rs 15 Lac per annum at the current rate of gas price.

2. Installation of HMI/PLC Based Control Panels in 03 Nos of Thermopack Units :

Three nos. of Thermopacks control Panels, based on Sequence Controller were replaced with HMI / PLC control panels, resulting in easy operation & quick trouble shooting of Heaters along with better heat control of Thermopack Heaters.

3. Waste Heat Recovery Units :

The Company have focused on maximizing the operations of Vapor Absorption Machines in order to tap the waste heat energy from the Gas Engines. This has resulted in annual savings of Rs. 160 Lac.

4. Effective Utilization of Gas Gen sets in order to minimize operation of Oil based Gen sets:

The power generation on the Gas fuel was increased from 46% to 62% in order to minimize the operations of liquid fuel based Gen sets.

5. Installation of Vertical Air handling Units in the place of conventional AHU's

The Company have installed 02 Nos of Vertical air handling units of 20,000 cfm, fitted with EC Fan motors to control air flow with respect to room temperature. This has resulted in power savings of 2 Lac kwh /per annum. (Rs 15 Lac / per annum)

6. Efficlean System for oil purification and Side Stream Filter

Installation of Efficlean system and side stream filtration resulted in improving the quality of Thermic Fluid in the Thermopacks

by removing the sludge contents. This has improved the longevity of circulating oil and the heat transfer in Plate heat exchangers.

7. Operation of Auto tube cleaning system in Chillers

With the installation of Auto tube cleaning system in chillers, we are able to control the condenser approach Temperature within limits and this has resulted in saving of Rs 10 Lacs per annum on account of lesser power consumption by the chillers.

Apart from the above, the Company have also undertaken the below mentioned measures during the year 2019-20-:

- a) Process optimization by reducing batch cycle time of adhesive, and other products resulting energy consumption reduction up to 8246 kwh/annum and up to 9424 scm/annum of PNG.
 - b) Utility optimization by installation of energy efficient traps, pressure reducing stations, and coils were replaced with jackets in reactors resulting energy consumption reduction up to 24205 scm/annum of PNG.
 - c) Installation of energy efficient Air conditioner result in saving of power consumption up to 22931 Kwh/annum.
 - d) Installation of energy efficient luminaire result in saving of power consumption up to 25200 Kwh/annum.
 - e) Organized more than 51 training programs on Energy management related to awareness as well as equipment specific.
 - f) Machining Process optimization resulting energy consumption reduction.
 - g) Replacement of all conventional high wattage boundary and plant lighting with LED.
 - h) Replacement of old high energy intensive AHU fans and motors with new high efficiency low power cooling system.
 - i) Level controller installed in water tanks to avoid overflow and reduce unnecessary pump operation.
 - j) Compressed air line installed with polished aluminium pipes for easy flow, less pressure loss resulting in reduction in compressor on time.
 - k) Recycling (E.T.P) of water in Paint shops.
 - l) Water meter installed to control ground water.
 - m) 40 watt tube light replaced by 18 watt. LED.
 - n) Underground Tank already done to utilize water supply from Noida Authority.
 - o) Old Electric Oven replaced partially by PNG fired burner.
 - p) Electro Magnetic Meter used / fixed with in-line Filter instead of Manual Meter.
 - q) In Burners, Paint Shop, PNG Burner used instead of Fuel Diesel Operated
- (b) **Future Proposals for Energy Conservation**
- 1) We are planning to install 1 x 8.7 M.W. natural gas based gen set, in order to stop the usage of liquid based fuel Gen sets, in Sector 60, Noida.
 - 2) We are planning to install VAM, in order to tap waste heat energy from the new Gas gen set and generate 1000 TR chilled water cooling for the process.
 - 3) We are in process of installing 02 Nos Sewage Treatment Plants and combined utilization of both units will help us in saving 8 KLD water for washing & gardening purposes.
 - 4) We have identified few locations where AHU cooling can be replaced with Air washers. This can have saving of around 300 TR chilled water cooling.
 - 5) We are planning to replace conventional motors with energy efficient motors.
 - 6) We will continue our special drive to review/repair our existing Insulation on the pipes/ducts to minimize heat losses.
 - 7) Process optimization to reduce batch cycle times, by improving heating cycle.
 - 8) Chilling and cooling water circuit optimization.
 - 9) Elimination of Steam usage in Hot room application.
 - 10) Use of energy efficient equipment's to reduce energy consumption.
 - 11) Process designing of various products to achieve better energy consumption.
 - 12) Exploring possibility of Installing Solar Panel for Power Generation.
 - 13) When purchasing New Motor Instruction given to user for Energy Efficient Motor.
 - 14) New Air Conditioner to be purchased Inverter Type.
 - 15) Power Coding Scrubber to be cleaned on monthly basis in Paint Shop.
 - 16) Flow meter to be installed in Pneumatic Line.
 - 17) Installation of Energy Efficient Meters in place of Low Energy Efficient Motor.

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18) In Boiler, PNG Operated Burner to be used instead of Fuel Diesel Operated.

19) 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

The Company have not made any major capital investments during the year 2019-20

B. TECHNOLOGY ABSORPTION

I. The efforts made towards Technology Absorption

We have continued to develop through our creative edge, in a highly competitive industry by Investing in Cutting-edge technology for research and development of products in accordance with global Trends. We employ design thinking to connect with our consumers' evolving their requirement. During FY 2019-20, we added a range of value-added features to our existing products and successfully created differentiation for our products in the market. R&D team works hand-in-hand with Production and Marketing team to introduce and establish new products and to ensure proper Quality, Output, Cost and efficiency. Our futuristic, high-quality products are our brand value. FY 2019-20 witnessed the launch of 2 new products in the FMCG sector one is High Clear Lidding Polyester Film and Transparent High Barrier Polyester film which is replacement of PVDC coated film.

Also, before commencing trials on the main plant, all new polymers, coating chemicals, are first tested on Lab / pilot scale in extensively developed test facilities. All the new product trials are taken under supervision of Senior R&D personnel.

II. The benefits derived like product improvement, cost reduction, product development or import substitution.

Highlights are as follows:

Process Technology - R&D has developed inline / offline coated and Coextruded products.

Technology used - Barrier / water based seal peel coating for APET, CPET, GPET, PVC.

Product Developed

- 1) F-PGS-B-12 μ (Transparent High Oxygen barrier film) Offline coated product.
- 2) F-TPS-B-23 μ (Lidding Film) Offline coated Product
- 3) F-MSH-12 μ (Super matte Film with high haze low gross) monolayer coextruded
- 4) F-UVC-12 μ (UV printable film for offset and flexographic) inline coated product.
- 5) F-MHC-12 μ (Super matte Film with high COF by coating) Offline
- 6) F- EMB-12 μ (High Clear Polyester film for Embossing) coextruded layer modification.

F-PGS-B-12 μ (Transparent High Oxygen barrier film) Offline coated product.

- Transparent high barrier PET Film with excellent Oxygen barrier range 0.7 to 1.5 cc/m²/day.
- Excellent Flex crack resistance unlike metal oxide coated film or Al-metallized film.
- Suitable for Dry, Chilled food and liquid packaging. Retain OTR at elevated humidity.
- Replacement of PVDC coated PET film and of non-retort-AIOx PET film.
- For Development of this product R&D has developed this formulation in-house and validated successfully.

F-TPS-B-23 μ (Lidding Film) Offline coated Product

- Transparent polyester film with thickness 23 μ , high clarity, high gloss and excellent Seal Peel with APET, CPET, GPET, PVC substrate.
- For development of this product R&D used water based eco-friendly coating.
- Low GSM coating (1.2-1.5)
- Optically clear (4-5% Haze)
- No blocking (A to B)
- Instant cold and hot anti-fog.

F-MSH-12 μ (Super matte Film with high haze low gross) monolayer extruded.

- Super matte Polyester film has been developed by R&D with in-house formulation of resin and modification of process.
- The film has base property with high haze and low gloss.
- The film is basically used in confectionary, aesthetic packaging application.

F-UVC-12μ (UV printable film for offset and flexographic) inline coated product.

New Developed Chemicals in R&D lab

1. Anti Fog Coating synthesis:

Plot of the research:

Previously, an antifog coating from *Coroda Ltd* grade name: FL 514 was used for antifog coating on BOPP and CPP films. The cost of coating was over 700/- per kgs. The chemical had to be purchased from Germany or others countries.

Newly developed Antifog Chemicals:

The chemical has been synthesized purely from bio-based materials and there will be no migration chances and excellent transparency, antifog, suitable for sealable and peel-able for BOPP and CPP films, at the same time the cost shall be below Rs. 200/- per kgs.

The technology Used:

The developed chemicals have been developed by using **Trans esterification reaction**, a technology which is new for coating field. And a separation process was used for preparation of the coating chemicals.

Application :

The coating has been applied on the BOPP, CPP and BOPET films surface. All the properties are better than FL514 grade films.

Costing Benefits:

This will save the cost when compared with Coroda Chemicals.

2. MATT finish with silky feel Coating synthesis:

Plot of the research:

Previously, soft touch coating from DSM grade name: Neo-cryl 1030 was used for soft feel coating on BOPP and BOPET films. The cost of coating was over Rs. 400/- per kgs Films. The chemical had to be purchased from Netherland or others countries.

Newly developed Antifog Chemicals

The chemical has been synthesized purely from water and solution based materials have excellent adhesion between BOPP film surface and coating.

The technology Employed:

Due to the presence of special quality of chemical, no primer coat is required on BOPP films. Passed the tape test / rough test, and is suitable for all type of inks. The haze percentage of more than 95% can be achieved by the chemicals by maintaining below 3 GSM.

Application:

The coating is suitable for BOPP, CPP and BOPET films surface.

Costing Benefits

This will save the cost when compared with DSM Chemicals.

III. The expenditure incurred on Research and Development – 2019-2020- Rs. 136.98 Lac

C. 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	561.80
ii)	Sales of Services	0.20
iii)	Technical Support Fees	25.78
iv)	Commission for extension of Corporate Guarantee for Subsidiaries	1.60
v)	Dividend	--
b) Expenditure		
i)	CIF Value of Imports	722.89
ii)	Expenditure in Foreign Currency	16.84

For & On behalf of the Board

Ashok Chaturvedi

Place : NOIDA Chairman & Managing Director
Dated : 30th June, 2020 DIN: 00023452

ANNEXURE – ‘H’

BUSINESS RESPONSIBILITY REPORT 2019-20

As per the provisions of Regulation 34(2)(f) of the Listing Regulations read with the SEBI’s Circular and Notification dated November 4, 2015, December 22, 2015 & December 26, 2019, The Securities and Exchange Board of India vide “The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015” as amended from time to time, has mandated the inclusion of a “Business Responsibility Report” (BRR) as part of Company’s Annual Report for top one thousand listed entities based on market capitalization at the BSE Limited (BSE) and the National Stock Exchange of India Ltd. (NSE) as on March 31 of every financial year in compliance of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, as notified by the Ministry of Corporate Affairs (MCA), Government of India. This is First Business Responsibility Report of the Company as the Company is among top 1000 listed entities as per the market capitalization at NSE / BSE as on March 31, 2020.

The Business Responsibility Report of the Company includes its responses to questions on the practices and performance on key principles defined by Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance, and stakeholder relationships.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L74899DL1988PLC032166
2.	Name of the Company	UFLEX LIMITED
3.	Registered address	305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash – I, New Delhi – 110 048
4.	Website	www.uflexltd.com
5.	E-mail id	secretarial@uflexltd.com
6.	Financial Year reported	01-04-2019 to 31-03-2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	22209 – Manufacture of other plastics products n.e.c.
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	<ul style="list-style-type: none"> • Flexible Packaging Material • Engineering Business
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	Five (5) <ul style="list-style-type: none"> • Dubai, UAE • Mexico • Egypt • Poland • USA
	(b) Number of National Locations	Three (3) <ul style="list-style-type: none"> • Noida, Uttar Pradesh • Bari Bruhmana, Jammu • Sanand, Gujarat
10.	Markets served by the Company – Local/State/National/International	Asia, Europe, America & Africa

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	72,21,14,860/-
2.	Total Turnover (INR)	Rs. 4152.37 Crore
3.	Total profit after taxes (INR)	Rs. 143.27 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.49% (Rs.68.90 Lacs) of average profit for previous three years in respect of standalone UFLEX (computation as prescribed by the Companies Act, 2013)

5.	List of activities in which expenditure in 4 above has been incurred:
	Skill Development
	Health and wellness
	Environmental Sustainability
	Ecosystem Restoration through Community Action

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes, the details of which have been in the Annual Report for the financial year 2019-20.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Subsidiary Companies do not participate in the BR initiative of the Company
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No.

SECTION D: BR INFORMATION

1.	Details of Director/Directors responsible for BR	
(a)	Details of the Director/Director responsible for implementation of the BR policy/policies	
	1. DIN Number	0023452
	2. Name	Shri Ashok Chaturvedi
	3. Designation	Chairman & Managing Director
(b)	Details of the BR head	
	No.	Particulars
	1.	DIN Number (if applicable)
	2.	Name
	3.	Designation
	4.	Telephone Number
	5.	e-mail id
		Details
		0023452
		Shri Ashok Chaturvedi
		Chairman & Managing Director
		0120-4012345
		secretarial@uflexltd.com

List of Principles

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the wellbeing of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Business should respect, protect, and make efforts to restore the environment
Principle 7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	N	Y	N	Y	N	Y	N
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	NA	Y	NA	Y	NA	Y	NA
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, Statutory policies are in conformity with the applicable provisions of the regulations of the Securities and Exchange Board of India and strictly aligned to various standards to achieve maximum stakeholders' interest.								
4	Has the policy being approved by the Board? if yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	N	NA	Y	NA	N	NA	Y	NA
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	N	N	N	N	N	N	N	Y	N
6	Indicate the link for the policy to be viewed online?	https://www.uflexltd.com/policies.php Apart from the Statutory policies which are available on the website of the Company, other policies have been made available to the employees of the Company.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to relevant internal stakeholders. To cover all stakeholders, communication is an on-going process.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	N	Y	N	Y	Y	Y	N
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	NA	Y	NA	Y	Y	Y	NA
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company does not carry out independent audit/ evaluation of working of the Policy by an external agency as of now.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	--	--	N	--	N	--	--	--	N
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	--	--	N	--	N	--	--	--	N
3	The company does not have financial or manpower resources available for the task	--	--	N	--	N	--	--	--	N
4	It is planned to be done within next 6 months	--	--	Y	--	Y	--	--	--	Y
5	It is planned to be done within the next 1 year	--	--	N	--	N	--	--	--	N
6	Any other reason (please specify)*	--	--	N	--	N	--	--	--	N

**The Business Responsibility Report ("BRR") is applicable to those companies who are in top 1000 on the basis of Market Capitalisation as on 31st March, 2020. This is being the First Business Responsibility Report ("BRR"), the company is in process to formulate all the policies within appropriate time frame.*

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Company does not have a Committee of Board for dealing with this matter specifically. However, aspects of Business Responsibility are reviewed by the various other committees / CEO /Business Heads of the Company from time to time.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink or viewing this report? How frequently it is published?

BR Report is applicable to the Company from Financial Year 2019-20. The report shall be published annually. The BR Report for the FY 2019-20 may be accessed through the Company's website link: www.uflexltd.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

The Company believes in upholding the values of transparency, accountability and good governance. The Company has a Code of Conduct and Whistle Blower Policy which inter-alia cover Anti-Bribery and Corruption Directive and these Policies are only applicable to the Company. The Code of Conduct covers the Directors and Senior Management of the Company. The Company also encourages its Group/Joint Ventures/Suppliers/Contractors/NGOs/Others to practice the same in a fair manner.

The Company's Code of Conduct and Whistle Blower Policy are available on the website of the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

8 complaints were received during the year 2019-20 from various stakeholders / shareholders, which were promptly attended. There are no complaints un-attended /un-resolved at the end of financial year. The Company did not received any significant external complaint in the last financial year.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Flexible Packaging Material (NIC - 22209 - Manufacture of other plastics products n.e.c.), constitutes approximately 94.58% of the total turnover of the Company. The Company being India's largest flexible packaging company and an emerging global player has been innovating and launching new products/technologies meeting the Client specifications. The Company understands its obligations on social and environmental concerns, risk and opportunities.

2. The Company deploys best technology for optimum utilization of resources. The Company takes proactive steps to control, reduce, treatment and efficient disposal/treatment of toxic and hazardous wastes during the manufacturing process and focuses on developing eco-friendly products which meet the best international standards. Further, the Company ensures that all processes, plant, equipment's, machinery and materials deployed are safe to the people as well as the environment.

The Company has also taken various energy conversion initiatives like use of Pyrolysis Plant in order to recycle waste of laminates, Metalized PET and BOPP Films, Installation of VFD Chillers & Compressor, Waste Heat Recovery and Auto Tube Cleaning System on Chiller for reducing power consumption. Please refer the Conservation of Energy Section of the Annual Report for further details.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

It is important for the Company to manage the impacts of its product life cycle for the success of its operations. The life cycle of the product covers the entire value chain from sourcing of raw materials to product manufacture, distribution and consumption/disposal.

The Company focuses on environmental impacts of sourcing and continually works with the vendors and suppliers to reduce the same. We are aware that most of the vendors/suppliers for key raw material are working on sustainable basis. Transportation and logistics optimization is an ongoing activity to reduce the relative environmental impacts.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company encourages the sourcing of its raw materials from local economy and small vendors, as far as possible.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Yes, <5% . As a responsible manufacturer of Flexible Packaging, UFlex, India's largest flexible packaging company recognized the need to recycle plastic waste more than two decades back and established recycling units in its plants that convert MLP Waste into Pellets. An added feature of the recycled material (pellets) is that it is re-used to manufacture industrial and household products like roads, outdoor furniture, paver tiles, ladders and many more such essential items. Thus, UFlex is helping create a circular plastic economy by keeping plastic 'In the Economy' and 'Out of the Environment'.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. **Please indicate the Total number of employees.**

The total number of employees were **6360** as on March 31, 2020 in the Company

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

The total contractual/temporary manpower employed were 2049 as on March 31, 2020 in the Company.

3. **Please indicate the Number of permanent women employees.**

There were **184** permanent female employees as on March 31, 2020 in the Company.

4. **Please indicate the Number of permanent employees with disabilities**

There were no differently abled permanent employees as on March 31, 2020

5. **Do you have an employee association that is recognized by management?**

Presently, the Company does not have any employee association.

6. **What percentage of your permanent employees is members of this recognized employee association?**

Not Applicable.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on 31 st March, 2020
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

(a) Permanent Employees	100%
(b) Permanent Women Employees	100%
(c) Casual/Temporary/Contractual Employees	100%
(d) Employees with Disabilities	--

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

1. Has the company mapped its internal and external stakeholders?

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

There are no identified disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

NA

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company respects Human Rights of all relevant stakeholders and groups within and beyond the workplace including that of communities, consumers and marginalized groups. All practices and policies of the Company including engagement with suppliers, contractors etc., ensures human rights are honored and protected.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company did not receive any stakeholders' complaints in the financial year 2019-20 for violation of human rights.

PRINCIPLE 6 : BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company is committed to improve Health & Safety of the society and protection of the environment, and the policy applies to the entire Company and doesn't extend to other entities. Uflex Limited also encourages its subsidiaries, vendors and dealers to take health, safety and environment friendly measures for better future.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, In order to address the global environmental issues like climate change, global warming, the Company has embedded many facets related to respecting and protecting environment in its operations an processes.

UFlex, a pioneer in Multilayer Plastic Manufacturing and Waste recycling, is scaling up its recycling strength to help build a circular economy, by the way of setting up two lines that will wash and recycle post-consumer waste and subsequently give a second life to plastics. This pilot plant in its Noida facility commenced its operations and is aimed to mitigate the piling plastic dumps in Delhi-NCR by recycling collected post-consumer waste PET Bottles and Multi-layer Plastic packaging into chips and granules, put into further use to make products with economic value. In line with its global sustainability campaign 'Project Plastic Fix', UFlex will steer its efforts towards keeping plastic in the economy and out of the environment, converting waste into wealth. Initiatives taken by the Company to address the global environmental issues are also available at weblink <https://www.uflexltd.com/environmental-sustainability.php>

3. Does the company identify and assess potential environmental risks?

Yes, the Company from time to time assess various Environmental risk associated with its activities and its likely impact. The purpose of this procedure is to establish and maintain procedures for identifying environmental/Hazard aspect activities.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company does not have any specific project related to clean development mechanism but it has facilities to process, recycle and reuse the waste generated from the operations.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The company is committed to focus on reducing energy consumption as it opens up opportunities for innovation and improved efficiency, while reducing risks arising from price volatility and helping us manage natural resources. The Company have taken several steps across production units and utilities to boost its energy efficiency in order to achieve Company’s commitment towards reducing absolute energy consumption and moreover specific energy consumption of various products. (Weblink: www.uflexltd.com)

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, emission/waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year 2019-20.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

None

PRINCIPLE 7: BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

- (a) Federation of Indian Chamber of Commerce and Industry(FICCI)
- (b) The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- (c) PHD Chamber of Commerce and Industry (PHDCCI)
- (d) Confederation of Indian Industry (CII)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Your Company is associated with above institutions with an intention of mutual learning and contribution in development of processes. As and when required, the Company put forth its views on the issues faced by the industry with respective business forums and chambers.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes, Uflex has a CSR Policy in line with Section 135/ Schedule VII of the Companies Act, 2013. On the basis of needs of the community around the projects, either observed or on the basis of requests, the initiatives for the benefit of society are chosen and implemented.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

The CSR programs/projects of the Company are more generally run by outside agencies/organizations.

3. **Have you done any impact assessment of your initiative?**

The CSR Programmes/projects are monitored and reviewed periodically by the Corporate Social Responsibility Committee.

4. **What is your company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

In 2019-20, the Company has spent Rs.68.90 Lacs on community development projects under CSR initiatives.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company undertakes CSR activities after assessing the needs of the community. Further, all CSR activities are rolled out directly to the society. The Company believes that they will benefit the society at large. This helps in increased reach as well as ensuring the adoption of initiative by communities.

PRINCIPLE 9 : BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

No customer complaints/consumer cases were pending as on end of financial year 2019-20.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

Yes, the Company adheres to all product labeling and product information requirements as per the local laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No court case has been filed against the Company regarding unfair trade practices and/or irresponsible advertising during the last five years or pending as on end of the financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company has not carried out any formal consumer survey/ consumer satisfaction trends. However, the Company keeps track of responses / comments through various media channels which helps the Company to raise customer satisfaction levels, provide consistent product delivery experience and provide timely redressal to customer queries and concerns. The Company received numerous customer awards for contribution to their business such as quality, excellence, design development, best performance etc. which represents customer satisfactions. 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> and also in "Awards" section in Directors' Report.

