


AN ISO 9001:2015 | OHSAS 18001:2007 | CERTIFIED  
AN ISO 14001:2015 | RoHS COMPLIANT | COMPANY

 WATER & WASTEWATER DIVISION  E-WASTE DIVISION  
 INDUSTRIAL PIPING DIVISION  CHEMICAL DIVISION

www.felixindustries.co



**CIN: L40103GJ2012PLC072005**

**Date: 01/09/2020**

To,  
**The Manager- Listing Department**  
National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai 400 051  
Dear Sir/Ma'am

**Sub: Submission of Annual Report for the financial year 2019-20.**

**Ref: Felix Industries Limited (SYMBOL: FELIX)**

Dear Sir/Madam,

The 08<sup>th</sup> Annual General Meeting of the Members of the company is scheduled to be held on Monday, September, 28 2020 at 04.00 P.M. through Video Confercing (VC) / Other Audio- Visual Means( OVAM) to transact the business as mentioned in the AGM Notice.

In compliance with Reg. 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the company alongwith the Notice of the AGM for the financial year 2019-2020 which is being sent/dispatched to the shareholders by the permitted mode within the statutory time frame prescribed.

Please take the same on your record and oblige us.

Thanking You,

For Felix Industries Limited

  
Hena Shah  
Company Secretary  
& Compliance Officer

Encl: As Above

## **FELIX INDUSTRIES LIMITED**

**REGISTERED / CORPORATE OFFICE :**

208, Devshruti Complex, Opp. HCG Hospital, Nr. Mithkhali Cross  
Road, Ellisbridge, Ahmedabad - 380 006, Gujarat, India.

Ph. : +91 79 2646 3658 / 59  
Cell : +91 84690 10908  
E-mail : info@felixindustries.co



Felix®



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# FELIX INDUSTRIES LIMITED

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Annual Report 2019-20



**FELIX INDUSTRIES LIMITED**

208, Devshruti complex, Opp. HCG Hospital, Nr. Mithakhali Cross Roads, Ellisbridge, Ahmedabad-06

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## CORPORATE INFORMATION

Felix Industries began its corporate voyage in 2012 as an eco-tech start up with the initial phase of its product and service portfolio which includes design, development & manufacture , import and export & distribution of comprehensive , membrane separation technology-based water and waste water solutions and charted out a rapid pace of growth in know-how and expertise through various technologies as Pre-treatment and Post-treatment of industrial effluents using Membrane Separation Technology . The Company is a future-smart corporate movement in Environmental Conservation, spearheaded by a philosophy: **Recycling, Re-using (Waste Water), recovering (products) & Reducing (effluents)**. Following this 'Recycle- Reuse- Recover-Reduce' axiom, we explore and utilizes any opportunity that enables Water Processing, Purification and Recycling- viewing it as a small but strong step that adds strength to human race's fight to ensure water sufficiency for future generations. Its evolved expertise in Waste Water Treatment enables it to develop solutions that optimally meet the needs of municipalities, industrial houses and other concerns, including

- Engineering, designing and building water treatment plants
- Waste water decontamination plants
- Wastewater and industrial effluents recycling plants
- Treatment plants (operation, maintenance and optimization)
- Plants producing 'green' energy from wastewater and sludge (through anaerobic digestion, cogeneration, micro turbines, etc)
- Product recovery plants (from effluents)
- Plants aiming to achieve ZLD (Zero Liquid Discharge) standards
- 90% + Recovery RO Plants ( Disc Type & Spiral Wound)
- Water Remediation/Rejuvenation of polluted strechs/ Water bodies
- High Purity/Ultra Pure Water System