ANNEXURE – 'I'

SECRETARIAL COMPLIANCE REPORT OF UFLEX LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

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, 2020** (“**Review Period**”) in respect of compliance with the provisions of:
 - i. the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) and the Regulations, circulars, guidelines issued thereunder; and
 - ii. 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, 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, 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
None			

- 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
None				

- 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 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
None				

- e) The Listed Entity has suitably modified the terms of appointment of its present statutory auditors to give effect to para 6(A) and 6(B) of SEBI Circular dated October 18, 2019 bearing no. CIR/CFD/CMD1/114/2019.

Place : Delhi
Date : 30.06.2020

For Mahesh Gupta & Company
Company Secretaries

Mahesh Kumar Gupta
Proprietor
FCS 2870::CP 1999
UDIN:F002870B000399387

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, 2020, 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, as amended ("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, 2020, 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) as 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
<p>Impact of COVID-19 on Standalone Financial Statements and audit procedures</p> <p>The outbreak of Coronavirus disease 2019 (COVID-2019) has created an unprecedented global health crisis that has deep impact on the businesses and economy. After COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization on February 11, 2020, Governments in several countries, including Indian Government, have imposed stringent lockdown and restrictions, which has led to significant, adverse changes in macroeconomic conditions – constraints on supply chain, sourcing of inputs and workforce availability. Hence audit is concerned that whether this has material impact on the Standalone Financial Statements of the Company and also fairness in reporting.</p>	<p>The Company's plant manufacturing facilities in India largely remained operative during the lockdown, as the major business of the Company is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used for essential categories, like, food and pharma packaging; however despite restrictions on travel, meetings and access to various locations of the Company, we could obtain required audit evidences, as besides normal audit procedures, we also conducted alternative/ additional audit procedures, to assess the material impact of COVID19 on the Standalone Financial Statements, if any and ensure fairness in reporting, which was not limited to following only:</p> <ul style="list-style-type: none"> For Accounts Receivables: Evaluated the design and implementation of process and internal controls laid down by the company for booking of revenue and tested the operating effectiveness of the aforesaid controls including examination of shipping documentations/E-Way Bills and sales near the end period and subsequent realisations;

Key Audit Matter	Auditor's Response
	<ul style="list-style-type: none"> For Accounts Payables: Evaluated the design and implementation of process and internal controls laid down by the company for booking of purchase and expenses and tested the operating effectiveness of the aforesaid controls including examination of Goods Inward Note, Remittances made, etc.; and For Inventory: Evaluated the design and implementation of process and internal controls laid down by the company for valuation of Raw Material, WIP and Finished goods at lower of cost based or net realizable value and also tested the operating effectiveness of the aforesaid controls and ensuring physical verification of the inventory has been carried as per the process laid down by the company. Net Realisable Value of finished goods and work-in-progress, has been verified with the customers contracts, where applicable or subsequent selling price/realisation. <p>Definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.</p>
<p>Adoption of Ind AS 116 on 'Leases'</p> <p>Effective 1st April 2019, Ind AS 116 replaces the existing standard Ind AS 17 and specifies how an entity will recognise, measure, present and disclose leases.</p> <p>The standard provides a single lease accounting model, requiring lessees to recognise a right of use asset ("ROU asset") and a corresponding liability on the lease commencement date. It provides exemption for leases with lease term of 12 months or less or where the underlying asset has a low value.</p> <p>The Company has applied Ind AS 116, using the modified retrospective method.</p> <p>We considered the first-time application of the standard as a key audit matter due to the judgements needed in establishing the underlying key assumptions.</p>	<p>Our audit procedures included the following:</p> <p>Assessing the accounting regarding leases with reference to consistency with the definitions of Ind AS 116. This includes factors such as lease term, discount rate and measurement principles;</p> <p>Testing completeness of the lease data as at April 01, 2019 reconciling the Company's operating lease commitments to the underlying data used in computing the ROU asset and Lease liability;</p> <p>Assessing the transition to Ind AS 116 by verifying consistency with the definitions and practical expedients of Ind AS 116;</p> <p>Examining the Company's judgement in establishing the underlying assumptions. This includes assessing the discount rate used in determining the lease liability; and</p> <p>Ensuring the necessary disclosures in the Standalone Financial Statements.</p>
<p>Evaluation of pending tax litigations</p> <p>The Company has pending litigation for demand in dispute under various tax statutes which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>We have obtained details of tax litigations under various statutes for the year ended March 31, 2020 from the management;</p> <p>We have reviewed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We have also reviewed the legal precedence and other rulings provided for review by the management in evaluating its position in various matters; and We have also reviewed the assumptions made by the management as at March 31, 2019 and evaluated whether any change was required on account of information and updates made available during the year.</p>

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

The Company's Management and its Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, 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.

CIN: L74899DL1988PLC032166

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.

Responsibility of the Management for the Standalone Financial Statements

The Company's Board of Directors is 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. 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, the 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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:

CIN: L74899DL1988PLC032166

- 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
UDIN: 20085391AAAAAG5879

Place : NOIDA

Date : 30th June, 2020

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, covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"):
 - a) In our opinion and according to the information given to us, the terms and conditions of the loan 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, repayment 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 interest-bearing unsecured loan granted, to one of the Indian Subsidiary, as referred above and a Joint venture entity, outstanding at the beginning of the year, terms of repayments have been modified, which are, *prima-facie*, not prejudicial to the interest of the Company.

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, guarantees given and securities provided.
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:
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employee's

State Insurance, Income Tax, Custom Duty, Goods and Services Tax (GST), Cess and other applicable statutory dues have been generally deposited regularly with the appropriate authorities.

- b) According to the information and explanation given to us, there are no dues of 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 to which it pertains (all or some years, in case of block)	Forum where dispute is pending
The Central Sales Tax Act, 1956 and concerned Value Added Tax Laws	Sales tax and VAT	775.20	AY 2008-09 and AY 2010-11	High Courts
		215.97	AY 2009-10 to AY 2015-16	Tribunal
		16.17	AY 2015-16	Appellate Authority
		311.92	AY 2014-15 and AY 2015-16	DC (Appeal)
		78.70	AY 2014-15	Assessing Authorities
Total		1397.96		
The Income-tax Act, 1961	Income-tax	80.31	AY 2002-03 and AY 2003-04	High Court
		873.32	AY 2004-05 to AY 2013-14	ITAT
		68.91	AY 2016-17	CIT(A)
		106.94	AY 2017-18	Assessing Authorities
Total		1129.48		
The Central Excise Act, 1944	Excise Duty	2837.26	2011-12 to 2015-16	Tribunal
		2342.03	1997-98 to 2016-17	Commissioner (Appeals)
		195.30	1997-98 to 2017-18	AC/DC/JC/ADC
Total		5374.59		
The Finance Act, 1994	Service Tax	54.86	2006-07	Commissioner (Appeals)
		6.34	2006-07	AC/DC
Total		61.20		
Laws on Goods and Services Tax	Goods and Services Tax	17.93	2017-18 to 2019-20	Assessing Authorities
Total		17.93		

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 and financial institution. Further, the company has availed the relaxation provided by the Reserve Bank of India, on deferment of instalments (including interest) of all loans outstanding as of March 01, 2020 for a period of six months from March 01, 2020 to August 31, 2020. Also, the Company, does not have any loans and borrowings from 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 given to us and based on our examination of the records of the Company, the Company has paid 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 as referred to in Section 192 of the Act. 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

Place : NOIDA
Date : 30th June, 2020

Membership No. 085391
UDIN: 20085391AAAAAG5879

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, 2020, 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.

Auditor's 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 auditor's 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, 2020, 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

CA. Deepak Sehgal
Partner
Membership No. 085391
UDIN: 20085391AAAAAG5879

Place : NOIDA
Date : 30th June, 2020

BALANCE SHEET AS AT 31ST MARCH 2020

(Rs. in Lacs)

	Note No.	As At 31st March 2020	As At 31st March 2019
I ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	2A	195185.18	190853.38
b) Capital Work-in-Progress		2496.36	17283.87
c) Investment Property	2B	1341.67	1464.95
d) Other Intangible assets	2C	3067.46	4347.51
e) Right of Use Assets	2D	2311.79	-
f) Intangible assets under development		367.70	20.30
g) Financial Assets			
i) Investments	3	46185.94	37446.59
ii) Loans	4	1578.55	1848.82
iii) Other Non-Current Financial Assets	5	82.90	29.28
h) Other Non-Current Assets	6	5831.38	5307.21
Total Non-Current Assets		258448.93	258601.91
Current assets			
a) Inventories	7	48146.33	38750.53
b) Financial Assets			
i) Trade receivables	8	111443.37	118795.59
ii) Cash and cash equivalents	9A	3955.37	7432.08
iii) Bank Balances other than (ii) above	9B	2756.37	1094.57
iv) Loans	10	1947.54	1302.88
v) Other Financial Assets	11	238.17	190.74
c) Other Current Assets	12	15090.64	14200.44
Total Current Assets		183577.79	181766.83
TOTAL ASSETS		442026.72	440368.74
II EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	7221.15	7221.15
b) Other Equity	14	218738.57	207282.01
Total Equity		225959.72	214503.16
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	63671.43	72033.96
ii) Lease Liabilities		1629.19	-
iii) Other Financial Liabilities	16	1256.58	1105.27
b) Provisions	17	1838.39	1338.44
c) Deferred Tax Liabilities (Net)	18	5914.38	5936.33
Total Non-Current Liabilities		74309.97	80414.00
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	19	46819.78	41334.20
ii) Lease Liabilities		795.12	-
iii) Trade payables	20		
- Total outstanding dues of Micro, Small & Medium enterprises		989.55	778.94
- Total outstanding dues of creditors other than Micro, Small & Medium enterprises		62697.62	62989.65
iv) Other Financial Liabilities	21	18273.36	32894.54
b) Other current Liabilities	22	7403.50	5563.44
c) Provisions	23	2225.93	1795.79
d) Current Tax Liabilities (Net)	24	2552.17	95.02
Total Current Liabilities		141757.03	145451.58
TOTAL EQUITY AND LIABILITIES		442026.72	440368.74

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

Rakesh Malhotra
 Asst. Vice President
 (Corp. Accounts)

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

Deepak Sehgal
 Partner
 M.No.: 085391

 Place : NOIDA
 Dated : 30th June, 2020

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Note No.	(Rs. in Lacs)	
		For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
INCOME:			
Revenue from Operations			
Gross Revenue from Sale of Products & Services	25 (A)	436934.68	452762.19
Less : Inter unit Revenue from Sale of Products & Services		41547.69	42820.65
Net Revenue from Sale of Products & Services		395386.99	409941.54
Other Operating Income	25 (B)	11584.11	12155.17
Revenue from Operations		406971.10	422096.71
Other Income	26	8264.81	2155.01
Total Income		415235.91	424251.72
EXPENSES:			
Cost of materials consumed	27	248261.52	270052.86
Purchase of Stock-in-Trade		966.77	1335.10
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(8139.13)	57.62
Employee benefits expense	29	46193.32	42450.46
Finance costs	30	17289.14	16794.08
Depreciation and amortization expense		26136.24	23993.29
Other expenses	31	67455.18	65394.90
Expenses Allocated to Self Constructed Assets	32	(1143.69)	(3096.47)
Total Expenses		397019.35	416981.84
Profit Before Tax		18216.56	7269.88
Less / (Add) : Tax expense:			
- Current tax		3902.00	1514.00
- Deferred tax		(21.95)	797.57
- Short / (Excess) Provision of Income Tax for earlier years		9.94	(207.83)
Profit for the year		14326.57	5166.14
Other Comprehensive Income			
<i>Items that will not be reclassified subsequently to Profit or Loss</i>			
Remeasurement of the net defined benefit liability / asset		(918.34)	(302.58)
Fair Value Changes/ Realised of / on Equity Instruments		(288.50)	(45.42)
Income tax relating to items that will not be reclassified subsequently to Profit & Loss		-	(377.00)
Total (Net of Tax)		(1206.84)	(725.00)
Total Comprehensive Income for the Year		13119.73	4441.14
Earning Per Equity Share			
a) Basic (Rs.)		19.84	7.15
b) Diluted (Rs.)		19.84	7.15

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

(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 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
Total Other Comprehensive Income for the Year (Net of Tax)						(288.50)	(918.34)	(1206.84)
Dividend Paid (Including Dividend Distribution Tax)					(1663.17)			(1663.17)
Profit for the Year					14326.57			14326.57
Balance as at 31st March 2020	7221.15	10377.76	57110.63	20164.05	135090.19	(2553.70)	(1450.36)	225959.72

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	(Rs. in Lacs)	
	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	18216.56	7269.88
Adjustment for :		
Depreciation & amortisation expense	26136.24	23993.29
Exchange rate fluctuations (Net)	(1020.97)	(59.62)
Loss on Sale of Property, Plant & Equipment (Net)	22.77	141.68
Property, Plant & Equipment written Off	1.57	12.24
Gain on sale of Investment Property	(10.19)	-
Loss on sale of Right to Use Assets	1.19	-
Finance Cost	17289.14	16794.08
Interest received from Banks / others	(357.99)	(445.58)
Rent Received	(895.65)	(862.47)
Dividend received on Investments carried at cost	(58.70)	(379.09)
Dividend received on Investments carried at Fair value through other comprehensive income	(3.43)	(10.85)
Sundry Credit Balances written Back	(104.62)	(137.61)
Allowance for Doubtful Trade Receivables Written Back	(61.36)	-
Gain on Sale of Investment in Subsidiaries	(6,716.55)	-
Remeasurement of the net defined benefit liability / asset	(918.34)	(302.58)
Allowance for doubtful Trade Receivables	960.11	298.74
Sundry Debit Balances / Bad Debts written off	2,731.72	106.51
Operating Profit before Working Capital changes	55211.50	46418.62
Adjustment for :		
Trade Receivables	(637.73)	(6197.28)
Loans and Other financial assets and other assets	(1286.92)	1871.67
Inventories	(9395.80)	1895.23
Trade payables	(81.42)	(4541.27)
Other financial liabilities, other liabilities and provisions	(9242.57)	8830.35
Cash generated from operations	34567.06	48277.32
Income Tax	(3911.94)	(1306.17)
Exchange rate fluctuations	1020.97	59.62
Net Cash generated from operating activities (A)	31676.09	47030.77
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment, Investment Property & Intangibles	(13897.09)	(23828.19)
Sale proceeds of PPE & Intangible etc.	130.87	203.25
Investment in Subsidiaries (Net)	2152.80	(338.08)
Inflow on Investments (Net)	-	4334.00
Income Tax on Sale of Investments	-	(377.00)
Loans to Employees & Others	41.77	49.02
Loans to subsidiaries (Net)	(640.00)	(126.00)
Loan to Joint Venture (Net)	(4.66)	(51.88)
Interest received from Banks / others	357.99	445.58
Rent Received	895.65	862.47
Dividend received on Investments carried at cost	58.70	379.09
Dividend received on Investments carried at Fair value through other comprehensive income	3.43	10.85
Net Cash used in Investing Activities (B)	(10900.54)	(18436.89)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 Contd.

	(Rs. in Lacs)	
	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1444.23)	(1444.23)
Dividend Distribution Tax	(218.94)	(296.87)
Lease Payments	(1023.12)	-
Finance Cost	(17027.22)	(16794.08)
Borrowings (Net)	(2876.95)	(10185.12)
Net Cash used in Financing Activities (C)	(22590.46)	(28720.30)
Net (Decrease) in Cash and Cash equivalents (A+B+C)	(1814.91)	(126.42)
Cash and Cash equivalents (As per Note No 9)		
Opening Cash and Cash equivalents	8526.65	8653.07
Closing Cash and Cash equivalents #	6711.74	8526.65

#Includes Rs. 2756.37 lacs (Previous Year Rs.1094.57 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.

Non- Cash Items:

The Company has entered into following non-cash items during the year:

aTransfer of entire equity investment held in its Wholly Owned Subsidiary UTECH Developers Private Limited for Rs. 15250 Lacs in exchange of the allotment of 7.5% Cumulative, Non Participative Redeemable Preference Shares of Rs 15250 Lacs.

bUflex Europe Limited, Wholly owned subsidiary has allotted Share Capital of GBP 5.09 Millions (Equivalent to Rs.4464.10 lacs) to the Company on capitalisation of the export receivable due from it.

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 ongoing concern basis.

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

C. CLASSIFICATION OF EXPENDITURE / INCOME

Except otherwise indicated:

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

D. 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 to agents 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 2020

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.

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 7 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.

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.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 statement of profit & loss) 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 statement of profit & loss 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.

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.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset.

Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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.

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.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**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 obligation 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**The Company as a Lessee**

The Company's lease asset classes primarily consist of leases for land, rental properties, equipment and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

events or changes in circumstances indicate that their carrying amounts may not be recoverable. 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 Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the Company. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For Short Term Leases and leases for which underlying asset is of low value, Lease payments are recognized as an expense on a straight line basis over a lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

T. BORROWING COST

Borrowing costs 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 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 2019, the Company has adopted Ind AS 116, Leases and applied the standard to all lease contracts existing as on 1st April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of initial application and Right to use assets as if the Standard has been applied since the commencement date, but discounted using the Company's incremental borrowing rate at the date of initial application. Comparative as at 31st March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policy on leases included as part of annual report for the Year ended 31st March 2019.

On transition, the adoption of the new standard resulted in recognition of Right to Use Asset (ROU) of Rs 2586.43 lacs and Lease liability of an equivalent amount. The effect of the adoption is insignificant on the Profit before tax, profit for the year and earning per share. Ind AS 116 has resulted into increase in cash inflows from operating activities and increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar class of underlying assets in a similar economic environment with a similar lease term.
2. Applied the exemption not to recognize ROU asset and lease liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the ROU asset as at the date of initial application.

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 2019.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 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
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
Additions During the Year	-	-	5276.94	21750.25	537.41	297.44	328.19	109.63	28299.86
Deductions During the Year	-	-	-	(2333.40)	(2.09)	(37.99)	(0.33)	(453.28)	(2827.09)
As at 31st March 2020	10.87	14803.69	54147.13	295663.06	9462.15	6562.92	7096.76	3639.70	391386.28
DEPRECIATION / AMORTISATION									
As at 1st April 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
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
Provided for the Year	-	170.46	1669.82	20208.72	587.44	513.93	279.76	382.72	23812.85
Deductions During the Year	-	-	-	(2270.05)	(1.93)	(35.16)	(0.18)	(364.56)	(2671.88)
As at 31st March 2020	-	670.39	13454.31	164756.48	5276.26	5144.07	4937.39	1962.20	196201.10
NET CARRYING VALUE									
As at 31st March 2019	10.87	14303.76	37085.70	129428.40	4236.08	1638.17	2111.09	2039.31	190853.38
As at 31st March 2020	10.87	14133.30	40692.82	130906.58	4185.89	1418.85	2159.37	1677.50	195185.18

Note: Borrowing cost capitalised during the year is Rs. 6.04 Lacs (Previous year Rs. 698.81 lacs).

2B INVESTMENT PROPERTY

(Rs.in Lacs)

	Freehold Land	Leasehold Land	Building	Total
Gross Carrying Value				
As at 1st April 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
Additions During the Year	-	-	-	-
Deductions During the Year	-	(1.88)	-	(1.88)
As at 31st March 2020	8.57	273.95	4054.02	4336.54
DEPRECIATION / AMORTISATION				
As at 1st April 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
Provided for the Year	-	3.46	118.02	121.48
Deductions During the Year	-	(0.08)	-	(0.08)
As at 31st March 2020	-	14.07	2980.80	2994.87
NET CARRYING VALUE				
As at 31st March 2019	8.57	265.14	1191.24	1464.95
As at 31st March 2020	8.57	259.88	1073.22	1341.67

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 12843.88 Lacs (Previous Year Rs.12248.68 Lacs), as valued by Independent architect and approved valuer.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020
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 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
Additions During the Year	29.04	-	-	20.29	49.33
Deductions During the Year	-	-	-	-	-
As at 31st March 2020	2344.26	639.56	2829.28	2666.90	8480.00
DEPRECIATION / AMORTISATION					
As at 1st April 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
Provided for the Year	261.84	29.22	565.86	472.46	1329.38
Deductions During the Year	-	-	-	-	-
As at 31st March 2020	2048.83	622.71	1188.47	1552.53	5412.54
NET CARRYING VALUE					
As at 31st March 2019	528.23	46.07	2206.67	1566.54	4347.51
As at 31st March 2020	295.43	16.85	1640.81	1114.37	3067.46

2D RIGHT OF USE ASSETS
(Rs. in Lacs)

	Leasehold Land Premium	Rental Properties	Plant & Equipment	Vehicles	Total
Gross Carrying Value					
As at 1st April 2018	-	-	-	-	-
Additions During the Year	-	-	-	-	-
Deductions During the Year	-	-	-	-	-
As at 31st March 2019	-	-	-	-	-
Transition Period Recognition on 1st April 2019.	881.78	716.35	307.33	680.97	2586.43
Additions During the Year	-	252.80	-	362.71	615.51
Deductions During the Year	-	-	-	(24.25)	(24.25)
As at 31st March 2020	881.78	969.15	307.33	1019.43	3177.69
DEPRECIATION / AMORTISATION					
As at 1st April 2018	-	-	-	-	-
Provided for the Year	-	-	-	-	-
Deductions During the Year	-	-	-	-	-
As at 31st March 2019	-	-	-	-	-
Provided for the Year	13.70	440.12	124.76	293.95	872.53
Deductions During the Year	-	-	-	(6.63)	(6.63)
As at 31st March 2020	13.70	440.12	124.76	287.32	865.90
NET CARRYING VALUE					
As at 31st March 2019	-	-	-	-	-
As at 31st March 2020	868.08	529.03	182.57	732.11	2311.79

Breakup of Depreciation and Amortisation charge for the Year:

	For the Year Ended 31.03.2020	(Rs. in Lacs) For the Year Ended 31.03.2019
Depreciation and Amortisation on:		
Property, Plant & Equipment	23812.85	22921.77
Investment Property	121.48	121.66
Other Intangible Assets	1329.38	949.86
Right to use assets	872.53	-
	26136.24	23993.29

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

3A. INVESTMENTS

Particulars	Description	Face Value	As At 31.03.2020		As At 31.03.2019	
			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	6087529	5191.02	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
Flex Chemicals Pvt. Ltd.,Russia	Equity	RUB 1/-	50000	0.58	50000	0.58
ii) IN OTHER SUBSIDIARIES						
UPET Holdings Ltd.	Equity	US\$ 1	22720001	10307.20	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	500000	337.50
Total -3(I)				<u>30790.38</u>		<u>37012.53</u>
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	20.94	589910	66.66
Kothari Products Ltd.	Equity	Rs.10/-	342900	117.61	342900	282.89
B.A.G.Films Ltd.	Equity	Rs.2/-	49300	0.89	49300	2.31
Reliance Infrastructure Ltd.	Equity	Rs.10/-	60000	6.12	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 -3(II)				<u>145.56</u>		<u>434.06</u>
III Designated & Carried at Amortised Cost (Less Impairment, if any)						
Preference Shares						
Unquoted						
Fully Paid Up						
Montage Enterprises Private Limited	\$ Preference	Rs. 100/-	15250000	15250.00		-
7.5% Cumulative, Non-Participative Redeemable Preference Shares						
TOTAL 3 (I+II+III)				<u>46185.94</u>		<u>37446.59</u>

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Description	Face Value	As At 31.03.2020		As At 31.03.2019	
			Number	Amount (Rs.in Lacs)	Number	Amount (Rs.in Lacs)
Notes:						
i)	Aggregate amount of Quoted Investments			2974.10		2974.10
ii)	Aggregate Market Value of Quoted Investments			1906.56		3870.94
iii)	Aggregate amount of unquoted Investments			45765.55		36737.70
iv)	Aggregate amount of impairment in value of Investments :					
	- Quoted			2241.53		1953.03
	- Unquoted			312.17		312.17
				<u>2553.70</u>		<u>2265.20</u>
v)	Investment Carried at Cost			30790.38		37012.53
vi)	Investment Carried at Fair Value through Other Comprehensive Income			145.56		434.06
vii)	Investment Carried at Amortised Cost			15250.00		-

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

@ Includes 17 Shares of AED 1 Million each pledged to the Commercial Bank of Dubai (CBD) towards the Term Loan Facilities sanctioned by CBD to Flex Middle East FZE being a wholly owned subsidiary of the Company.

\$ These Preference Shares are redeemable at par in ten equal annual instalments commencing from the expiry of two years from the date of allotment, viz. 3rd October 2019 for 12505000 Preference Shares amounting to Rs. 12505 Lacs and 30th March 2020 for 2745000 Preference Shares amounting to Rs. 2745 Lacs.

	As At 31.03.2020	As At 31.03.2019
4: LOANS		
(Unsecured, Considered Good)		
Security Deposits	1519.45	1760.11
Loans to :		
- Employees	109.57	151.34
Less: Current Portion	<u>50.47</u>	<u>62.63</u>
TOTAL :	<u>1578.55</u>	<u>1848.82</u>
5: OTHER NON-CURRENT FINANCIAL ASSETS		
Balance with Banks in Fixed Deposits Accounts for a period more than 12 Months*	82.90	29.28
TOTAL :	<u>82.90</u>	<u>29.28</u>
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
6: OTHER NON-CURRENT ASSETS		
Capital Advances	4016.75	3366.49
Deposit with Excise/ GST / Sales Tax Authorities	326.83	563.09
Deposits / Advances with Income Tax Authorities	<u>1487.80</u>	<u>1377.63</u>
TOTAL :	<u>5831.38</u>	<u>5307.21</u>

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As At 31.03.2020	(Rs. in Lacs) As At 31.03.2019
7: INVENTORIES		
Raw Materials	22058.65	20569.31
Work-in-Progress	16676.09	11484.41
Finished Goods	4765.02	1812.03
Traded Goods	-	5.54
Material-in-Transit :		
- Raw Materials	2980.39	3492.13
- Raw Materials (Intra Group)	556.13	271.15
Stores, Packing Material & Fuel	1110.05	1115.96
TOTAL :	48146.33	38750.53
8: TRADE RECEIVABLES		
Current- Unsecured		
Considered Good	111443.37	118795.59
Having Significant increase in Credit Risk	2807.50	3175.55
Credit Impaired	1288.17	21.37
Trade Receivables #	115539.04	121992.51
Less : Allowance for bad and doubtful Trade receivables	4095.67	3196.92
TOTAL :	111443.37	118795.59
# Includes due from :		
- Subsidiaries	5288.28	11035.12
- Related Parties	5332.71	1946.90
Movements in allowance for bad and doubtful Trade receivable:		
Opening Balance	3196.92	2898.18
(+) Provision made during the year	960.11	298.74
(-) Amount utilised from provision	(61.36)	-
Closing Balance	4095.67	3196.92
9: CASH & BANK BALANCES		
A) Cash & Cash Equivalents		
Balances with Banks:		
- In Current Accounts	3550.36	4864.70
- In EEFC Account	-	37.51
- In Cash Credits Accounts	125.48	2159.90
- In Fixed Deposits Accounts	-	325.00
Remittance in transit	66.83	9.25
Cash on hand	18.30	24.65
Cheques on hand	194.40	11.07
Sub-Total (A)	3955.37	7432.08

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As At 31.03.2020	(Rs. in Lacs) As At 31.03.2019
B) Other Bank Balances		
- In Fixed Deposits Accounts*	2409.95	768.29
- In Unclaimed Dividend Accounts	120.80	123.99
- In Margin Money Accounts	225.62	202.29
Sub-Total (B)	2756.37	1094.57
TOTAL (A+B) :	6711.74	8526.65
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
10: LOANS		
(Unsecured, Considered Good)		
Loan to Subsidiary	1891.00	1251.00
Loan to Joint Venture	56.54	51.88
TOTAL :	1947.54	1302.88
Additional Information on Loan to Subsidiary & Joint Venture:		
Name of the Company	Rate of Interest	Rate of Interest
USC Holograms Pvt. Ltd.-Subsidiary	11%	11%
Digicyl Pte. Ltd.(Singapore) -Joint Venture	6.5%	6.5%
Total	1947.54	1302.88
11: OTHER FINANCIAL ASSETS		
Current Portion of Long Terms Loans given	50.47	62.63
Interest accrued on :		
- Loan to Subsidiary	37.83	0.68
- Loan to Joint Venture	5.22	1.41
- Deposits with Banks	91.18	67.30
- Others	14.42	17.01
Other Receivables	39.05	41.71
TOTAL :	238.17	190.74
12: OTHER CURRENT ASSETS		
Advances recoverable	6054.29	5843.66
Amount recoverable from Subsidiaries	-	163.15
Amount recoverable from Related Parties	471.96	-
Balances with Excise /GST / VAT Authorities	8564.39	8193.63
TOTAL :	15090.64	14200.44

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 2020 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 2020 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 2018	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2019	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2020	72284187	7228.42	72211486	7221.15	-	-

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

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 2020		As At 31st March 2019	
	Number	%	Number	%
a) Promoter & Promoter Group	31784239	44.02	31784239	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	40427247	55.98
Institution	5183539	7.18	6050552	8.38
Non- Institution	35243708	48.80	34376695	47.60
* 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
Vistra ITCL (India) Ltd.	6915878	9.58	-	-

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.1444.23 Lacs (Previous Year Rs. 1741.10 Lacs) (Including the dividend distribution tax of Rs. NIL Lacs (Previous Year Rs. 296.87 Lacs)) for the financial year ended 31st March 2020 subject to the approval of the Shareholders in their ensuing Annual General Meeting.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**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 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
Total Other Comprehensive Income for the Year (Net of Tax)					(288.50)	(918.34)	(1206.84)
Dividend Paid Including Dividend Distribution Tax				(1663.17)			(1663.17)
Profit for the Year				14326.57			14326.57
Balance as at 31st March 2020	10377.76	57110.63	20164.05	135090.19	(2553.70)	(1450.36)	218738.57

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

	(Rs. in Lacs)	
	As At 31.03.2020	As At 31.03.2019
A. Secured		
Term Loans :		
From Banks	54599.05	74206.45
From a Financial Institution	11848.80	13841.28
	66447.85	88047.73

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As At 31.03.2020	(Rs. in Lacs) As At 31.03.2019
B. Vehicle Loans :		
From Banks	259.53	373.67
From Others	58.11	477.05
	317.64	850.72
C. Unsecured		
From a Financial Institution ~	6100.07	7343.73
From Related Parties	250.00	-
From Bodies Corporate	1500.00	3085.00
	7850.07	10428.73
Sub- Total (A+B+C)	74615.56	99327.18
Less: Current portion	10944.13	27293.22
TOTAL :	63671.43	72033.96

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 31/03/2020	Current Portion	Long Term	Original Repayment Terms ##	
PART A: TERM LOANS						
IFCI Limited	* 15000.00	11873.00	1500.00	10373.00	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.	
		(13873.00)	(2000.00)	(11873.00)		
UCO Bank	* 20000.00	15633.85	1666.67	13967.18	Repayable in 24 Equal Quarterly Installments of Rs. 833.33 lacs each commencing from February 2019.	
		(16112.44)	(3333.33)	(12779.11)		
Jammu & Kashmir Bank Ltd.	* 14930.00	14463.44	933.12	13530.32	Repayable in 32 Equal Quarterly Installments of Rs. 466.56 lacs each commencing from February 2020.	
		(14930.00)	(933.12)	(13996.88)		
State Bank of India	* 25000.00	9460.81	2916.67	6544.14	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.	
		(14044.14)	(5000.00)	(9044.14)		
State Bank of India	* 15000.00	6249.81	1250.67	4999.14	Repayable in 82 installments, First Installment is of Rs. 535.71 lacs in Mar 2019 and rest in 81 Equal Monthly Installments of Rs. 178.67 Lacs each from Apr 2019. However instalments are restricted to the extent of loan availed.	
		(8215.21)	(2144.00)	(6071.21)		
South Indian Bank	* 5000.00	3664.10	535.80	3128.30	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.	
		(4285.46)	(714.40)	(3571.06)		
Woori Bank	* 3200.00	1066.67	1066.67	0.00	Repayable in 12 Equal Quarterly Installments of Rs. 266.67 Lacs each commencing from May 2018.	
		(2133.33)	(1066.67)	(1066.66)		
Oriental Bank of Commerce	* 5000.00	4285.25	357.14	3928.11	Repayable in 28 Equal Quarterly Installments of Rs. 178.57 Lacs each commencing from Apr 2019.	
		(4999.54)	(714.28)	(4285.26)		
Canara Bank-London (ECB Facility)	* US \$ 23.175 Million	-	-	-	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	
		(9804.85)	(9804.85)	(-)		
Less: Adjustment for Transaction Cost (Pending Amortisation)		249.08	84.54	164.54		
		(350.24)	(122.84)	(227.40)		
Sub Total: A		66447.85	10142.20	56305.65		
Previous Year		(88047.73)	(25587.81)	(62459.92)		

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020
(Rs. in Lacs)

Name of the Institution / Banks / Others	Sanctioned Amount	O/s As At 31/03/2020	Current Portion	Long Term	Original Repayment Terms ##
PART B: VEHICLE LOANS					
Jammu & Kashmir Bank Ltd.	# 138.00	-	-	-	Repayable in 60 Equal Monthly Installments of Rs. 3.02 Lacs each commencing from September 2014 including interest amount.
		(11.02)	(11.02)	(-)	
Jammu & Kashmir Bank Ltd.	# 239.00	49.71	49.71	-	Repayable in 60 Equal Monthly Installments of Rs. 5.23 Lacs each commencing from January 2016 including interest amount.
		(99.22)	(54.27)	(44.95)	
Jammu & Kashmir Bank Ltd.	# 26.40	25.30	4.60	20.70	Repayable in 60 Equal Monthly Installments of Rs. 0.55 Lacs each commencing from January 2020 including interest amount.
		(-)	(-)	(-)	
HDFC Bank Limited	# 12.90	-	-	-	Repayable in 48 Equal Monthly Installments of Rs. 0.33 Lacs each commencing from January 2016 including interest amount.
		(2.82)	(2.82)	(-)	
HDFC Bank Limited	# 66.00	27.18	17.77	9.41	Repayable in 48 Equal Monthly Installments of Rs. 1.61 Lacs each commencing from October 2017 including interest amount.
		(43.62)	(16.44)	(27.18)	
YES BANK LIMITED	# 130.00	69.81	33.46	36.35	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from April 2018 including interest amount.
		(100.60)	(30.79)	(69.81)	
YES BANK LIMITED	# 128.00	87.53	31.53	56.00	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from November 2018 including interest amount.
		(116.39)	(28.86)	(87.53)	
Toyota Financial Services India Limited	# 100.95	14.42	14.42	0.00	Repayable in 47 Equal Monthly Installments of Rs. 2.49 Lacs each commencing from November 2016 including interest amount.
		(41.70)	(27.28)	(14.42)	
Toyota Financial Services India Limited	# 58.55	13.68	13.68	0.00	Repayable in 36 Equal Monthly Installments of Rs. 1.83 Lacs each commencing from October 2017 including interest amount.
		(33.70)	(20.02)	(13.68)	
Daimler Financial Services India Pvt. Ltd	# 69.00	30.01	18.50	11.51	Repayable in 48 Equal Monthly Installments of Rs. 1.69 Lacs each commencing from November 2017 including interest amount.
		(47.07)	(17.06)	(30.01)	
Orix Leasing & Financial Services India Ltd	# 1383.49	-	-	-	Repayable in Equal Monthly Installments commencing from July 2017 over the period of respective Vehicles Loan.
		(354.58)	(254.35)	(100.23)	
Sub Total: B		317.64	183.67	133.97	
Previous Year		(850.72)	(462.91)	(387.81)	
Total (A+B)		66765.49	10325.87	56439.62	
Previous Year		(88898.45)	(26050.72)	(62847.73)	

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 (Except ECB Loan from Canara Bank) 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.

~ 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.

COVID-19 Regulatory Package

The Reserve Bank of India (RBI) considering the intensification of COVID-19 disruption, announced certain relaxation on repayment of the installments including interest on term loans for a period of six months commencing from 1st March 2020 to 31st August 2020 and also the payment of interest on the working capital loan for the period from 1st March 2020 to 31st August 2020. The Company has availed the relaxations provided by the RBI on majority of its outstanding term loans including unsecured loans from a financial institution. The company will make payment of interest on its working capital facilities (except Bill Discounting facilities on which interest is being charged at the time of discounting of Bills) for the period from 1st March 2020 to 31st August 2020 by 31st March 2021, as per the prevailing guidelines of RBI. Further, the term loan installments including interest thereon for the period from 1st March 2020 to 31st August 2020 shall be paid as per the prevailing policies of the Lender Banks / Financial Institutions.

(Rs. in Lacs)

	As At 31.03.2020	As At 31.03.2019
16: OTHER FINANCIAL LIABILITIES		
Securities Received	807.29	617.02
Retention Money	449.29	488.25
TOTAL :	1256.58	1105.27

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As At 31.03.2020	(Rs. in Lacs) As At 31.03.2019
17: PROVISIONS		
Leave Encashment	1838.39	1338.44
TOTAL :	1838.39	1338.44
18: DEFERRED TAX LIABILITIES (NET)		
Opening Balance	5936.33	5138.76
Add / (Less) : Provision of Deferred Tax charge / (Credit) for the year	(21.95)	797.57
TOTAL :	5914.38	5936.33

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 01.04.2019	Current Year (Charge) / Credit	(Rs. in Lacs) Deferred Tax Assets / (Liabilities) As At 31.03.2020
Deferred Tax Assets			
Other than unabsorbed depreciation & carry forward of losses.	2341.43	287.61	2629.04
Unutilised Tax Credit	6975.70	379.00	7354.70
Total (A)	9317.13	666.61	9983.74
Deferred Tax Liabilities			
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	(15253.46)	(644.66)	(15898.12)
Total (B)	(15253.46)	(644.66)	(15898.12)
Net Deferred Tax (Liability) (A-B)	(5936.33)	21.95	(5914.38)

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 31.03.2020	For the Year Ended 31.03.2019
Profit before income taxes (Rs in Lacs)	18216.56	7269.88
Average Tax Rate Applicable	34.94%	34.94%
Computed Tax Rate	21.30%	31.80%
Capital Gain	4.3%	-
Effect of unused tax credit	-0.21%	-2.20%
Others	8.71%	0.96%
Effects of non-deductible expenses	-0.74%	-0.14%
Additional deduction	1.58%	4.52%
	34.94%	34.94%

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Income Tax Expense in the Total Comprehensive Income represents:

	For the Year Ended	(Rs. in Lacs)
	31.03.2020	For the Year Ended
		31.03.2019
In Statement of Profit & Loss		
- Current tax	3902.00	1514.00
- Deferred tax	(21.95)	797.57
- Short / (Excess) Provision of Income Tax for earlier years	9.94	(207.83)
Total	3889.99	2103.74
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	34003.97	30907.47
Unsecured		
From Banks	913.81	375.73
From Others @	10727.00	8701.00
From Related Parties	1175.00	1350.00
TOTAL :	46819.78	41334.20

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.

@ Includes Rs. 1400 Lacs secured by a) exclusive first charge by way of pledge of Specific assets title deeds owned by A.R. Leassing Pvt. Ltd. and Apoorva Extrusion Pvt. Ltd. (related parties), and b) guarantee of Chairman & Managing Director of the Company.

	As At	(Rs. in Lacs)
	31.03.2020	As At
		31.03.2019
20: TRADE PAYABLES		
Suppliers:		
Total outstanding dues of creditors other than Micro, Small & Medium enterprises and Related Parties	48247.51	52158.79
Total outstanding dues of Micro, Small & Medium enterprises *	989.55	778.94
Due to Related Parties	14450.11	10830.86
TOTAL :	63687.17	63768.59

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

* 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 31.03.2020	As at 31.03.2019
1	Principal amount due and remaining unpaid	84.40	43.89
2	Interest due on (1) above and the unpaid interest	7.79	7.07
3	Interest paid on all delayed payment under the MSMED Act	6.99	0.04
4	Payment made beyond the appointed day during the year	627.46	38.43
5	Interest due and payable for the period of delay other than (3) above	7.03	0.47
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 31.03.2020	As At 31.03.2019
21: OTHER FINANCIAL LIABILITIES				
Current Maturities of Long Term Borrowings		10944.13		27293.22
Capital Creditors		1598.41		1608.69
Interest Accrued but not due on Loans				
- From a Related Party		60.47		-
- From Others		494.28		257.29
Interest Accrued but not due on Term Loans				
- From Banks		487.11		-
- From Financial Institutions		100.58		-
Unclaimed Dividend*		120.80		123.99
Due to Employees		2110.36		2097.77
Others Payable		2330.46		1420.76
Book Overdraft		26.76		92.82
TOTAL :		18273.36		32894.54
* 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		4953.46		3825.93
Advances from Subsidiaries		1411.28		4.15
Statutory Dues		1038.76		1733.36
TOTAL :		7403.50		5563.44

23: PROVISIONS				
Leave Encashment		642.56		531.21
Staff Benefits		1554.40		1237.65
Warranty		28.97		26.93
TOTAL :		2225.93		1795.79

24: CURRENT TAX LIABILITIES (NET)				
Current Income Tax (Net)		2552.17		95.02
TOTAL :		2,552.17		95.02

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	For the Year Ended 31.03.2020	(Rs. in Lacs) For the Year Ended 31.03.2019
25: REVENUE FROM OPERATIONS		
A. i) REVENUE FROM SALE OF PRODUCTS		
Gross Sales	429277.45	439883.27
Less : Inter Unit Sales	39137.02	40825.60
	<u>390140.43</u>	<u>399057.67</u>
ii) REVENUE FROM SALE OF SERVICES		
a. Gross Job work / Services Rendered	5497.85	5650.23
Less : Inter Unit Job Work	2410.67	1995.05
	<u>3087.18</u>	<u>3655.18</u>
b. Technical Fees	2159.38	7228.69
	<u>5246.56</u>	<u>10883.87</u>
TOTAL (A) :	<u>395386.99</u>	<u>409941.54</u>
B. OTHER OPERATING INCOME		
Scrap Sales	3200.81	3559.83
Packing, Forwarding and Insurance Recoveries	455.73	590.47
Exchange Rate Fluctuation (Net)	1020.97	59.62
Export Incentive	2540.68	2400.22
GST Refund	3705.53	4818.84
Miscellaneous Operating Income	136.82	176.77
Sundry Credit Balances Written Back	104.62	137.61
Support Fees	418.95	411.81
TOTAL (B) :	<u>11584.11</u>	<u>12155.17</u>
TOTAL (A+B):	<u>406971.10</u>	<u>422096.71</u>
26: OTHER INCOME		
Rent Received	895.65	862.47
Gain on Disposal of Investments (Net)		
- In Subsidiaries Carried at Cost	6716.55	-
- Gain on sale of Investment Property	10.19	-
Miscellaneous Income	222.30	457.02
Interest :		
- from Banks	176.22	185.74
- from Others	181.77	259.84
Investment Income:		
- Dividend received on Investments carried at cost	58.70	379.09
- Dividend received on Investments carried at Fair value through other comprehensive income	3.43	10.85
TOTAL :	<u>8264.81</u>	<u>2155.01</u>

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	(Rs. in Lacs)	
	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
27: COST OF MATERIALS CONSUMED		
Opening Stock	20840.46	22825.08
Add : Purchases	288792.77	308518.37
	<u>309633.23</u>	<u>331343.45</u>
Less : Inter Unit Purchases	38756.93	40450.13
	<u>270876.30</u>	<u>290893.32</u>
Less : Closing Stock	22614.78	20840.46
TOTAL :	<u>248261.52</u>	<u>270052.86</u>
28: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock :		
Stock-in-Trade	5.54	16.43
Finished Goods	1812.03	2011.96
Work-in-Progress	11484.41	11331.21
	<u>13301.98</u>	<u>13359.60</u>
Less: Closing Stock :		
Stock-in-Trade	-	5.54
Finished Goods	4765.02	1812.03
Work-in-Progress	16676.09	11484.41
	<u>21441.11</u>	<u>13301.98</u>
TOTAL :	<u>(8139.13)</u>	<u>57.62</u>
29: EMPLOYEE BENEFITS EXPENSE		
Salaries,Wages,Bonus,Benefits and Amenities	43372.10	39820.62
Contribution to Provident Fund and Other Funds	1803.09	1681.08
Employee Welfare Expenses	1018.13	948.76
TOTAL :	<u>46193.32</u>	<u>42450.46</u>
30: FINANCE COSTS		
Interest		
- On Loans for Fixed Period	11339.07	11706.24
- On Other Loans / Liabilities	3940.48	3361.05
- On Lease Liabilities	261.92	-
- On Shortfall in payment of Advance Tax	132.00	6.82
Discounting & Financial Charges	1615.67	1719.97
TOTAL :	<u>17289.14</u>	<u>16794.08</u>

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	For the Year Ended 31.03.2020	(Rs. in Lacs) For the Year Ended 31.03.2019
31: OTHER EXPENSES		
A. OTHER MANUFACTURING EXPENSES		
Power & Fuel Consumed	19227.39	19089.59
Repair & Maintenance-Machinery	6255.81	6262.90
Stores Consumed	3551.66	2948.19
Tools, Jigs & Dies	234.55	306.66
Packing Material Consumed	7923.85	8186.77
Flexo Plates / Processing Charges for Cylinders	3930.06	3396.46
Less : Inter Unit Charges	2790.76	2370.52
	1139.30	1025.94
Design & Development Charges	27.79	40.17
Job Work Charges	1214.42	1369.69
Royalty Expenses	318.26	423.93
R & D Charges	136.98	77.85
TOTAL (A) :	40030.01	39731.69
B. ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Rent	-	1005.12
Short Term Leases	597.78	-
Leases of Low Value	10.90	-
Rates & Taxes	98.46	181.80
Insurance charges	673.03	595.88
Electricity & Water charges	421.21	471.62
Printing & Stationery	218.06	221.58
Postage & Telephone Expenses	390.42	407.67
Vehicle Running & Maintenance Expenses	381.03	409.01
Lease Rent -Vehicles	-	379.63
Conveyance & Travelling Expenses	3595.43	3948.87
Repair & Maintenance :		
- Building	843.43	749.09
- Others	1895.84	2014.57
Legal & Professional Charges	1460.42	1618.37
Directors' sitting fees	26.50	29.00
General Expenses	3180.62	2568.49
Commission on Sales	332.35	296.85
Advertisement & Publicity	659.75	734.72
Entertainment Expenses	453.54	426.99
Charity & Donation	19.27	25.61
Corporate Social Responsibility Expenditure	68.90	36.25
Donation to Political Party	-	1000.00
Freight & Forwarding charges	7953.59	7656.66
Property, Plant & Equipment written Off	1.57	12.24
Loss on Sale of Property, Plant & Equipment (Net)	22.77	141.68
Loss on Sale of Right to Use Assets	1.19	-
Allowance for bad and doubtful Trade Receivables	960.11	298.74

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	For the Year Ended 31.03.2020	(Rs. in Lacs) For the Year Ended 31.03.2019
Amount utilized from allowance for bad and doubtful Trade Receivables	(61.36)	-
Sundry Debit Balances/Bad Debts written off	2,731.72	106.51
Quality Claims	488.64	326.26
TOTAL (B) :	27425.17	25663.21
TOTAL : (A+B)	67455.18	65394.90
Additional Disclosure in respect of Investment Properties, that generated rental income;		
Rent	-	10.97
Insurance	3.16	7.18
Repair & Maintenance :		
- Building	17.64	8.05
Finance Cost on Lease Liabilities	1.96	-
Amortization of Right to Use Assets	0.28	-
	23.04	26.20

32: EXPENSES ALLOCATED TO SELF CONSTRUCTED ASSETS

Cost of Material Consumed	353.59	1611.30
Employee Benefits Expense	449.82	810.37
Depreciation and amortisation expense	92.89	211.56
Other Expenses	247.39	463.24
TOTAL :	1143.69	3096.47

	As At 31.03.2020	(Rs.in Lacs) As At 31.03.2019
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.	5435.79	5966.27
ii) Show cause notice / demands of Goods & Service Tax (GST) Authorities in respect of GST not acknowledged by the Company and are contested / appealed / replied.	17.93	12.60
iii) Additional demands raised by the Income Tax Department, which are under rectification & appeal	1129.48	953.46
iv) Additional demands raised by the Sales Tax Department, which are under rectification & appeal	1397.96	1448.12
v) Demand raised by PF authority for alleged lower contribution of PF and is under appeal	-	27.73
vi) Amount demanded by the erstwhile workers of the Company and are pending in labour Court	15.92	13.82
vii) Claims against the Company/disputed liabilities not acknowledged as debt.	439.90	108.84
viii) Demand raised by the Concerned Development corporation on surrender of unutilised Industrial Leasehold Land.	62.69	62.69
ix) Demands raised by the Electricity Departments, which are paid and protested or under appeal	509.52	509.52

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

		(Rs.in Lacs)	
		As At 31.03.2020	As At 31.03.2019
B	i) Guarantees issued by Banks	2763.62	2656.51
	ii) Corporate Guarantees issued for facilities taken by foreign subsidiaries / step down subsidiaries from Banks	77498.90	79754.19
	iii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes	28907.50	33759.71
	iv) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	8233.30	12914.97
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
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35: DISCLOSURES FOR LEASES AS PER IND AS -116 ON "LEASES"

The following disclosures are made in respect of leases as required under Ind AS-116 on "Leases",

		(Rs.in Lacs)	
		Current Year	Previous Year
		Note No.	
i)	Depreciation Charge on Right to Use Assets	2D	872.53
ii)	Interest Expense on Lease Liabilities	30	261.92
iii)	Short Term Leases	31B	597.78
iv)	Low Value Leases	31B	10.90
v)	Variable Lease Payments		-
vi)	Total Cash Outflows on Right to Use Assets		1023.12
vii)	Additions to Right to Use Assets	2D	3201.94
viii)	Carryig amount of Right to Use Assets	2D	2311.79

36: INFORMATION IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE REQUIRED TO BE SPENT BY THE COMPANY:

		(Rs. in Lacs)	
		Current Year	Previous Year
a	Gross Amount required to be spent by the Company during the Year	279.91	363.26
b	Amount spent during the year on:		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purpose other than (i) above	68.90	36.25

37: AUDITORS REMUNERATION, AS INCLUDED IN "LEGAL & PROFESSIONAL CHARGES" UNDER NOTE NO."31(B)", IS AS UNDER:-

		(Rs. in Lacs)	
		Current Year	Previous Year
a)	Audit Fees	132.00	120.00
b)	Taxation Matters	37.00	35.00
c)	Other Services	35.02	36.11
d)	Out of Pocket Expenses	7.71	4.12

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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:

	(Rs. In Lacs)	
	Current Year	Previous Year
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	4268.72	3630.02
Current Service cost	428.68	399.55
Past Service Cost	-	-
Interest cost	329.39	272.06
Actuarial (gain) / loss due to unexpected experience	776.88	328.81
Benefits paid	(499.11)	(361.72)
Obligations at period end	5304.56	4268.72
b. Reconciliation of opening and closing balances of fair value assets		
Plan assets at period beginning, at fair value	3643.39	3701.47
Interest Income	281.14	277.41
Return on Plan Assets excluding Interest Income	(141.46)	26.23
Contributions	1030.74	-
Benefits paid	(499.11)	(361.72)
Plan assets at period end, at fair value	4314.70	3643.39
c. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	5304.56	4268.72
Fair value of plan assets at the end of the period	(4314.70)	(3643.39)
Liability/ (Asset) recognized in the balance sheet	989.86	625.33
d. Gratuity cost for the period		
Current Service cost	428.68	399.55
Past Service cost	-	-
Interest cost	329.39	272.06
Expected return on plan assets	(281.14)	(277.41)
Net Gratuity Cost recognised in Statement of Profit & Loss	476.93	394.20
e. Remeasurement (gains) and losses		
Actuarial (gain) / loss due to unexpected experience	776.88	328.81
Return on Plan assets, excluding interest income	141.46	(26.23)
Net Gratuity Cost recognised in Statement of Other Comprehensive Income	918.34	302.58
Assumptions		
Interest rate	6.8% P.A.	7.7% P.A.
Estimated rate of return on plan assets	6.8% P.A.	7.7% P.A.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 2020. The company is expected to contribute Rs. 1461.42 lacs to defined benefits plan obligations fund for the year ending 31st March 2021.

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.196.73 Lacs (increase by Rs.210.97 Lacs) as at 31st March 2020.

If the expected salary growth increases /(decreases) by 0.5%, the defined benefit plan obligations would increase by Rs.210.27 Lacs (decrease by Rs.197.16 Lacs) as at 31st March 2020.

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:

	<u>Current Year</u>	<u>Previous Year</u>
	(Rs. In Lacs)	
a.Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	1869.64	1518.52
Service cost	176.77	249.62
Interest cost	144.27	113.81
Actuarial (gain) / loss	810.92	476.06
Benefits paid	(520.65)	(488.37)
Obligations at period end	2480.95	1869.64
b.Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	2480.95	1869.64
Liability recognized in the balance sheet	2480.95	1869.64
c.Leave Encashment cost for the period		
Service cost	176.77	249.62
Interest cost	144.27	113.81
Actuarial (gain) / loss	810.92	476.06
Net Leave Encashment cost for the period	1131.96	839.49
Assumptions		
Interest rate	6.8% P.A.	7.7% P.A.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

39: BALANCES OF SOME OF THE PARTIES ARE SUBJECT TO RECONCILIATION & CONFIRMATIONS.

40: PREVIOUS YEAR FIGURES HAVE BEEN RECASTED / REGROUPED/ RECLASSIFIED, WHEREVER CONSIDERED NECESSARY.

41: The outbreak of coronavirus disease 2019 (COVID-19) has created an unprecedented global health crisis that has a deep impact on the businesses and economy. Uflex operates in multiple countries across the globe – both in terms of its manufacturing operations and the markets for its products and all these countries had imposed lockdowns of varying types aimed at containing the spread of the virus. Given that Uflex business is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used in food and Pharma packaging, all out efforts were being made by all countries to ensure the adequate supply of food and medicines to the public, which was made possible only due to seamless continued operations of packaging industry. While Uflex did face initial administrative and supply chain challenges in some countries during initial lockdown period but there was no impact on its overall production and sales volumes during the quarter, which grew in Q4 over the sequential quarter. While Uflex believes that its business will continue to remain unscathed by the pandemic as it continues to witness higher demand for its products globally so far in FY 2020-21, there could be uncertainties in the future due to underlying developments w.r.t COVID 19, which are difficult to predict.

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)	14326.57	5166.14
(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.)	19.84	7.15
(b) Diluted (A/B(ii)) (Rs.)	19.84	7.15

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 2020

Particulars	(Rs. in Lacs)			Total
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	
Revenue from				
- External Customers	384914.69	22170.70	(114.29)	406971.10
- Transaction with other operating segments	-	4088.48	-	4088.48
Total Revenue	384914.69	26259.18	(114.29)	411059.58
Identifiable operating expenses	(320609.46)	(21336.80)	(11647.71)	(353593.97)
Less: Cost of Intersegment Revenue	(2790.77)	-	(1297.71)	(4088.48)

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Particulars				(Rs. in Lacs)
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Operating Profit	61514.46	4922.38	(13059.71)	53377.13
Other Income				8264.81
EBIDTA				61641.94
Depreciation & Amortization Expenses				(26136.24)
EBITA				35505.70
Finance Cost				(17289.14)
Profit before Tax				18216.56
Tax expenses				(3889.99)
Net Profit				14326.57
Segment Assets	334209.83	46815.00	61001.89	442026.72
Segment Liabilities	69889.98	44318.92	101858.10	216067.00

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)
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

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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.(upto 3/10/2019), USC Holograms (P) Ltd. and Flex Chemicals (P) Ltd.
- ii) **Fellow Subsidiaries** : Flex Films Europa Sp. z.o.o, Flex P Films (Egypt) S.A.E., UPET (Singapore) PTE. Ltd., Flex Americas S.A. de C.V., SD Buildwell Pvt.Ltd.(upto 03/10/2019), 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) & Digicyl Ltd. (Israel) being Wholly owned subsidiary of Digicyl Pte. Ltd. (Singapore)
- v) **Key Management Personnel & their relatives/ HUF** : 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, Wholetime Director, Mr. Rajesh Bhatia, CFO and Mr. Ajay Krishna, Company Secretary.
- vi) **Other Related Enterprises** : AKC Retailers Pvt. Ltd., Anshika Investments Pvt. Ltd., Anant Overseast 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, Reflex Energy (Rajasthan) Pvt. Ltd., Bundelkhand Projects Pvt. Ltd., Afflatus Gravures Pvt. Ltd., Afflatus Graphics Pvt. Ltd., RCMT Clothings Pvt. Ltd., Mansarovar Hotels Pvt. Ltd., Sigma Resorts & Hospitality Pvt. Ltd., 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)	14318.30	501.98	33.97	-	-	7905.22	22759.47
	15756.93	183.06	34.53	-	-	5226.94	21201.46
Purchase of Goods/Services (Net)	-	737.54	-	-	-	26033.64	26771.18
	-	159.09	-	-	-	27770.51	27929.60
Royalty	-	-	-	-	85.00	-	85.00
	-	-	-	-	225.00	-	225.00
Purchase of Fixed Assets	0.87	-	-	-	-	365.31	366.18
	-	-	-	-	-	728.15	728.15
Sale of Fixed Assets	-	1.17	7.13	-	-	3.34	11.64
	-	-	-	-	-	-	-
Dividend Income	-	-	58.70	-	-	-	58.70

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(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
	379.09	-	-	-	-	-	379.09
Purchase of DEPB Licence	-	-	55.09	-	-	-	55.09
	-	-	52.80	-	-	-	52.80
Technical Fees received	1436.00	723.38	-	-	-	-	2159.38
	-	5028.69	-	-	-	-	5,028.69
Licence & Support fees Received	74.03	344.92	-	-	-	-	418.95
	71.27	340.54	-	-	-	-	411.81
Rent Received	-	-	9.00	-	48.05	24.08	81.13
	-	-	9.00	-	48.00	23.78	80.78
Rent Paid	-	-	-	-	240.00	71.64	311.64
	-	-	-	-	238.05	422.56	660.61
Security Deposit Received	-	-	-	-	-	-	-
	-	-	-	-	-	0.60	0.60
Security Deposit Paid	-	-	-	-	100.00	-	100.00
	-	-	-	-	-	-	-
Refund of Security Deposit Given	-	-	-	-	100.00	-	100.00
	-	-	-	-	-	40.00	40.00
Interest Paid on Loans	-	-	5.47	-	-	171.33	176.80
	27.84	35.80	-	-	-	82.13	145.77
Interest Received on Loans	137.80	-	-	3.68	-	-	141.48
	46.40	-	-	1.41	-	-	47.81
Commission Received on extension of Corporate Guarantee	-	159.71	-	-	-	-	159.71
	-	201.13	-	-	-	-	201.13
Remuneration *	-	-	-	-	1243.18	-	1243.18
	-	-	-	-	979.71	-	979.71
Commission Paid	14.36	-	-	-	-	-	14.36
	-	10.40	-	-	-	-	10.40
ii) Non Trade Transactions							
Investment in Shares	4464.10	-	-	-	-	-	4464.10
	338.08	-	-	-	-	-	338.08
Repayment of Lease Liabilities	-	-	-	-	-	345.81	345.81
	-	-	-	-	-	-	-
Sale of Investments	2152.80	-	-	-	-	-	2152.80
	-	-	-	-	-	-	-

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(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
Dividend Paid	-	-	-	-	46.43	589.25	635.68
	-	-	-	-	46.43	589.25	635.68
Loan Taken	-	-	100.00	-	-	100.00	200.00
	530.00	550.00	-	-	-	1680.00	2760.00
Repayment of Loan Taken	-	-	-	-	-	125.00	125.00
	530.00	550.00	-	-	-	330.00	1410.00
Loan Given	640.00	-	-	-	-	-	640.00
	1251.00	-	-	54.75	-	-	1305.75
Recovery of Loan Given	-	-	-	-	-	-	-
	1125.00	-	-	-	-	-	1125.00
Total	23238.26	2468.70	269.36	3.68	1862.66	35734.62	63577.28
	20055.61	7058.71	96.33	56.16	1537.19	36893.92	65697.92
Balance as on 31.03.2020							
Debit	6553.39	663.72	8.41	61.76	-	5796.26	13083.54
	10418.81	2031.03	9.15	53.29	-	1957.18	14469.46
Credit	1417.98	672.40	104.93	-	45.29	15151.54	17392.14
	16.87	190.76	-	-	51.00	11926.47	12185.10

Previous Year figures have been given in Italic.

*Includes

	Current Year	Previous Year
Salary	1200.63	937.90
Perquisites	35.82	33.04
Short Term Employees Benefits	6.73	8.77
Total	1243.18	979.71

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).

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	1251.00	Renewal of General Corporate Purpose Loan Provided to the Company.
	USC Holograms Pvt Ltd	640.00	General Corporate Purpose
	Digicyl Pte. Ltd., Singapore	56.54	Renewal of General Corporate Purpose Loan Provided to the Company.
B	Investments Made		
	Uflex Europe Ltd.	4464.10	Conversion of Outstanding Export Recivables into Equity Investment.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

S. No.	Name of the Company	Amount (Rs in Lacs)	Purpose of the Loan
	Montage Enterprises Pvt. Ltd.	15250.00	Acquisition of 7.5% Cumulative Redeemable Non Participative Preference Shares on transfer of Equity Investment in its Subsidiary i.e. UTECH Developers Limited.
C	Guarantees Given		
	Flex Films Afirca Pvt. Ltd., Nigeria	31974.30	Corporate Guarantees for Term Loan Facilities availed by the Step down subsidiary Flex Films Africa Pvt. Ltd from Banks.
D	Securities Provided		
	Flex Middle East FZE, Dubai	3492.18	Pledge on 17 Equity Shares of AED 1 Million each of Flex Middle East FZE has been created by the Company in favour of Commercial Bank of Dubai (CBD) for providing loan facilities to Flex Middle East FZE by them.

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	6711.74	-	-	6711.74
	PY	8526.65	-	-	8526.65
Investments					
Equity and other securities	CY	46040.38	-	145.56	46185.94
	PY	37012.53	-	434.06	37446.59
Trade Receivables	CY	111443.37	-	-	111443.37
	PY	118795.59	-	-	118795.59
Loans	CY	3526.09	-	-	3526.09
	PY	3151.70	-	-	3151.70
Other financial assets	CY	321.07	-	-	321.07
	PY	220.02	-	-	220.02
Total	CY	168042.65	-	145.56	168188.21
	PY	167706.49	-	434.06	168140.55
Liabilities					
Trade payables	CY	63687.17	-	-	63687.17
	PY	63768.59	-	-	63768.59
Other financial liabilities	CY	19529.94	-	-	19529.94
	PY	33999.81	-	-	33999.81
Borrowings (less cumulative amortisation using effective interest method)	CY	110491.21	-	-	110491.21
	PY	113368.16	-	-	113368.16
Lease Liabilities	CY	2424.31	-	-	2424.31
	PY	-	-	-	-
Total	CY	196132.63	-	-	196132.63
	PY	211136.56	-	-	211136.56

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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	145.56	145.56	-	-
	PY	434.06	434.06	-	-
Investment in Preference Shares	CY	15250.00	-	-	15250.00
	PY	-	-	-	-

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	18%	22%
Revenue from Top Five Customers	29%	33%

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.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Liquidity Risk

Liquidity Risk arises when the company is unable to meet its short term financial obligations as and when they fall due.

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 2020	Due within 12 months from Balance sheet Date	(Rs. in Lacs)
			Due beyond 12 months of Balance Sheet Date
Borrowings	121435.34	57763.91	63671.43
Lease Liabilities	2424.31	795.12	1629.19
Trade payables			
Total outstanding dues of Micro, Small & Medium enterprises	989.55	989.55	-
Total outstanding dues of creditors other than Micro, Small & Medium enterprises	62697.62	62697.62	-
Other Financial Liabilities	8585.81	7329.23	1256.58

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 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 with is subjected to the change in the interest rate is of Rs. 107491.00 lacs out of the total debt of Rs. 121435.34 Lacs.

Based on the Structure of the debt as at year end, one percentage point increase in the interest rate would cause an additional expense in the net financing cost of Rs. 1074.91 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	Previous Year
USD	7849.07	3647.56	8597.8	15129.19
Euro	1997.38	4747.13	926.09	1826.32
GBP	907.83	2725.95	162.15	3.50

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 2020

Currency	(Rs. in Lacs)	
	Effect on Profit before tax	
	Current Year	Previous Year
Closing USD Rate (in Rs.P.)	75.39	69.17
Closing Euro Rate (in Rs.P.)	83.05	77.70
Closing GBP Rate (in Rs.P.)	93.08	90.48
5% appreciation (Rs.in lacs)	53.41	(291.92)
5% depreciation (Rs.in lacs)	(53.41)	291.92

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

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, 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), UTech Developers Ltd.(upto October 03, 2019) and SD Buildwell (P) Ltd. (upto October 03, 2019) {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) & Digicyl Ltd. (Israel), being Wholly owned Subsidiary of Digicyl Pte. Ltd. (Singapore), comprising of the Consolidated Balance Sheet as at March 31, 2020, 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, as amended ('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 their Consolidated state of affairs of the Group, its Associate and Jointly Controlled Entities, as at March 31, 2020, 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 of the Consolidated Financial Statements 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, its Associate and Jointly Controlled Entities 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
<p>Impact of COVID-19 on Consolidated Financial Statements and audit procedures</p> <p>The outbreak of Coronavirus disease 2019 (COVID-2019) has created an unprecedented global health crisis that has deep impact on the businesses and economy. After COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization on February 11, 2020, Governments in several countries, including Indian Government, have imposed stringent lockdown and restrictions, which has led to significant, adverse changes in</p>	<p>The Group's plant manufacturing facilities largely remained operative during the lockdown, as the major business of the Group is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used for essential categories, like, food and pharma packaging; however despite restrictions on travel, meetings and access to various locations of the Group, we could obtain required audit evidences, as besides normal audit procedures, we also conducted alternative/ additional audit procedures, to assess the material impact of COVID19 on the Consolidated Financial Statements, if any and ensure fairness in reporting, which was not limited to following, in respect of the Holding Company and an Indian Subsidiary audited by us:</p>

Key Audit Matter	Auditor's Response
<p>macroeconomic conditions – constraints on supply chain, sourcing of inputs and workforce availability. Hence audit is concerned that whether this has material impact on the Consolidated Financial Statements of the Group and also fairness in reporting.</p>	<ul style="list-style-type: none"> For Accounts Receivables: Evaluated the design and implementation of process and internal controls laid down by the Holding Company for booking of revenue and tested the operating effectiveness of the aforesaid controls including examination of shipping documentations/E-Way Bills and sales near the end period and subsequent realisations; For Accounts Payables: Evaluated the design and implementation of process and internal controls laid down by the Holding Company for booking of purchase and expenses and tested the operating effectiveness of the aforesaid controls including examination of Goods Inward Note, remittances made, etc.; and For Inventory: Evaluated the design and implementation of process and internal controls laid down by the Holding Company for valuation of Raw Material, WIP and Finished goods at lower of cost based or net realizable value and also tested the operating effectiveness of the aforesaid controls and ensuring physical verification of the inventory has been carried as per the process laid down by the Holding Company. Net Realisable Value of finished goods and work-in-progress, has been verified with the customers contracts, where applicable or subsequent selling price/realisation. <p>In respect of Components (Subsidiary Companies) not audited by us, we have received the confirmation from Auditors of respective Material Components that COVID19 has no material impact on the Financial Reporting of these Components.</p> <p>Definitive assessment of the impact in the subsequent period for the Group is highly dependent upon circumstances as they evolve.</p>
<p>Adoption of Ind AS 116 on 'Leases'</p> <p>Effective 1st April, 2019, Ind AS 116 replaces the existing standard Ind AS 17 and specifies how the Group will recognise, measure, present and disclose leases.</p> <p>The standard provides a single lease accounting model, requiring lessees to recognise a right of use asset ("ROU asset") and a corresponding liability on the lease commencement date. It provides exemption for leases with lease term of 12 months or less or where the underlying asset has a low value.</p> <p>The Group has applied Ind AS 116, using the modified retrospective method. We considered the first-time application of the standard as a key audit matter due to the judgements needed in establishing the underlying key assumptions.</p>	<p>Our procedures included the following:</p> <p>Assessing the accounting regarding leases with reference to consistency with the definitions of Ind AS 116. This includes factors such as lease term, discount rate and measurement principles;</p> <p>Testing completeness of the lease data as at April 01, 2019 by reconciling the Group's operating lease commitments to the underlying data used in computing the ROU asset and Lease liability;</p> <p>Assessing the transition to Ind AS 116 by verifying consistency with the definitions and practical expedients of Ind AS 116;</p> <p>Examining the Group's judgement in establishing the underlying assumptions. This includes assessing the discount rate used in determining the lease liability.</p> <p>Ensuring the necessary disclosures in the Consolidated Financial Statements.</p>

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 Holding Company's Annual Report, but does not include the Standalone and Consolidated Financial Statements and our auditor's reports 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 is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the Consolidated financial position, Consolidated financial performance, including Other Comprehensive Income, Consolidated Changes in Equity 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 Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group, 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, Associate and Jointly Controlled Entities 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 Consolidated 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, 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 respective managements either intends to liquidate the Group, Associate and or Jointly Controlled Entities 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 also 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 Act, we are also responsible for expressing our opinion on whether the Holding Company, an Indian Subsidiary Company and an Indian Associate 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, 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, its Associate and or 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, 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 the entity 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 the other entity 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 one Indian Subsidiary, viz. USC Holograms (P) Ltd. . We did not audit the financial statements of balance 13 subsidiaries as at March 31, 2020, 2 Indian Subsidiaries, which ceased to be part of the Group, from October 03, 2019 and 2 Jointly Controlled Entities, whose financial statements reflect total assets of Rs. 633,754.84 Lacs as at March 31, 2020, total revenues of Rs. 401,099.33 Lacs and net cash inflows amounting to Rs. 18,261.27 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. 320.12 lacs and negative Other Comprehensive Income of Rs. 12.74 lacs, for the year ended March 31, 2020, as considered in the Consolidated Financial Statements, in respect of the 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 the 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 the 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received, as on March 31, 2020, from the directors of the Holding Company & an Indian Subsidiary Company audited by us & taken on record by their respective Board of Directors and the report of the statutory auditors of the Indian Associate Company, not audited by us, none of the directors of the Holding Company, concerned Subsidiary Company & such Associate Company, is disqualified as on March 31, 2020, 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 :

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, its Indian Subsidiary and its Indian Associate, to their 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, its Subsidiary Company and Associate Company, both incorporated in India and the operating effectiveness of such controls, refer to our separate report in the 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the Indian Subsidiary, the Indian Associate and Jointly Controlled Entities:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group, its Associate and Jointly Controlled Entities - Refer Note 33-IA, 33-IC and 33-II(i) to the Consolidated Financial Statements.
 - 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 Company, which is a company incorporated in India.

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

CA. Deepak Sehgal
Partner

Place : NOIDA
Date : 30th June, 2020

Membership No. 085391
UDIN: 20085391AAAAAH7199

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph (g) under “Report on Other Legal and Regulatory Requirements” section of our report of 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 Subsidiary and Associate, which are companies incorporated in India, as of and for the year ended March 31, 2020, we have audited/ reviewed the internal financial controls over financial reporting of Holding Company, its Indian Subsidiary, viz. USC Holograms (P) Ltd, and its Indian Associate, viz. Flex Foods Ltd. (the Holding Company, its Indian Subsidiary 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 their 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.

Auditor’s 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 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 auditor’s 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 auditor in terms of their report 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. The 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 assets of the Indian Enterprises 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 report of the other auditor, 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, 2020, 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 report 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 the Associate Company, which is the Company incorporated in India and not audited by us, is based on the report of its auditor.

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

CA. Deepak Sehgal
Partner
Membership No. 085391
UDIN: 20085391AAAAAH7199

Place : NOIDA
Date : 30th June, 2020

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Note No.	(Rs. in Lacs)	
		As At 31st March 2020	As At 31st March 2019
I ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	2A	371900.25	368969.25
b) Capital Work-in-Progress		200360.60	26063.49
c) Investment Property	2B	1341.67	1464.95
d) Goodwill	2C	0.00	0.20
e) Other Intangible assets	2C	3848.63	5470.49
f) Right of use assets	2D	3675.71	-
g) Intangible assets under development		388.11	20.30
h) Financial Assets			
i) Investments	3	18886.08	4164.88
ii) Loans	4	3465.42	6137.71
iii) Other Non-Current Financial Assets	5	983.09	1815.09
i) Other Non-Current Assets	6	28422.44	26411.05
Total Non-Current Assets		633272.00	440517.41
Current assets			
a) Inventories	7	85494.57	84354.04
b) Financial Assets			
i) Trade receivables	8	194735.63	204552.37
ii) Cash and cash equivalents	9A	33106.27	21252.02
iii) Bank Balances other than (ii) above	9B	11247.17	7561.69
iv) Loans	10	3102.46	54.30
v) Other Financial Assets	11	296.71	7866.23
c) Other Current Assets	12	39398.09	29805.32
Total Current Assets		367380.90	355445.97
TOTAL ASSETS		1000652.90	795963.38
II EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	7221.15	7221.15
b) Other Equity	14	462489.67	423212.22
Total Equity		469710.82	430433.37
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	245114.01	87636.68
ii) Lease Liabilities		2586.28	-
iii) Other Financial Liabilities	16	1881.91	1117.49
b) Provisions	17	2842.02	2482.35
c) Deferred tax liabilities (Net)	18	18729.88	17895.08
Total Non-Current Liabilities		271154.10	109131.60
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	19	92051.33	87584.12
ii) Lease Liabilities		953.70	-
iii) Trade payables	20		
- Total outstanding dues of Micro, Small & medium enterprises		989.55	778.94
- Total outstanding dues of creditors other than Micro, Small & medium enterprises		104258.12	104851.12
iv) Other Financial Liabilities	21	43162.70	48345.94
b) Other current liabilities	22	8705.28	10086.37
c) Provisions	23	2535.64	2140.99
d) Current Tax Liabilities (Net)	24	7131.66	2610.93
Total Current Liabilities		259787.98	256398.41
TOTAL EQUITY AND LIABILITIES		1000652.90	795963.38

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Note No.	(Rs. in Lacs)	
		For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
INCOME:			
Revenue from Operations			
Gross Revenue from Sale of Products & Services	25 (A)	768503.73	819372.32
Less : Inter unit Sales of Products & Services		41547.69	42820.65
Net Revenue from Sale of Products & Services		726956.04	776551.67
Other Operating Income	25 (B)	13528.24	19170.53
Revenue from Operations		740484.28	795722.20
Other Income	26	2846.84	2070.82
Share in Profit of the Associate for the Year		320.12	520.21
Share in (Loss) of Joint Venture for the Year		(488.98)	(833.15)
Total Income		743162.26	797480.08
EXPENSES:			
Cost of materials consumed	27	429465.41	489767.88
Purchase of Stock-in-Trade		966.77	1335.10
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(4792.98)	(3304.75)
Employee benefits expense	29	72558.72	67051.58
Finance costs	30	22478.97	21792.90
Depreciation and amortization expense		40319.41	38085.21
Other expenses	31	135608.95	144973.41
Expenses Allocated to Self Constructed Assets	32	(1528.52)	(3096.47)
Total Expenses		695076.73	756604.86
Profit before tax		48085.53	40875.22
Less / (Add) : Tax expense:			
- Current tax		10170.03	5041.79
- Deferred tax		818.12	4580.06
- Short / (Excess) Provision of Income Tax for earlier years		9.94	(268.11)
Profit for the year before Minority Interest		37087.44	31521.48
Non Controlling Interest		(105.64)	(137.90)
Profit for the year		36981.80	31383.58
Other Comprehensive Income			
a. Items that will be reclassified subsequently to Profit or Loss			
Exchange Difference on translation of foreign operations		5072.76	3432.00
b. Items that will not be reclassified subsequently to Profit or Loss			
Remeasurement of the net defined benefit liability / asset		(918.34)	(302.58)
Fair Value Changes/ Realised of / on Equity Instruments		(288.50)	(45.42)
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)		(12.74)	(15.56)
Total (b)		(1219.58)	(740.56)
Total Other Comprehensive Income for the year (a+b)		3853.18	2691.44
Total Comprehensive Income for the Year		40940.62	34212.92
Total Comprehensive Income for the Year attributable to:			
- Owners of the Holding Company		40834.98	34075.02
- Non-Controlling Interest		105.64	137.90
Earning Per Equity Share			
a) Basic (Rs.)		51.21	43.46
b) Diluted (Rs.)		51.21	43.46

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Other Equity										Total	Total Attributable to Owners of the Company	Attributable to Non Controlling Interest	
	Equity Share Capital		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 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	-	(302.58)		(15.56)	2691.44	2691.44	-
Dividend Paid (Including Dividend Distribution Tax)												(1741.10)	(1741.10)	-
Profit for the Year						31521.48						31521.48	31383.58	137.90
Amount transferred to General Reserve & Legal Reserve						(875.72)						(875.72)	(875.72)	-
Amount Transferred from Retained Earnings				304.41	571.31							875.72	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	57110.63	21496.73	2706.57	306738.80	(2265.20)	36954.93	(9,525.32)	(532.02)	(32.71)	430431.45	429805.05	626.40
Balance as at 1st April 2019	7221.15	10557.89	57110.63	21496.73	2706.57	306738.80	(2265.20)	36954.93	(9,525.32)	(532.02)	(32.71)	430431.45	429805.05	626.40
Total Other Comprehensive Income for the Year (Net of Tax)							(288.50)	5072.76	0.00	(918.34)	(12.74)	3853.18	3853.18	-
Dividend Paid (Including Dividend Distribution Tax)												(1663.17)	(1663.17)	-
Profit for the Year						37087.44						37087.44	36981.80	105.64

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020 (Contd.)

Particulars	Other Equity										Total	Total Attributable to Owners of the Company	Attributable to Non Controlling Interest	
	Equity Share Capital		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)				
Amount transferred to General Reserve & Legal Reserve					(1154.03)							(1154.03)	(1154.03)	-
Amount Transferred from Retained Earnings			279.75	874.28								1154.03	1154.03	-
Capital Reserve transferred to Retained Earnings on Sale of Investment in Subsidiaries (Net of Tax)	(180.13)				180.13									-
Balance as at 31st March 2020	7221.15	10377.76	57110.63	21776.48	341189.17	(2553.70)	42027.69	(9525.32)	(1450.36)	(45.45)		469708.90	468976.86	732.04

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

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	(Rs.in lacs)	
	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	48085.53	40875.22
Adjustment for :		
Remeasurement of the net defined benefit liability / asset	(918.34)	(302.58)
Share in Profit of the Associate for the Year	(320.12)	(520.21)
Share in (Profit) /Loss of the Joint Venture for the Year	488.98	833.15
Exchange differences on translation of foreign operations (net of adjustment to cost of Property, Plant & Equipment (PPE), Intangibles & Deferred Tax)	(2459.16)	(1830.67)
Depreciation & amortisation expense	40319.41	38085.21
Exchange rate fluctuations (Net)	(1641.14)	898.83
Loss on Sale of Property, Plant & Equipment (Net)	23.04	141.87
Property, Plant & Equipments written Off	1.57	12.24
Gain on sale of Investment Property	(10.19)	-
Loss on sale of Right to Use Assets	1.19	-
Finance Cost	22478.97	21792.90
Interest received from Banks / others	(794.11)	(890.55)
Rent Received	(919.52)	(862.47)
Dividend received on Investments carried at Fair value through other comprehensive income	(3.43)	(10.85)
Gain on sale of Investments (Net)	(541.72)	(12.53)
Sundry Credit Balances written Back	(104.62)	(5,077.33)
Allowance for Doubtful Trade Receivables Written Back	(61.36)	(43.76)
Goodwill Written Off	0.20	-
Allowance for bad and doubtful Trade receivables	1321.93	851.25
Allowance for bad and doubtful Advance recoverable	-	1,000.00
Sundry Debit Balances / Bad Debts written off	2730.32	4,086.10
Operating Profit before Working Capital changes	107677.43	99025.82
Adjustment for :		
Trade Receivables	4180.47	(12072.94)
Loans and Other financial assets and other assets	(24690.69)	(15948.48)
Inventories	(1140.53)	(4669.77)
Trade payables	2311.41	(9071.72)
Other financial liabilities, other liabilities and provisions	2012.32	3750.70
Cash generated from operations	90350.41	61013.61
Income Tax	(10179.97)	(4773.68)
Exchange rate fluctuations	1641.14	(898.83)
Cash from operating activities before exceptional items	81811.58	55341.10
Net Cash generated from operating activities (A)	81811.58	55341.10

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
(Rs.in lacs)		
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment (PPE) & Intangible assets	(218609.98)	(38536.48)
Sale proceeds of PPE & Intangibles etc.	10930.61	221.76
Investment in Joint Venture (Net)	-	(337.50)
(Outflow) / Inflow on Investments (Net)	(881.13)	4346.53
Income Tax on Sale of Investments	-	(377.00)
Loans to Employees & Others	3686.77	(1430.98)
Loan to Joint Venture	(4.66)	(51.88)
Interest received from Banks / others	794.11	890.55
Rent Received	919.52	862.47
Dividend received on Investments carried at Fair value through other comprehensive income	3.43	10.85
Net Cash used in Investing Activities (B)	(203161.33)	(34401.68)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1444.23)	(1444.23)
Dividend Distribution Tax	(218.94)	(296.87)
Lease Payments	(1,199.69)	-
Finance Cost	(22192.20)	(21792.90)
Borrowings (Net)	161944.54	(142.46)
Net Cash used in Financing Activities (C)	136889.48	(23676.46)
Net (Decrease) / Increase in Cash and Cash equivalents (A+B+C)	15539.73	(2737.04)
Cash and Cash equivalents		
Opening Cash and Cash equivalents	28813.71	31550.75
Closing Cash and Cash equivalents #	44353.44	28813.71

Includes Rs. 11247.17 lacs (Previous Year Rs. 7561.69 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.

Non- Cash Items

The Holding Company has transferred its entire Equity Shareholding in its Wholly Owned Subsidiary UTECH Developers Limited along with its subsidiary S.D. Buildwell Private Limited for Rs. 15250 Lacs in exchange of the allotment of 7.5% Cumulative, Non Participative, Redeemable Preference Shares of Rs 15250 Lacs.

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 2020

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 (upto 03/10/2019)	India	Subsidiary	100%
11	SD Buildwell Private Limited (upto 03/10/2019)	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 2020

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 to agents 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.

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 7 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 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.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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.

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, right to use assets and factory building, repair & maintenance on factory building, specific manufacturing expenses including specific payments & benefits to employees or net realizable value.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 statement of profit & loss) 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 statement of profit & loss 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.

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.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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.

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.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**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).

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.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**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

The Company's lease asset classes primarily consist of leases for land, properties on rent, equipment's and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. 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 Cash Generating Unit (CGU) to which the asset belongs.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the Group. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For Short Term Leases and leases for which underlying asset is of low value, Lease payments are recognize as an expenses on a straight line basis over a lease term.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease

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 2019, the Group has adopted Ind AS 116, Leases and applied the standard to all lease contracts existing as on 1st April 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application and Right to use assets as if the Standard has been applied since the commencement date, but discounted using the Group's incremental borrowing rate at the date of initial application. Comparative as at 31st March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policy on leases included as part of annual report for the Year ended 31st March 2019.

On transition, the adoption of the new standard resulted in recognition of Right to Use Asset (ROU) of Rs 3546.54 lacs and Lease liability of an equivalent amount. Further, assets having gross value of Rs. 376.95 lacs and accumulated amortization of Rs. 196.02 lacs has been reclassified as right to use asset. The effect of the adoption is insignificant on the Profit before tax, profit for the year and earning per share. Ind AS 116 has resulted into increase in cash inflows from operating activities and increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar class of underlying assets in a similar economic environment with a similar lease term.
2. Applied the exemption not to recognize ROU asset and lease liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the ROU asset as at the date of initial application.

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 2019.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020
2A PROPERTY, PLANT & EQUIPMENT

	Freehold Land	Lease Hold Land	Building	Plant & Equipment	Electrical Installations	Office Equipments	Furniture & Fixtures	Vehicles	Aircraft	Total
(Rs. in lacs)										
Gross Carrying Value										
As at 1st April 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	487.8	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
Additions During the Year	1908.67	17.13	9292.11	28994.30	1247.77	680.65	813.59	881.35	-	43835.57
Adjustments for Exchange Difference on translation	163.86	659.81	1778.54	8025.48	(76.71)	129.58	74.02	80.34	66.12	10901.04
Deductions During the Year	-	-	(297.97)	(26305.44)	(24.60)	(59.88)	(65.47)	(632.32)	-	(27385.68)
As at 31st March 2020	9412.64	23449.31	108164.59	488941.14	18443.68	9161.43	8882.53	5772.58	801.47	673029.37
DEPRECIATION / AMORTISATION										
As at 1st April 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	30632.6	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
Provided for the Year	-	361.48	3291.16	30999.19	978.75	775.26	544.93	625.75	37.64	37614.16
Adjustments for Exchange Difference on translation	-	53.98	406.55	2690.56	(110.99)	100.88	55.67	42.23	9.05	3247.93
Deductions During the Year	-	-	(79.88)	(15709.45)	(24.22)	(56.25)	(44.09)	(528.27)	-	(16442.16)
As at 31st March 2020	-	1390.91	26813.14	248722.06	8176.15	6957.15	6075.04	2874.45	120.22	301129.12
NET CARRYING VALUE										
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
As at 31st March 2020	9412.64	22058.40	81351.45	240219.08	10267.53	2204.28	2807.49	2898.13	681.25	371900.25

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

2B INVESTMENT PROPERTY

(Rs. in Lacs)

	Freehold Land	Leasehold Land	Building	Total
Gross Carrying Value				
As at 1st April 2018	8.57	275.83	4054.02	4338.42
Additions During the Year	-	-	-	-
Transfer from Property, Plant & Equipment	-	-	-	-
Deductions During the Year	-	-	-	-
As at 31st March 2019	8.57	275.83	4054.02	4338.42
Additions During the Year	-	-	-	-
Deductions During the Year	-	(1.88)	-	(1.88)
As at 31st March 2020	8.57	273.95	4054.02	4336.54
DEPRECIATION / AMORTISATION				
As at 1st April 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
Provided for the Year	-	3.46	118.02	121.48
Deductions During the Year	-	(0.08)	-	(0.08)
As at 31st March 2020	-	14.07	2980.80	2994.87
NET CARRYING VALUE				
As at 31st March 2019	8.57	265.14	1191.24	1464.95
As at 31st March 2020	8.57	259.88	1073.22	1341.67

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 12843.88 Lacs (Previous Year Rs.12248.68 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 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
Additions During the Year	-	30.91	-	55.82	20.29	107.02
Adjustments for Exchange Difference on translation	-	4.05	-	197.92	-	201.97
Deductions During the Year	(0.20)	(3.51)	-	-	-	(3.71)
As at 31st March 2020	0.00	2437.09	639.56	5284.04	2666.90	11027.59
DEPRECIATION / AMORTISATION						
As at 1st April 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)

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	Goodwill	Software	Patent	Technical Know How		Total
				Internally Generated	Other Than Internally Generated	
						(Rs.in lacs)
As at 31st March 2019	-	1862.13	593.49	1715.93	1080.07	5251.62
Provided for the Year	-	271.56	29.22	1,025.70	472.46	1798.94
Adjustments for Exchange Difference on translation	-	3.85	-	128.06	-	131.91
Deductions During the Year	-	(3.51)	-	-	-	(3.51)
As at 31st March 2020	-	2134.03	622.71	2869.69	1552.53	7178.96
NET CARRYING VALUE						
As at 31st March 2019	0.20	543.51	46.07	3314.37	1566.54	5470.69
As at 31st March 2020	0.00	303.06	16.85	2414.35	1114.37	3848.63

2D RIGHT OF USE ASSETS

	Leasehold Land Premium	Rental Properties	Plant & equipment	Vehicles	Total	(Rs.in lacs)
Gross Carrying Value						
As at 1st April 2018	-	-	-	-	-	
Additions During the Year	-	-	-	-	-	
Adjustments for Exchange Difference on translation	-	-	-	-	-	
Deductions During the Year	-	-	-	-	-	
As at 31st March 2019	-	-	-	-	-	
Transition Period Recognition on 1st April 2019.	1776.97	1,158.22	307.33	680.97	3923.49	
Additions During the Year	-	560.08	-	362.71	922.79	
Adjustments for Exchange Difference on translation	33.90	-	-	-	33.90	
Deductions During the Year	-	-	-	(24.25)	(24.25)	
As at 31st March 2020	1810.87	1718.30	307.33	1019.43	4855.93	
DEPRECIATION / AMORTISATION						
As at 1st April 2018	-	-	-	-	-	
Provided for the Year	-	-	-	-	-	
Adjustments for Exchange Difference on translation	-	-	-	-	-	
Deductions During the Year	-	-	-	-	-	
As at 31st March 2019	-	-	-	-	-	
Transition Period Recognition on 1st April 2019.	196.02	-	-	-	196.02	
Provided for the Year	78.16	471.39	124.76	293.95	968.26	
Adjustments for Exchange Difference on translation	21.78	0.79	-	-	22.57	
Deductions During the Year	-	-	-	(6.63)	(6.63)	
As at 31st March 2020	295.96	472.18	124.76	287.32	1180.22	
NET CARRYING VALUE						
As at 31st March 2019	-	-	-	-	-	
As at 31st March 2020	1514.91	1246.12	182.57	732.11	3675.71	

Breakup of Depreciation and Amortisation charge for the Year:

	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Depreciation and Amortisation on:		
Property, Plant & Equipment	37614.16	36558.83
Investment Property	121.48	121.66
Other Intangible Assets	1798.94	1404.72
Right of use assets	968.26	-
	<u>40502.84</u>	<u>38085.21</u>

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020
3: INVESTMENTS

PARTICULARS	DESCRIP- TION	FACE VALUE	AS AT 31.03.2020		AS AT 31.03.2019	
			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 (Flex Foods Limited)						
Quoted						
Fully Paid Up						
IN SHARES						
Carrying Value of Investment				443.73		443.73
Add: Share in Post acquisition Profits / OCI				5352.18		5044.80
				5795.91		5488.53
Less: Dividend received upto the year end				(1320.76)		(1262.06)
Carrying Amount of Investment	Equity	Rs.10/-	5870000	4475.15	5870000	4226.47
Total -3(I)				4475.15		4226.47
II Measured at Cost / Carrying Value (Less Impairment, if any)						
Equity Instruments in Joint Venture (Digicyl Pte. Ltd, Singapore)						
Unquoted						
Fully Paid Up						
IN SHARES						
Carrying Value of Investment				337.50		337.50
Add: Share in Post acquisition (Loss) / OCI				(1322.13)		(833.15)
Carrying Amount of Investment	Equity	US\$1	500000	(984.63)	500000	(495.65)
Total -3(II)				(984.63)		(495.65)
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	20.94	589910	66.66
Kothari Products Ltd.	Equity	Rs.10/-	342900	117.61	342900	282.89
B.A.G.Films Ltd.	Equity	Rs.2/-	49300	0.89	49300	2.31
Reliance Infrastructure Ltd.	Equity	Rs.10/-	60000	6.12	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 -3(III)				145.56		434.06

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	DESCRIP- TION	FACE VALUE	AS AT 31.03.2020		AS AT 31.03.2019	
			NUMBER	AMOUNT (Rs.in lacs)	NUMBER	AMOUNT (Rs.in lacs)
IV Designated & Carried at Amortised Cost (Less Impairment, if any)						
Preference Shares						
Unquoted						
Fully Paid Up						
Montage Enterprises Private Limited	\$ Preference	Rs.100/-	15250000	15250.00		-
7.5% Cummulative, Non-Participative Redeemable Preference Shares						
Total -3(IV)				15250.00		-
TOTAL 3 (I+II+III+IV)				18886.08		4164.88
i) Aggregate amount of Quoted Investments				6862.24		6613.56
ii) Aggregate Market Value of Quoted Investments				1906.56		3870.94
iii) Aggregate amount of unquoted Investments				14577.54		(183.48)
iv) Aggregate amount of impairment in value of Investments						
- Quoted				2241.53		1953.03
- Unquoted				312.17		312.17
				2553.70		2265.20
v) Investment Carried at Cost				3490.52		3730.82
vi) Investment Carried at Fair Value through Other Comprehensive Income				145.56		434.06
vii) Investment Carried at Amortised Cost				15250.00		-

\$ These Preference Shares are redeemable at par in ten equal annual instalments commencing from the expiry of two years from the date of allotment viz 3rd October 2019 for 12505000 Preference Shares amounting to Rs. 12505 Lacs and 30th March 2020 for 2745000 Preference Shares amounting to Rs. 2745 Lacs.

	(Rs. in lacs)	
	As At 31.03.2020	As At 31.03.2019
4: LOANS		
(Unsecured, Considered Good)		
Security Deposits	3406.32	2579.00
Loans to :		
- Employees	109.57	151.34
- Related Parties	-	1370.00
- Others	-	2275.00
	109.57	3796.34
Less: Current Portion	50.47	237.63
TOTAL :	3465.42	6137.71

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As At 31.03.2020	(Rs. in lacs) As At 31.03.2019
5: OTHER NON-CURRENT FINANCIAL ASSETS		
Balance with bank in Fixed deposit Accounts for a period more than 12 months *	82.90	29.28
Balance in Debt Security Coverage Account with lender banks	900.19	1785.81
TOTAL :	983.09	1815.09
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
6: OTHER NON-CURRENT ASSETS		
Capital Advances	26590.56	24232.66
Deposit with Excise/ GST / Sales Tax Authorities	326.83	563.09
Deposits / Advances with Income Tax Authorities	1505.05	1615.30
TOTAL :	28422.44	26411.05
7: INVENTORIES		
Raw Materials	38395.77	36365.16
Work-in-Progress	20906.76	15067.96
Finished Goods	15325.41	16458.20
Traded Goods	-	5900.05
Material-in-Transit :		
- Raw Materials	3816.75	4892.14
- Raw Materials (Intra Group)	882.34	538.92
- Finished Goods (Intra Group)	2688.82	2596.31
Stores, Packing Material & Fuel	3478.72	2535.30
TOTAL :	85494.57	84354.04
8: TRADE RECEIVABLES		
Current- Unsecured		
Considered Good #	194735.63	204552.37
Having Significant increase in Credit Risk	3341.84	4027.50
Credit Impaired	2923.93	828.51
Trade Receivables	201001.40	209408.38
Less : Allowance for bad and doubtful debts	6265.77	4856.01
TOTAL :	194735.63	204552.37
# Includes due from :		
- Related Parties	5332.71	1946.90
Movements in allowance for bad and doubtful debts:		
Opening Balance	4856.01	3979.84
(+) Provision made during the year	1321.93	851.25
(+)(-)/Adjustment for Exchange Difference on Translation	149.19	68.68
(-) Amount utilised from provision	(61.36)	(43.76)
Closing Balance	6265.77	4856.01

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	(Rs. in lacs)	
	As At 31.03.2020	As At 31.03.2019
9: CASH & BANK BALANCES		
A) Cash & Cash Equivalents		
i) Cash on hand	121.36	58.61
ii) Balances with Banks:		
- In Current Accounts	17901.17	18007.13
- In EEFC Account	-	37.51
- In Cash Credits Accounts	125.48	2159.90
- In Fixed Deposits Accounts	14669.05	962.35
iii) Remittance in Transit	94.81	15.45
iv) Cheques on hand	194.40	11.07
Sub-Total (A)	33106.27	21252.02
B) Other Bank Balances		
- In Fixed Deposits Accounts*	10423.38	6880.35
- In Unclaimed Dividend Accounts	120.80	123.99
- In Margin Money Accounts	702.99	557.35
Sub-Total (B)	11247.17	7561.69
TOTAL (A+B):	44353.44	28813.71
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		

10: LOANS

(Unsecured, Considered Good)

Loans to Employees and others	6.08	2.42
Loans to a Joint Venture	56.54	51.88
Loans to Other Body Corporates	3039.84	-
TOTAL :	3102.46	54.30

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%	56.54	6.50%	51.88

11: OTHER FINANCIAL ASSETS

Current Portion of Long Terms Loans given	50.47	237.63
Advance against property	-	7283.80
Interest accrued on :		
- Loan to Others	77.68	50.28
- Loan to Joint Venture	5.22	1.41
- Loan to Related Parties	-	161.10
- Deposits with Banks	124.29	88.17
Other Receivables	39.05	43.84
TOTAL :	296.71	7866.23

12: OTHER CURRENT ASSETS

Advances recoverable	30271.39	21488.76
Advances recoverable from Related Parties	471.96	20.13
Advance recoverable from Joint Venture	76.37	73.44
Balances with Excise / GST/ VAT Authorities	8578.37	8222.99
TOTAL :	39398.09	29805.32

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 2020 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 2020 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 2018	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2019	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2020	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 2020		As at 31st March 2019	
	NUMBER	%	NUMBER	%
a) Promoter & Promoter Group	31784239	44.02	31784239	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	40427247	55.98
i) Institution	5183539	7.18	6050552	8.38
ii) Non- Institution	35243708	48.80	34376695	47.6
* 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
Vistra ITCL (India) Ltd.	6915878	9.58	-	-

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.1444.23 lacs (Previous Year Rs. 1741.10 Lacs) (Including the dividend distribution tax of Rs. NIL Lacs (Previous Year Rs. 296.87 Lacs)) for the financial year ended 31st March 2020 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 2020
(Rs. in lacs)
14: OTHER EQUITY

Particulars	Reserve and Surplus				Other Comprehensive Income					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		Share in aggregate Other Comprehensive Income of associate	Non Controlling Interest
Balance as at 01st April 2018	10557.89	57110.63	21192.32	2135.26	276209.56	(706.70)	33522.93	(9,525.32)	(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
Total Other Comprehensive Income for the Year (Net of Tax)						(288.50)	5072.76	-	(918.34)	(12.74)	-	3853.18
Dividend Paid Including Dividend Distribution Tax					(1663.17)							(1663.17)
Profit for the Year					36981.80						105.64	37087.44
Amount transferred to General Reserve & Legal Reserve					(1154.03)							(1154.03)
Amount Transferred from Statement of Profit & Loss			279.75	874.28								1154.03
Capital Reserve transferred to Retained Earnings on Sale of Investment in Subsidiaries (Net of Tax)	(180.13)				180.13							-
Balance as at 31st March 2020	10377.76	57110.63	21776.48	3580.85	340457.13	(2553.70)	42027.69	(9525.32)	(1450.36)	(45.45)	733.96	462489.67

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 arisen on consolidation of subsidiary has been transferred from Capital Reserve to Retained Earnings on disposal of the Subsidiary.

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. 1755.70 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. 1755.70 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. 1825.15 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	(Rs. in lacs)
	31.03.2020	As At
		31.03.2019
A. Secured		
Term Loans :		
From Banks	246999.53	97798.77
From a Financial Institution	11848.80	13841.28
	258848.33	111640.05
B. Vehicle Loans :		
From Banks	259.53	373.67
From Others	58.11	477.05
	317.64	850.72

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As At 31.03.2020	(Rs. in lacs) As At 31.03.2019
C. Unsecured		
From a Financial Institution ~	6100.07	7343.73
From Related Parties	250.00	-
From Bodies Corporate	1500.00	3089.20
	7850.07	10432.93
Sub- Total (A+B+C)	267016.04	122923.70
Less: Current portion	21902.03	35287.02
TOTAL :	245114.01	87636.68

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 31/03/2020	Current Portion	Long Repayment Terms Term
PART A: TERM LOANS					
IFCI Limited	a	15000.00	11873.00 <i>13873.00</i>	1500.00 <i>2000.00</i>	10373.00 <i>11873.00</i> 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	15633.85 <i>16112.44</i>	1666.67 <i>3333.33</i>	13967.18 <i>12779.11</i> Repayable in 24 Equal Quarterly Installments of Rs. 833.33 Lacs each commencing from Feb 2019.
Jammu & Kashmir Bank Ltd.	a	14930.00	14463.44 <i>14930.00</i>	933.12 <i>933.12</i>	13530.32 <i>13996.88</i> Repayable in 32 Equal Quarterly Installments of Rs. 466.56 Lacs each commencing from February 2020.
State Bank of India	a	25000.00	9460.81 <i>14044.14</i>	2916.67 <i>5000.00</i>	6544.14 <i>9044.14</i> 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	6249.81 <i>8215.21</i>	1250.67 <i>2144.00</i>	4999.14 <i>6071.21</i> Repayable in 82 installments, First installment is of Rs 535.71 lacs in Mar 2019 and rest in 81 Equal Monthly Installments of Rs 178.67 lacs each from Apr 2019. However installments are restricted to the extent of loan availed.
South Indian Bank	a	5000.00	3664.10 <i>4285.46</i>	535.80 <i>714.40</i>	3128.30 <i>3571.06</i> 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	1066.67 <i>2133.33</i>	1066.67 <i>1066.67</i>	- Repayable in 12 Equal Quarterly Installments of Rs 266.67 commencing from May 2018.
Oriental Bank of Commerce	a	5000.00	4285.25 <i>4999.54</i>	357.14 <i>714.28</i>	3928.11 <i>4285.26</i> Repayable in 28 Equal Quarterly Installments of Rs. 178.57 Lacs each commencing from Apr 2019.
Canara Bank-London (ECB Facility)	a	US \$ 23.175 Million	-	-	- 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
Emirates NBD- Egypt Location	d	Euro 3.20 Million	1,143.69 <i>-</i>	415.88 <i>-</i>	727.81 <i>-</i> Repayable in 12 equal quarterly installments of Euro 0.27 Million each commencing from February 2020.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(Rs. in Lacs, except where otherwise stated)

Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2020	Current Portion	Long Term	Repayment Terms
KFW IPEX Bank GMBH- Phase II Egypt Location	c	Euro 19.79 Million	-	-	-	Repayable in 17 equal consecutive semi-annual installments of Euro 1.16 Million each commencing from December 2011
			1697.11	1697.11		
QNB Alahi Bank - Egypt Location	d	Euro 40 Million	26058.86	0.00	26058.86	Repayable in 28 equal quarterly installments of Euro 1.43 Million each commencing from September 2021.
QNB Alahi Bank - Egypt Location	d	US \$ 15 Million	9156.39	0.00	9156.39	Repayable in 28 equal quarterly installments of US\$0.54 Million each commencing from September 2021.
QNB Alahi Bank - Egypt Location	d	US \$ 25 Million	3635.47	2423.65	1211.82	Repayable in 27 equal quarterly installments of US\$0.81 Million each commencing from January 2015.
			5559.22	2223.69	3335.53	
QNB Alahi Bank - Egypt Location	d	US \$ 3.90 Million	1395.37	1116.30	279.07	Repayable in 10 equal quarterly installments of US\$0.39 Million each commencing from January 2019.
			2303.99	1026.03	1277.96	
QNB Alahi Bank - Egypt Location	d	Euro 2.80 Million	1574.32	700.09	874.23	Repayable in 10 equal quarterly installments of Euro 0.28 Million each commencing from January 2020.
			199.54	-	199.54	
BBVA Bancomer SA, Mexico Location	e	US \$ 15 Million	9046.80	1507.80	7539.00	Repayable in 30 equal quarterly installments of US\$0.50 Million each commencing from Nov 2018.
			9683.80	1383.40	8300.40	
OLB Bank - Kentucky (USA) Location (Formerly KBC Bank)	f	Euro 18.17 Million	2665.30	1778.58	886.72	Repayable in 17 equal consecutive semi-annual installments of Euro 1.07 Million each commencing from July 2013
			4148.66	1659.37	2489.29	
PKO Bank Loan-Poland Location	g	Euro 60 Million	38,900.96	-	38,900.96	Repayable in 18 half yearly installments commencing on December 2021 and ending on June 2030.
			-	-	-	
CBD- Dubai Location	h	US\$ 30 Million	21,863.10	3,015.60	18,847.50	Repayable in 30 equal quarterly installments of US \$ 1.00 Million each commencing from February 2020.
			-	-	-	
Oldenburgische Landes Bank Aktiengesellschaft- Nigeria Location	j	Euro 22.89 Million	17,464.76	-	17,464.76	Repayable in 20 equal half yearly installments of Euro 1.14 Million each commencing from six months after readiness of operation.
			-	-	-	
Oldenburgische Landes Bank Aktiengesellschaft- Nigeria Location	i	Euro 8.50 Million	3,109.59	-	3,109.59	Repayable in 8 equal half yearly installments of Euro 1.06 Million each commencing from six months after readiness of operation.
			-	-	-	
First Bank of Nigeria- Nigeria Location	j	N 4.5 Billion	5,849.29	-	5,849.29	Repayable in 20 quarterly installments commencing from December 2021.
			-	-	-	
Union Bank- Nigeria Location	j	N 4.5 Billion	2,422.19	-	2,422.19	Repayable in 20 quarterly installments commencing from December 2021.
			-	-	-	
PKO Bank Loan-Hungary Location	k	Euro 45.85 Million	26,433.09	-	26,433.09	Repayable in 16 half yearly installments commencing from September 2021.
			-	-	-	
Unicredit Bank- Russia Location	l	US\$ 40 Millions	21,681.32	-	21,681.32	Repayable in 26 equal Quarterly Installments commencing from February 2022.
			-	-	-	
Less: Adjustment for Transaction Cost (Pending Amortisation)			249.08	84.54	164.54	
			350.24	122.84	227.40	
Sub Total (A)			258848.35	21100.10	237748.25	
Previous Year			111640.05	33577.41	78062.64	

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(Rs. in Lacs, except where otherwise stated)					
Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2020	Current Portion	Long Repayment Terms
PART B: VEHICLE LOANS					
Jammu & Kashmir Bank Ltd.	c	26.40	25.30	4.60	20.70 Repayable in 60 Equal Monthly Installments of Rs. 0.55 Lacs each commencing from January 2020 including interest amount.
Jammu & Kashmir Bank Ltd.	c	138.00	-	-	- 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	49.71	49.71	0.00 Repayable in 60 Equal Monthly Installments of Rs. 5.23 Lacs each commencing from January 2016 including interest amount.
HDFC Bank Limited	c	12.90	-	-	- 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	27.18	17.77	9.41 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	69.81	33.46	36.35 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	87.53	31.53	56.00 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	14.42	14.42	- 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	13.68	13.68	- 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	30.01	18.50	11.51 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	-	-	- Repayable in Equal Monthly Installments commencing from July 2017 over the period of respective Vehicles Loan.
Sub Total (B)			317.64	183.67	133.97
Previous Year			<i>850.72</i>	<i>462.91</i>	<i>387.81</i>
Total (A+B)			259165.99	21283.77	237882.22
Previous Year			<i>112490.77</i>	<i>34040.32</i>	<i>78450.45</i>

Previous Year figures have been given in italics

- 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 (Except ECB Loan from Canara Bank) 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 Holding Company.
- These are secured by way of first charge on specific tangible and intangible assets of the Flex P. Films (Egypt) S.A.E.
- These are secured by way of first charge on specific tangible and intangible assets of the Flex P. Films (Egypt) S.A.E. Further loan from QNB Bank of US\$ 25 Million is secured by way of Corporate Guarantee of Flex Middle East FZE.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

- e This is secured by way of hypothecation of Specific Plant & Equipment and pari passu mortgage of Land & Building of the Company.
- f This is secured by way of hypothecation of specific Plant & Equipment of the Flex Films (USA) Inc.
- g This is secured by way of first charge on the Company's fixed assets, account receivable and inventories.
- h This is secured by way of first charge on Building and Plant & Equipment, account receivables and Inventories of the Company. These are further secured by way of Pledge of 17 Equity Shares of AED Million each held by the Holding Company.
- i These are secured by way of first charge on the specific assets financed by the Bank and are further guaranteed by the Holding Company.
- j These are secured by way of pari passu charge on the company's fixed assets (other than equipment covered under loan as per i above) and are further guaranteed by the Flex Middle East FZE.
- k These are secured by way of first charge on specific tangible and intangible assets of the Company.
- l These are secured by way of first charge on specific tangible and intangible assets of the Company, and further guaranteed by Flex Middle FZE.
- ~ 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.

COVID-19 Regulatory Package

The Reserve Bank of India (RBI) considering the intensification of COVID-19 disruption, announced certain relaxation on repayment of the installments including interest on term loans for a period of six months commencing from 1st March 2020 to 31st August 2020 and also the payment of interest on the working capital loan for the period from 1st March 2020 to 31st August 2020. The Holding Company has availed the relaxations provided by the RBI on majority of its outstanding term loans of Holding Company including loans from a financial institution. The Holding Company will make payment of interest on its working capital facilities (except Bill Discounting facilities on which interest is being charged at the time of discounting of Bills) for the period from 1st March 2020 to 31st August 2020 by 31st March 2021, as per the prevailing guidelines of RBI. Further, the term loan installments including interest thereon for the period from 1st March 2020 to 31st August 2020 shall be paid as per the prevailing policies of the Lender Banks / Financial Institutions.

	As At 31.03.2020	(Rs. in lacs) As At 31.03.2019
16: OTHER FINANCIAL LIABILITIES		
Securities Received	1432.62	629.24
Retention Money	449.29	488.25
TOTAL :	1881.91	1117.49
17: PROVISIONS		
Leave Encashment	1838.39	1338.44
Gratuity	1003.63	1143.91
TOTAL :	2842.02	2482.35
18: DEFERRED TAX LIABILITIES (NET)		
Opening Balance	17895.08	12820.63
Add / (Less):		
Adjustment for Exchange Difference on Translation	202.58	494.28
Provision of Deferred Tax charge / (Credit) for the year	* 632.22	4580.17
TOTAL :	18729.88	17895.08
* Excludes Rs. 185.90 Lacs (Previous year includes Rs. 0.11 Lacs) adjusted in Pre-operative Expenses.		

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 01.04.2019	Current Year (Charge) / Credit	Adjustment For Exchange Difference on Translation	Deferred Tax Assets / (Liabilities) As At 31.03.2020
Deferred Tax Assets				
Unabsorbed depreciation & tax losses	2026.83	85.92	164.48	2277.23
Other than unabsorbed depreciation & carry forward of losses.	4212.78	489.31	55.52	4757.61
Unutilised Tax Credit	7010.74	343.96	-	7354.70
Total (A)	13250.35	919.19	220.00	14389.54
Deferred Tax Liabilities				
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	(31395.56)	(1301.28)	(422.58)	(33119.42)
Others	250.13	(250.13)	-	0.00
Total (B)	(31145.43)	(1551.41)	(422.58)	(33119.42)
Net Deferred Tax (Liability) (A-B)	(17895.08)	(632.22)	(202.58)	(18729.88)

Income Tax Expense in the Total Comprehensive Income represents;

	(Rs. in lacs)	
	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
In Statement of Profit & Loss		
-Current tax	10170.03	5041.79
-Deferred tax	818.12	4580.06
- Short / (Excess) Provision of Income Tax for earlier years	9.94	(268.11)
	10998.09	9353.74
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
	-	377.00
	As At 31.03.2020	As At 31.03.2019
19: BORROWINGS		
Secured		
Working Capital Facilities From Banks	79235.52	77157.39
Unsecured		
From Banks	913.81	375.73
From Others @	10727.00	8701.00
From a Related Party	1175.00	1350.00
TOTAL :	92051.33	87584.12

- 1 Working capital facilities availed by the Holding Company 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.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

- 2 Working Capital Facilities availed by Flex P. Films (Egypt) S.A.E. are secured by way of pari pasu charge over the current assets of the Company. Further the working Capital facilities of US\$ 19 Million from QNB Al Ahli Bank is further secured by way of Corporate Guarantee given by its Parent and Group Holding Company.
 - 3 Working Capital Facilities availed by Flex Americas SA de C.V. from the BBVA Bancomer S.A. is secured by way of charge over fixed assets and current assets of the Company.
 - 4 Working Capital facilities availed by Flex Films USA Inc. from Chase Bank is secured by way of first charge on the company's specific fixed assets, account receivables and inventory. This is further secured by way of Corporate Guarantee of Group Holding Company.
 - 5 Working Capital facilities availed by Flex Films Europa Sp Z.o.o. from PKO Bank is secured by way of first charge on the company's fixed assets, account receivables and inventory.
 - 6 Working Capital Facilities availed by the Flex Middle East FZE, Dubai are secured by way of hypothecation of all current assets of the Company. Further working capital facilities from CBD are secured by way of mortgage over the Plant & Machinery and Building of the Company.
- @ Includes Rs. 1400 Lacs secured by a) exclusive first charge by way of pledge of Specific assets title deeds owned by A.R. Leasing Pvt. Ltd. and Apoorva Extrusion Pvt. Ltd. (related parties), and b) guarantee of Chairman & Managing Director of the Company.

	As At	(Rs. in lacs)
	31.03.2020	As At 31.03.2019
20: TRADE PAYABLES		
Suppliers		
Total outstanding dues of creditors other than Micro, Small & Medium enterprises and Related Parties	90487.12	94032.41
Total outstanding dues of Micro, Small & Medium enterprises	989.55	778.94
Due to Related Parties	13771.00	10818.71
TOTAL :	105247.67	105630.06
21: OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Borrowings	21902.03	35287.02
Capital Creditors	9535.82	2764.36
Interest Accrued but not due on Loans		
- From a Related Party	60.47	-
- From Others	824.39	434.24
Interest Accrued but not due on Term Loans		
From Banks	487.11	-
From Financial Institutions	100.58	-
Unclaimed Dividend*	120.80	123.99
Due to Employees	2725.50	2510.23
Others Payable	7314.36	6484.69
Book Overdraft	91.64	741.41
TOTAL :	43162.70	48345.94
* 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	6613.91	4758.24
Advances from Others	-	2500.00
Statutory Dues	2091.37	2828.13
TOTAL :	8705.28	10086.37

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As At	As At
	31.03.2020	31.03.2019
		(Rs. in lacs)
23: PROVISIONS		
Leave Encashment	952.27	876.02
Staff Benefits	1554.40	1238.04
Warranty	28.97	26.93
TOTAL :	2535.64	2140.99
24: CURRENT TAX LIABILITIES (NET)		
Current Income Tax (Net)	7131.66	2610.93
TOTAL :	7131.66	2610.93
		(Rs. in lacs)
	For the Year Ended	For the Year Ended
	31.03.2020	31.03.2019
25: REVENUE FROM OPERATIONS		
A. i) REVENUE FROM SALE OF PRODUCTS		
Gross Sales	763005.88	810823.51
Less : Inter Unit Sales	39137.02	40825.60
	723868.86	769997.91
ii) REVENUE FROM SALE OF SERVICES		
a. Gross Job work / Services Rendered	5497.85	5650.23
Less : Inter Unit Job Work	2410.67	1995.05
	3087.18	3655.18
b. Technical Fees	- 3087.18	2898.58
TOTAL (A) :	726956.04	776551.67
B. OTHER OPERATING INCOME		
Scrap Sales	4855.13	5274.70
Packing, Forwarding and Insurance Recoveries	455.73	590.47
Exchange Rate Fluctuation (Net)	1641.14	-
Export Incentive	2610.15	3109.07
Excise Duty / GST Refund	3705.53	4871.10
Miscellaneous Operating Income	155.94	247.86
Sundry Credit Balances Written Back	104.62	5077.33
TOTAL (B) :	13528.24	19170.53
TOTAL (A+B):	740484.28	795722.20

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
26: OTHER INCOME		
Rent Received	919.52	862.47
Gain on Sale of Investment Property	10.19	-
Gain on sale of Investments (Net)		
-On Disposal of Subsidiary	541.72	-
-On sale of Units of Mutual Funds	-	12.53
Miscellaneous Income	577.87	294.42
Interest :		
-from Banks	533.20	216.84
-from Others	260.91	673.71
Investment Income:		
- Dividend received on Investments carried at Fair value through other comprehensive income	3.43	10.85
TOTAL :	2846.84	2070.82
27: COST OF MATERIALS CONSUMED		
Opening Stock	36898.54	33970.38
Add : Purchases	470601.91	533146.17
	507500.45	567116.55
Less : Inter Unit Purchases	38756.93	40450.13
	468743.52	526666.42
Less : Closing Stock	39278.11	36898.54
	429465.41	489767.88
	429465.41	489767.88
28: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock :		
Stock-in-Trade	5905.59	5916.48
Finished Goods	19054.51	16382.96
Work-in-Progress	15067.96	14423.87
	40028.06	36723.31
Less: Closing Stock :		
Stock-in-Trade	5900.05	5905.59
Finished Goods	18014.23	19054.51
Work-in-Progress	20906.76	15067.96
	44821.04	40028.06
TOTAL :	(4792.98)	(3304.75)
29: EMPLOYEE BENEFITS EXPENSE		
Salaries,Wages,Bonus,Benefits and Amenities	66462.57	61748.65
Contribution to Provident Fund and Other Funds	3469.30	3359.28
Employee Welfare Expenses	2626.85	1943.65
TOTAL :	72558.72	67051.58

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	For the Year Ended 31.03.2020	(Rs. in Lacs) For the Year Ended 31.03.2019
30: FINANCE COSTS		
Interest		
- On Loans for Fixed Period	13531.66	13222.68
- On Other Loans / Liabilities	5509.49	4779.44
- On Lease Liabilities	286.77	-
- On Shortfall in payment of Advance Tax	132.00	55.36
Discounting & Financial Charges	3019.05	3735.42
TOTAL :	22478.97	21792.90
31: OTHER EXPENSES		
A. OTHER MANUFACTURING EXPENSES		
Power & Fuel Consumed	37007.08	38069.08
Repair & Maintenance-Machinery	10401.12	10542.03
Stores Consumed	5915.86	5213.48
Tools, Jigs & Dies	248.04	316.62
Packing Material Consumed	19583.63	21490.57
Flexo Plates / Processing Charges for Cylinders	3930.06	3396.46
Less : Inter Unit Charges	2790.76	2370.52
	1139.30	1025.94
Design & Development Charges	27.79	40.17
Job Work Charges	1393.85	1679.20
Royalty Expenses	318.26	423.93
Other Direct Charges	84.60	187.64
R & D Charges	153.47	87.67
TOTAL (A) :	76273.00	79076.33
B. ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Rent	-	1783.26
Short Term Leases	1408.14	-
Leases of Low value	10.90	-
Rates & Taxes	881.93	745.66
Insurance charges	1894.79	1865.84
Electricity & Water charges	540.14	544.22
Printing & Stationery	287.16	270.57
Postage & Telephone Expenses	986.58	956.04
Vehicle Running & Maintenance Expenses	521.64	560.12
Lease Rent -Vehicles	-	379.63
Conveyance & Travelling Expenses	6938.62	6864.96
Repair & Maintenance :		
- Building	952.11	840.27
- Others	5126.95	4760.31

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	For the Year Ended 31.03.2020	(Rs. in Lacs) For the Year Ended 31.03.2019
Legal & Professional Charges	3138.82	3468.92
Directors' sitting fees	26.50	29.00
General Expenses	4990.76	3765.66
Commission on Sales	1090.36	751.65
Advertisement & Publicity	1258.51	1081.73
Entertainment Expenses	577.80	579.43
Charity & Donation	29.46	32.94
Corporate Social Responsibility Expenditure	68.90	36.25
Donation to Political Party	-	1000.00
Freight & Forwarding charges	24050.36	27853.87
Goodwill Written Off	0.20	-
Property, Plant & Equipments written Off	1.57	12.24
Loss on Sale of Property, Plant & Equipment (Net)	23.04	141.87
Loss on Sale of Right to Use Assets	1.19	-
Exchange Rate Fluctuations (Net)	-	898.83
Amount utilised from allowance for bad and doubtful Trade receivables	(61.36)	(43.76)
Allowance for bad and doubtful Trade receivables	1321.93	851.25
Allowance for bad and doubtful Advance recoverable	-	1000.00
Sundry Debit Balances / Bad Debts written-off	2730.32	4086.10
Quality Claims	538.63	780.22
TOTAL (B) :	59335.95	65897.08
TOTAL :(A+B)	135608.95	144973.41
Additional Disclosure in respect of Investment Properties, that generated rental income;		
Rent	-	10.97
Insurance	3.16	7.18
Repair & Maintenance :		
- Building	17.64	8.05
Finance Cost on Lease Liabilities	1.96	-
Amortization of Right to Use Assets	0.28	-
	23.04	26.20
32: EXPENSES ALLOCATED TO SELF CONSTRUCTED ASSETS		
Cost of Material Consumed	546.77	1611.30
Employee Benefits Expense	581.71	810.37
Depreciation and amortisation expense	110.19	211.56
Other Expenses	289.85	463.24
TOTAL :	1528.52	3096.47

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

		(Rs.in Lacs)	
		As At	As At
		31.03.2020	31.03.2019
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.	5258.37	5966.41
	ii) Show cause notice / demands of Goods & Service Tax (GST) Authorities in respect of GST not acknowledged by the Company and are contested / appealed / replied.	17.63	12.46
	iii) Additional demands raised by the Income Tax Department, which are under rectification & appeal	1129.48	955.02
	iv) Additional demands raised by the Sales Tax Department, which are under rectification & appeal	1397.96	1448.12
	v) Demand raised by PF authority for alleged lower contribution of PF and is under appeal	-	27.73
	vi) Amount demanded by the erstwhile workers of the Company and are pending in labour Court	15.92	13.82
	vi) Claims against the Company/disputed liabilities not acknowledged as debt.	440.07	108.84
	viii) Demand raised by the Concerned Development corporation on surrender of unutilised Industrial Leasehold Land.	62.69	62.69
	ix) Demands raised by the Electricity Departments, which are paid and protested or under appeal	509.52	509.52
B	i) Guarantees issued by Banks	3299.88	3025.52
	ii) Corporate Guarantees issued for facilities taken by Related Party	-	5000.00
	iii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes	28907.50	33759.71
	iv) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	13423.27	19887.07
C	Liability in respect of Bonus for the FY 2014-15 arising due to retroprospective 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 Associate	364.04	398.68
	i) In respect of litigations	320.37	353.55
	ii) In respect of other matters	43.67	45.13
34: Capital Commitments :			
a.	The estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for :	23726.87	74881.29
b.	The share in the aggregate capital commitments of the associate	451.98	421.37

35: DISCLOSURES FOR ASSETS UNDER OPERATING LEASES

The following disclosures are made in respect of leases as required under Ind AS-116 on "Leases",

		(Rs.in lacs)	
		Current	Previous
		Year	Year
		Note No	
i)	Depreciation Charge on Right to Use Assets	2D	968.26
ii)	Interest Expense on Lease Liabilities	30	286.77
iii)	Short Term Leases	31B	1408.14
iv)	Low Value Leases	31B	10.90
v)	Variable Lease Payments		-
vi)	Total Cash Outflows on Right to Use Assets		1199.69
vii)	Additions to Right to Use Assets	2D	4846.28
viii)	Carryig amount of Right to Use Assets	2D	3675.71

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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	4268.72	3630.02
Current Service cost	428.68	399.55
Interest cost	329.39	272.06
Actuarial (gain) / loss due to unexpected experience	776.88	328.81
Benefits paid	(499.11)	(361.72)
Obligations at period end	5304.56	4268.72
b. Reconciliation of opening and closing balances of fair value assets		
Plan assets at period beginning, at fair value	3643.39	3701.47
Interest Income	281.14	277.41
Return on Plan Assets excluding Interest Income	(141.46)	26.23
Contributions	1030.74	-
Benefits paid	(499.11)	(361.72)
Plan assets at period end, at fair value	4314.70	3643.39
c. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	5304.56	4268.72
Fair value of plan assets at the end of the period	(4314.70)	(3643.39)
Liability/ (Asset) recognized in the balance sheet	989.86	625.33
d. Gratuity cost for the period		
Current Service cost	428.68	399.55
Interest cost	329.39	272.06
Expected return on plan assets	(281.14)	(277.41)
Net Gratuity Cost recognised in Statement of Profit & Loss	476.93	394.20
e. Remeasurement (gains) and losses		
Actuarial (gain) / loss due to change in financial assumptions	776.88	328.81
Return on Plan assets, excluding interest income	141.46	(26.23)
Net Gratuity Cost recognised in Statement of Other Comprehensive Income	918.34	302.58
Assumptions		
Interest rate	6.8% P.A.	7.7% P.A.
Estimated rate of return on plan assets	6.8% P.A.	7.7% P.A.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 2020. The company is expected to contribute Rs. 1461.42 lacs to defined benefits plan obligations fund for the year ending 31st March 2021.

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.196.73 Lacs (increase by Rs.210.97 Lacs) as at 31st March 2020.

If the expected salary growth increases /(decreases) by 0.5%, the defined benefit plan obligations would increase by Rs.210.27 Lacs (decrease by Rs.197.16 Lacs) as at 31st March 2020.

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	1869.64	1518.52
Service cost	176.77	249.62
Interest cost	144.27	113.81
Actuarial (gain) / loss	810.92	476.06
Benefits paid	(520.65)	(488.37)
Obligations at period end	2480.95	1869.64
b. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	2480.95	1869.64
Liability recognized in the balance sheet	2480.95	1869.64
c. Leave Encashment cost for the period		
Service cost	176.77	249.62
Interest cost	144.27	113.81
Actuarial (gain) / loss	810.92	476.06
Net Leave Encashment cost for the period	1131.96	839.49
Assumptions		
Interest rate	6.8% P.A.	7.7% P.A.

37: PREVIOUS YEAR FIGURES HAVE BEEN RECASTED / REGROUPED/ RECLASSIFIED, WHEREVER CONSIDERED NECESSARY.

38: The outbreak of coronavirus disease 2019 (COVID-19) has created an unprecedented global health crisis that has a deep impact on the businesses and economy. Uflex operates in multiple countries across the globe – both in terms of its manufacturing operations and the markets for its products and all these countries had imposed lockdowns of varying types aimed at containing the spread of the virus. Given that Uflex business is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used in food and Pharma packaging,

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

all out efforts were being made by all countries to ensure the adequate supply of food and medicines to the public, which was made possible only due to seamless continued operations of packaging industry. While Uflex did face initial administrative and supply chain challenges in some countries during initial lockdown period but there was no impact on its overall production and sales volumes during the quarter, which grew in Q4 over the sequential quarter. While Uflex believes that its business will continue to remain unscathed by the pandemic as it continues to witness higher demand for its products globally so far in FY 2020-21, there could be uncertainties in the future due to underlying developments w.r.t COVID 19, which are difficult to predict.

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); (viz.Numerator) (Rs.in lacs)	36981.80	31383.58
(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.)	51.21	43.46
(b) Diluted [A/B(ii)] (Rs.)	51.21	43.46

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 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 2020

Particulars	(Rs. in Lacs)			
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	718427.88	22170.69	(114.29)	740484.28
- Transaction with other operating segments	-	4518.33	-	4518.33
Total Revenue	718427.88	26689.02	(114.29)	745002.61
Identifiable operating expenses	(599223.98)	(21336.80)	(11717.57)	(632278.35)
Less: Cost of Intersegment Revenue	(2790.77)	-	(1727.56)	(4518.33)
Operating Profit	116413.13	5352.22	(13559.42)	108205.93
Other Income				2846.84
Share in Profit of Associates for the Year				320.12
Share in (Loss)/ Profit of Joint Venture for the Year				(488.98)
EBIDTA				110883.91
Depreciation & Amortization Expenses				(40319.41)
EBITA				70564.50
Finance Cost				(22478.97)
Profit before Tax				48085.53
Tax expenses				(10998.09)
Net Profit				37087.44
Segment Assets	890269.99	46815.00	63567.91	1000652.90
Segment Liabilities	384765.06	44318.92	101858.10	530942.08

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020
For the Year Ended 31st March 2019

Particulars	(Rs. in Lacs)			
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
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

41: BUSINESS COMBINATIONS

During the year, the Group had sold its entire stake in its Subsidiaries, UTECh Developers Limited and S.D. Buildwell Private Limited for a total consideration of Rs. 15250 Lacs . Total assets of the Subsidiaries as on the date of transfer was Rs.20914.68 Lacs (Including Cash and Cash Equivalents of Rs. 1035.91 Lacs) and total liabilities of Rs. 5884.26 Lacs. The consideration is paid by the acquirer by way of issuance of 7.5% Cummulative Redeemable, Non-Participative Preference Shares of an Equivalent amount. These Preference Shares are redeemable at Par in ten equal annual instalments on expiry of two years from the date of allotment.

42: RELATED PARTY DISCLOSURES

(a) List of Related Parties (as per IND AS-24) :

- i) **Associate** : Flex Foods Limited
- ii) **Joint Venture** : Digicyl Pte. Ltd. (Singapore) & Digicyl Ltd. (Israel) being Wholly owned subsidiary of Digicyl Pte. Ltd. (Singapore)
- iii) **Key Management Personnel & their relatives / HUF** : 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 Chaturvedi (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.), Mr. Junaid Khan (Director of Flex Films Rus,LLC) and Mr. S.K.Sharma till 03/10/2019 (Manager of Utech Developers Limited)

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

iv) Other Related Enterprises : AKC Retailers Pvt. Ltd., Anshika Investments Pvt. Ltd., Anant Overseast 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., Afflatus Gravures Pvt. Ltd., Afflatus Graphics Pvt. Ltd., RCMT Clothings Pvt. Ltd., Mansarovar Hotels Pvt. Ltd., Sigma Resorts & Hospitality Pvt. Ltd., 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	Associate	Joint Venture	Key Management Personnel & their Relatives / HUF	Other Related Enterprises as referred to in 'a (iv)' above	Total
i) Trade Transactions					
Sale of Goods/Services (Net)	33.97	-	-	7905.22	7939.19
	34.53	-	-	5226.94	5261.47
Purchase of Goods/Services (Net)	-	-	-	32870.43	32870.43
	-	-	-	30621.90	30621.90
Purchase of Fixed Assets	-	-	-	365.31	365.31
	-	-	-	728.15	728.15
Sale of Fixed Assets	7.13	-	-	3.34	10.47
	-	-	-	-	-
Purchase of DEPB	55.09	-	-	-	55.09
	52.80	-	-	-	52.80
Rent Received	9.00	-	48.05	24.08	81.13
	9.00	-	48.00	23.78	80.78
Rent Paid	-	-	240.00	71.64	311.64
	-	-	238.05	422.56	660.61
Royalty Expenses	-	-	85.00	-	85.00
	-	-	225.00	-	225.00
Interest Paid on Loans	5.47	-	-	173.57	179.04
	-	-	-	82.13	82.13
Interest Received	-	3.68	-	61.51	65.19
	-	1.41	-	142.78	144.19
Dividend Received	58.70	-	-	-	58.70
	-	-	-	-	-
Security Deposit Received	-	-	-	-	-

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020
(Rs.in lacs)

Transactions	Associate	Joint Venture	Key Management Personnel & their Relatives / HUF	Other Related Enterprises as referred to in 'a (iv)' above	Total
	-	-	-	0.60	0.60
Security Deposit Paid	-	-	100.00	-	100.00
	-	-	-	-	-
Refund of Security Deposit given	-	-	100.00	-	100.00
	-	-	-	40.00	40.00
Remuneration *	-	-	2036.89	-	2036.89
	-	-	1730.91	-	1730.91
ii) Non Trade Transactions					
Loan Taken	100.00	-	-	480.00	580.00
	-	-	-	1680.00	1680.00
Repayment of Loan Taken	-	-	-	125.00	125.00
	-	-	-	330.00	330.00
Dividend Paid	-	-	46.43	589.25	635.68
	-	-	46.43	589.25	635.68
Loan Given	-	-	-	330.00	330.00
	-	54.75	-	1700.00	1754.75
Recovery of Loan Given	-	-	-	70.00	70.00
	-	-	-	2320.00	2320.00
Lease Liabilities	-	-	-	345.81	345.81
	-	-	-	-	-
Total	269.36	3.68	2656.37	43415.16	46344.57
	96.33	56.16	2288.39	43908.09	46348.97
Balance as on 31.03.2020					
Debit	8.41	138.13	-	5796.26	5942.80
	9.15	126.73	-	3327.18	3463.06
Credit	104.93	-	78.07	22717.77	22900.77
	-	-	51.00	15129.11	15180.11

Previous Year figures have been given in Italic.

* Includes

	Rs in Lacs	
	Current Year	Previous Year
Salary	1994.34	1689.10
Perquisites	35.82	33.04
Short Term Employees Benefits	6.73	8.77
Total	2036.89	1730.91

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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	44353.44	-	-	44353.44
	PY	28813.71			28813.71
Investments					
Equity and other securities	CY	18740.52	-	145.56	18886.08
	PY	3730.82		434.06	4164.88
Trade Receivables	CY	194735.63	-	-	194735.63
	PY	204552.37			204552.37
Loans	CY	6567.88	-	-	6567.88
	PY	6192.01			6192.01
Other financial assets	CY	1279.80	-	-	1279.80
	PY	9681.32			9681.32
Total	CY	265677.27	-	145.56	265822.83
	PY	252970.23	-	434.06	253404.29
Liabilities					
Trade payables	CY	105247.67	-	-	105247.67
	PY	105630.06			105630.06
Other financial liabilities	CY	45044.61	-	-	45044.61
	PY	49463.43			49463.43
Borrowings	CY	337165.34	-	-	337165.34
	PY	175220.80			175220.80
Lease Liabilities	CY	3539.98	-	-	3539.98
	PY	-			-
Total	CY	490997.60	-	-	490997.60
	PY	330314.29	-	-	330314.29

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)

Particulars		Total	Level 1	Level 2	Level 3
Investment in equity instruments	CY	145.56	145.56	-	-
	PY	434.06	434.06	-	-
Investment in Preference Shares	CY	15250.00	-	-	15250.00
	PY	-	-	-	-

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 encompasses 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	10%	12%
Revenue from Top Five Customers	18%	18%

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	As at 31st March 2020	(Rs. in Lacs)	
		Due within 12 months from Balance sheet Date	Due beyond 12 months of Balance Sheet Date
Borrowings	359067.37	113953.36	245114.01
Lease Liabilities	3539.98	953.70	2586.28
Trade payables			
Total outstanding dues of Micro, Small & Medium enterprises	989.55	989.55	-
Total outstanding dues of creditors other than Micro, Small & Medium enterprises	104258.12	104258.12	-
Other Financial Liabilities	23142.58	21260.67	1881.91

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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 debt of the company is linked with the BPLR for loans from Indian Banks and for overseas entities major portion of the debt is linked with the LIBOR. The total proportions of loans based on variable rate of interest is Rs. 345123.03 Lacs out of the total debt of Rs. 359067.37 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. 3451.23 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 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	Previous Year
USD	30489.35	37395.27	34359.38	41525.24
Euro	35610.68	40997.46	129597.88	25776.26
GBP	1689.09	3127.27	316.11	25.73

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.P.)	75.39	69.17
Closing Euro Rate (in Rs. P.)	83.05	77.70
Closing GBP Rate (in Rs.P.)	93.08	90.48
5% appreciation (Rs. in lacs)	(4824.21)	709.64
5% depreciation (Rs. in lacs)	4824.21	(709.64)

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 2020
45: ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES/ 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	48.11%	2,25,959.72	38.74%	14,326.57	-31.32%	(1,206.84)	32.13%	13,119.73
		49.83%	2,14,503.16	16.46%	5,166.14	-26.94%	(725.00)	13.03%	4,441.14
Subsidiary									
Indian									
1	U Tech Developers Limited	0.00%	-	-0.52%	(194.01)	0.00%	-	-0.48%	(194.01)
		3.22%	13,841.47	-15.42%	(4,840.68)	0.00%	-	-14.21%	(4,840.68)
2	USC Holograms Pvt. Ltd.	0.49%	2,293.59	0.61%	224.47	0.00%	-	0.55%	224.47
		0.46%	1,963.48	0.93%	293.05	0.00%	-	0.86%	293.05
3	S.D.Buildwell Private Limited	0.00%	-	0.14%	50.55	0.00%	-	0.12%	50.55
		0.31%	1,333.42	0.20%	63.84	0.00%	-	0.19%	63.84
Foreign									
1	Flex Middle East FZE	36.88%	1,73,223.60	20.69%	7,652.09	0.00%	-	18.74%	7,652.09
		35.29%	1,51,911.15	8.44%	2,649.21	0.00%	-	7.77%	2,649.21
2	Flex Americas S.A. de C.V.	7.78%	36,552.20	15.13%	5,594.88	0.00%	-	13.70%	5,594.88
		8.27%	35,594.13	19.40%	6,088.16	0.00%	-	17.87%	6,088.16
3	Flex P. Films Egypt S.A.E.	11.72%	55,057.32	32.15%	11,889.00	0.00%	-	29.11%	11,889.00
		9.80%	42,193.70	17.02%	5,339.92	0.00%	-	15.67%	5,339.92
4	Flex Films Europa Sp. Z.o.o.	16.01%	75,218.70	30.61%	11,319.64	0.00%	-	27.72%	11,319.64
		14.66%	63,090.78	37.78%	11,858.05	0.00%	-	34.80%	11,858.05
5	Flex Films (USA) Inc.	7.89%	37,054.19	9.09%	3,362.39	0.00%	-	8.23%	3,362.39
		7.09%	30,517.80	16.64%	5,222.34	0.00%	-	15.33%	5,222.34
6	UFlex Europe Limited	0.61%	2,848.25	-3.45%	(1,275.20)	0.00%	-	-3.12%	(1,275.20)
		-0.14%	(597.17)	-0.81%	(253.34)	0.00%	-	-0.74%	(253.34)
7	UFLEX Packaging Inc.	0.54%	2,540.64	1.06%	392.03	0.00%	-	0.96%	392.03
		0.46%	1,964.43	2.18%	684.78	0.00%	-	2.01%	684.78
8	UPET Holdings Limited	6.14%	28,821.60	-0.02%	(7.54)	0.00%	-	-0.02%	(7.54)
		6.15%	26,457.53	-0.02%	(6.92)	0.00%	-	-0.02%	(6.92)
9	UPET Singapore Pte. Ltd.	6.12%	28,753.75	-0.02%	(7.54)	0.00%	-	-0.02%	(7.54)
		6.13%	26,388.36	-0.02%	(6.92)	0.00%	-	-0.02%	(6.92)
10	Flex Films RUS LLC	1.00%	4,676.47	-0.29%	(107.95)	0.00%	-	-0.26%	(107.95)
		0.55%	2,346.61	0.03%	9.56	0.00%	-	0.03%	9.56
11	Flex Films Africa Pvt Ltd.	2.25%	10,562.20	0.00%	-	0.00%	-	0.00%	-
		0.84%	3,602.95	0.00%	-	0.00%	-	0.00%	-
12	Flex Chemicals (P) Ltd.	0.00%	(9.99)	0.03%	10.09	0.00%	-	0.02%	10.09
		0.00%	(0.42)	0.00%	(0.96)	0.00%	-	0.00%	(0.96)
13	Flex Films Europa Korlatolt Felelossegu Tarsasag	2.61%	12,274.79	0.00%	-	0.00%	-	0.00%	-
		1.18%	5,092.16	0.00%	-	0.00%	-	0.00%	-
	Minority Interest in Subsidiaries	-0.16%	(733.96)	-0.29%	(105.64)	0.00%	-	-0.26%	(105.64)
		-0.15%	(628.32)	-0.44%	(137.90)	0.00%	-	-0.40%	(137.90)
	Exchange Difference on translating foreign operations					131.65%	5,072.76	12.42%	5,072.76
						127.52%	3,432.00	10.07%	3,432.00
Associates & Joint Venture (Investment as per Equity Method)									
Associate									
1	Flex Foods Limited	0.95%	4,463.90	0.87%	320.12	-0.33%	(12.74)	0.75%	307.38
		0.98%	4,227.28	1.66%	520.21	-0.58%	(15.56)	1.48%	504.65
Joint Venture									
2	Digicyl Pte. Ltd.	0.08%	361.93	-0.12%	(45.91)	0.00%	-	-0.11%	(45.91)
		0.09%	374.19	0.09%	28.34	0.00%	-	0.08%	28.34
3	Digicyl Limited (Wholly Owned Subsidiary of Digicyl Pte. Ltd.)	-0.30%	(1,423.66)	-1.27%	(470.74)	0.00%	-	-1.15%	(470.74)
		-0.20%	(853.83)	-2.75%	(861.49)	0.00%	-	-2.53%	(861.49)

Notes:

- 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.
- Previous Year figures have been given in italics.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

46: STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE / JOINT VENTURES, AS PER FIRST PROVISIO TO SECTION 129(3) OF COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

Part "A" : Subsidiaries INR 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		Proposed dividend
Indian														
1	U Tech Developers Limited	Not Applicable	INR	-	-	-	-	-	133.18	58.78	252.79	(194.01)	-	100%
2	USC Holograms Pvt. Ltd.	Not Applicable	INR	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%
3	S.D. Buildwell Private Limited	Not Applicable	INR	6.00	2,287.59	8,250.89	5,957.30	6.00	5,748.21	441.12	111.01	330.11	-	68%
				6.00	1,957.48	7,192.69	5,229.21	-	6,474.11	547.51	116.56	430.95	-	68%
				-	-	-	-	-	50.70	50.55	-	50.55	-	100%
				1.00	1,332.42	1,342.44	9.02	-	89.68	84.98	21.14	63.84	-	100%
Foreign														
1	Flex Middle East FZE	Not Applicable	INR	21,983.72	1,51,239.88	2,04,027.96	30,804.35	1,35,355.21	54,190.33	7,652.09	-	7,652.09	-	100%
			US \$	29.16	200.61	270.63	40.86	179.54	71.88	10.15	-	10.15	-	100%
			INR	20,169.97	1,31,741.18	1,66,796.54	14,885.38	1,00,946.70	70,470.40	2,649.21	-	2,649.21	-	100%
			US \$	29.16	190.46	241.14	21.52	145.94	101.88	3.83	-	3.83	-	100%
2	Flex Americas S.A. de C.V.	Not Applicable	INR	13,013.85	23,538.35	68,553.19	32,000.99	-	73,142.27	8,725.26	3,130.38	5,594.88	-	100%
			MXF	419.22	758.25	2,208.33	1,030.86	-	2,356.16	281.07	100.84	180.23	-	100%
			INR	14,963.22	20,630.91	71,951.38	36,357.25	-	91,983.00	8,850.44	2,762.28	6,088.16	-	100%
			MXF	419.22	578.01	2,015.84	1,018.61	-	2,577.06	247.96	77.39	170.57	-	100%
3	Flex P. Films Egypt S.A.E.	Not Applicable	INR	36,119.35	18,937.97	1,37,149.49	82,092.17	-	92,488.45	14,995.07	3,106.07	11,889.00	-	100%
			US \$	47.91	25.12	181.92	108.89	-	122.68	19.89	4.12	15.77	-	100%
			INR	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%
			US \$	47.91	13.09	126.30	65.30	-	122.22	10.15	2.43	7.72	1.14	100%
4	Flex Films Europa Sp. Z.o.o.	Not Applicable	INR	18,688.64	56,530.06	1,33,257.19	58,038.49	11,827.98	59,101.20	11,319.64	-	11,319.64	-	100%
			PLN	101.47	306.93	723.52	315.12	64.22	320.89	61.46	-	61.46	-	100%
			INR	18,451.71	44,639.07	80,531.43	17,440.66	11,732.57	61,332.34	11,876.23	18.18	11,858.05	-	100%
			PLN	101.47	245.48	442.86	95.91	64.52	337.28	65.31	0.10	65.21	-	100%
5	Flex Films (USA) Inc.	Not Applicable	INR	27,140.40	9,913.79	62,875.26	25,821.08	-	-1,10,076.94	3,882.59	520.19	3,362.39	-	100%
			US \$	36.00	13.15	83.40	34.25	-	146.01	5.15	0.69	4.46	-	100%
			INR	24,901.20	5,616.60	63,567.23	33,049.43	-	-1,19,760.94	7,684.79	2,462.45	5,222.34	-	100%
			US \$	36.00	8.12	91.90	47.78	-	173.14	11.11	3.56	7.55	-	100%
6	UFlex Europe Limited	Not Applicable	INR	5,668.57	(2,820.32)	12,509.95	9,661.70	-	12,165.56	(1,573.05)	(297.86)	(1,275.20)	-	100%
			GBP	6.09	(3.03)	13.44	10.38	-	13.07	(1.69)	(0.32)	(1.37)	-	100%
			INR	904.80	(1,501.97)	9,391.82	9,988.99	-	9,952.80	(316.66)	(63.34)	(253.94)	-	100%
			GBP	1.00	(1.66)	10.38	11.04	-	11.00	(0.35)	(0.07)	(0.28)	-	100%
7	UFLEX Packaging Inc.	Not Applicable	INR	2,774.35	(233.71)	4,734.49	2,193.85	-	8,632.16	520.19	128.16	392.03	-	100%

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020
Part "A" : Subsidiaries

Sl. No.	Name of the Subsidiary for the subsidiary concerned, if different from holding company's reporting period	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			Proposed dividend	% of Shareholding
										Profit/ (Loss) before taxation	Provision for Taxation	Profit/ (Loss) after taxation		
Currency Exch. Rate				INR in Lacs										
			US \$ 75.39	3.68	(0.31)	6.28	2.91	-	11.45	0.69	0.17	0.52	-	-
		PY	INR 2,545.46	(581.03)	2,462.45	498.02	-	7,574.12	892.29	207.51	684.78	380.44	100%	
			US \$ 3.68	(0.84)	3.56	0.72	-	10.95	1.29	0.30	0.99	0.55		
8	UPET Holdings Limited	Not Applicable	INR 28,949.76	(128.16)	28,821.60	38.23	-	28,783.90	-	(7.54)	-	(7.54)	100%	
		PY	INR 26,561.28	(103.76)	26,464.44	6.92	-	26,409.11	-	(6.92)	-	(6.92)	100%	
			US \$ 38.40	(0.17)	38.23	-	-	38.18	-	(0.01)	-	(0.01)		
			INR 26,561.28	(103.76)	26,464.44	6.92	-	26,409.11	-	(6.92)	-	(6.92)	100%	
9	UPET (Singapore) Pte. Ltd.	Not Applicable	INR 28,798.98	(45.23)	28,761.29	7.54	-	28,685.90	-	(7.54)	-	(7.54)	100%	
		PY	INR 26,422.94	(34.59)	26,395.27	6.92	-	26,319.19	-	(6.92)	-	(6.92)	100%	
			US \$ 38.20	(0.06)	38.15	0.01	-	38.05	-	(0.01)	-	(0.01)		
			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)		
10	Flex Films RUS LLC #	31-Dec-19	INR 4,784.61	(108.14)	35,510.66	30,834.19	-	1,086.77	(127.74)	(19.79)	(107.95)	-	100%	
		PY	RUB 493.31	(11.15)	3,661.27	3,179.11	-	112.05	(13.17)	(2.04)	(11.13)	-	100%	
			INR 2,337.05	9.56	2,610.99	264.38	-	-	9.56	-	9.56	-	100%	
			RUB 220.02	0.90	245.81	24.89	-	-	0.90	-	0.90	-	100%	
11	Flex Films Africa Pvt.Ltd.	Not Applicable	INR 10,562.20	-	45,173.07	34,610.87	-	-	-	-	-	-	100%	
		PY	N 5,267.93	-	22,530.21	17,262.28	-	-	-	-	-	-	100%	
			INR 3,602.95	-	6,318.98	2,716.03	-	-	-	-	-	-	100%	
			N 1,896.29	-	3,325.78	1,429.49	-	-	-	-	-	-	100%	
12	Flex Chemicals (P) Ltd. #	31-Dec-19	INR 0.48	(10.47)	53.54	63.53	-	5.24	12.51	2.42	10.09	-	100%	
		PY	RUB 0.05	(1.08)	5.52	6.55	-	0.54	1.29	0.25	1.04	-	100%	
			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)	-	100%	
13	Flex Films Europa Korlatolt Felelossegu Tarsasag	Not Applicable	INR 12,274.79	-	50,045.93	37,771.14	-	-	-	-	-	-	100%	
		PY	Euro 14.78	-	60.26	45.48	-	-	-	-	-	-	100%	
			INR 5,097.12	-	11,585.07	6,487.95	-	-	-	-	-	-	100%	
			Euro 77.7	-	14.91	8.35	-	-	-	-	-	-	100%	

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 M/s UTECH Developers Limited
- 3 Name of Subsidiary not considered for Consolidation M/s S D Buildwell Private Limited
- # These Company adopts Calendar Year as Financial Year and accordingly the above figures are reported based on their audited accounts. However for consolidation purpose the figures are considered for the period from 1st April 2019 to 31st March 2020. N/A

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and joint Ventures

Sl No.	Name of the Associate / 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)				Extent of Holding %	Considered in Consolidation	Not Considered in Consolidation	Considered in Consolidation	Not Considered in Consolidation
Associate												
1	Flex Foods Limited	31-Mar-20	5870000	587.00	47.15%	By Virtue of Shareholding	NA	4,463.90	320.12	-	(12.74)	-
		31-Mar-19	5870000	587.00	47.15%	By Virtue of Shareholding	NA	4,227.28	520.21	-	(15.56)	-
Joint Venture												
2	Digicyl Pte. Ltd., Singapore	31-Mar-20	500000	337.50	50%	By Virtue of Shareholding	NA	361.93	(45.91)	-	-	-
		31-Mar-19	500000	337.50	50%	By Virtue of Shareholding	NA	(374.19)	(28.34)	-	-	-
3	Digicyl Limited, Israel (Wholly Owned Subsidiary of Digicyl Pte. Ltd.)	31-Mar-20	-	-	-	By Virtue of Shareholding in Digicyl Pte. Ltd.	NA	(1,423.66)	(470.74)	-	-	-
		31-Mar-19	-	-	-		NA	(853.83)	(861.49)	-	-	-

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

Rakesh Malhotra
Asst. Vice President
(Corp. Accounts)

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

Deepak Sehgal
Partner
M.No.: 085391

Place : NOIDA
Dated : 30th June, 2020



'A part of your daily life'

UFLEX LIMITED

Notice of 31st Annual General Meeting

Shareholders are advised to refer Point No. 8 of Notice of AGM with regard to Payment of Dividend and applicable Tax Deduction at Source (“TDS”) and Communication of Company dated 10th August, 2020 to Shareholders which is also available on the Company’s website www.uflexltd.com (weblink: https://www.uflexltd.com/pdf/SC/2020/UFlex_Communication_TDS_FY19_20.pdf)



UFLEX LIMITED



UFLEX LIMITED

CIN :L74899DL1988PLC032166

Regd. Office : 305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash – I, New Delhi – 110048

Phone Nos. 011-26440917, 011-26440925, Fax No. : 011-26216922

Website: www.uflexltd.com Email : secretarial@uflexltd.com

NOTICE OF 31ST ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of the Members of UFLEX Limited will be held on **Thursday, 17th September, 2020** at **11:00 AM** through Video Conferencing (VC) / Other Audio Visual Means(OAVM) to transact 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, 2020, 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, 2020 and the report of Auditors thereon.
2. To declare the dividend for the year 2019-2020 on the equity shares of the Company.
3. To appoint a Director in place of Shri Ashok Chaturvedi (DIN: 00023452), 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 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 2020-21, 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

Sd/-

AJAY KRISHNA

Sr. Vice President (Legal) &

Company Secretary

ACS No. 3296

Place : NOIDA

Dated : 30th June, 2020

Regd. Office:

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

IMPORTANT NOTES:

1. 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.
2. The Register of Members and the Share Transfer books of the Company will remain closed from **Friday, 11th September, 2020 to Thursday, 17th September, 2020**, both days inclusive, for annual closing and determining the entitlement of the Members to the Dividend for Year 2019-20.
3. Central Depository Services Limited, (“CDSL”) will be providing facility for voting through remote e-Voting, for participation in the 31st AGM through VC/OAVM Facility and e-Voting during the 31st AGM.
4. CDSL e-Voting System – For Remote e-voting and e-voting during AGM
 - i. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings

of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

- ii. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- iii. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iv. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- v. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- vi. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.uflexltd.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- vii. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on **Monday, 14th September, 2020 (9:00 AM)** and ends on **Wednesday, 16th September, 2020 (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 Thursday, 10th September, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

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

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	• 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 (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for **UFLEX LIMITED** on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

- ii. For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **3 days prior to meeting (i.e. before September 14, 2020)** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting (i.e. before September 14, 2020)** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- i. 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.
- ii. 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.
- iii. 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.

Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote,

to the Scrutinizer and to the Company at the email address viz; secretarial@uflexltd.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

5. Other Guidelines for Members

- a. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the **cut-off date of 10th September, 2020**.
- b. 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 or casting vote through e-Voting system during the meeting.
- c. 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.
- d. The Scrutinizer shall after the conclusion of e-Voting at the 31st AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 31st AGM, who shall then countersign and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.uflexltd.com and on the website of CDSL at <https://www.evotingindia.com/> immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the Stock Exchanges i.e. The National Stock Exchange of India Limited (“NSE”) and The BSE Limited (“BSE”).

6. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 31st AGM and the Annual Report for the year 2019-20 including therein the Audited Financial Statements for year 2019-20, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 31st AGM and the Annual Report for the year 2019-20 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
 - a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company’s email address secretarial@uflexltd.com
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
7. The Board of Directors has recommended a Dividend of Rs. 2.00 (Rupees Two only) per Equity Share of Rs.10.00 each for the year ended 31st March, 2020 that is proposed to be paid on and from **17th September, 2020**, subject to the approval of the shareholders at the 31st Annual General Meeting.
8. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source (“TDS”) from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (“the IT Act”). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company. **Further, with respect to Deduction of Tax on Dividend, the communication in this regard is being sent**

to the shareholders separately in the permitted mode.

9. The dividend/s, if any, approved by the Members will be paid as per the mandate registered with the Company or with their respective Depository Participants.
10. Further, in order to receive dividend/s in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/documents by email to reach the Company's email address secretarial@uflexltd.com by 31st August, 2020.
 - a) signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received :
 - i) Name and Branch of Bank and Bank Account type;
 - ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
 - iii) 11 digit IFSC Code;
 - b) self attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
 - c) self attested scanned copy of the PAN Card; and
 - d) self attested scanned copy of any document (such as AADHAR Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s.

11. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, at the earliest once the normalcy is restored.
12. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, 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. 13,40,414/- (Rupees Thirteen Lac Forty Thousand Four Hundred Fourteen Only) being the unpaid and unclaimed dividend amount pertaining to Dividend, 2011-12 to the Investor Education and Protection Fund of the Central Government during the year 2019-20.

The Company has been sending reminders to Members having unpaid/ unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/ unclaimed dividend are also uploaded on the website of the Company at www.uflexltd.com. Members who have not encashed Dividend for the year 31st March, 2013 or any subsequent dividend declared by the Company, are advised to write to the Company immediately.

13. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, 670207 Equity Shares of Rs.10/- each on which the dividend remained unpaid or unclaimed for seven consecutive years, were transferred during the year 2019-20 to the IEPF Account, after following the prescribed procedure.

Further, Members who have not claimed / encashed their dividends in the last seven consecutive years from 2013 are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.

14. 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 to not 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 from time to time.

15. 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.
16. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1st April 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
17. Electronic copy of all the documents referred to in the accompanying Notice of the 31st AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at www.uflexltd.com
18. During the 31st AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act at company's website www.uflexltd.com.
19. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Directors seeking appointment/ re-appointment at the 31st AGM, forms integral part of the Notice of the 31st AGM. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
20. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors on the recommendation of Audit Committee has re-appointed M/s. Jitender, Navneet & Co., Delhi, Cost Auditors, (Firm Registration No.00119) for the Financial Year 2020-21. 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. 4 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. 4 for the approval of the members.

By Order of the Board

Sd/-
AJAY KRISHNA
Sr. Vice President (Legal) &
Company Secretary
ACS No. 3296

Place : NOIDA
Dated : 30th June, 2020

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
Date of Birth	15.10.1956
Date of Appointment	21.06.1988
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
Qualification	B.Sc.
Terms and Conditions of appointment or re-appointment	Shri Ashok Chaturvedi retires by rotation at the ensuing Annual General Meeting
Remuneration sought to be paid	Shri Ashok Chaturvedi retires by rotation at the ensuing Annual General Meeting. Remuneration is being paid as per terms and Conditions earlier approved by the Shareholders.
Remuneration last drawn	As above
Shareholding in the Company	5,02,533 Equity Shares
Relationship with other Directors, Manager and other key managerial personnel	Not related to any other Directors and other Key Managerial Personnel of the Company
No. of Meeting of the Board attended	4
Directorship in other Public Limited Companies / excluding private companies which are subsidiary of public company	Flex Foods Ltd.
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

**DETAILS OF SHAREHOLDING/OTHER CONVERTIBLE INSTRUMENTS OF
NON-EXECUTIVE DIRECTORS OF THE COMPANY AS ON 31.03.2020**
(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

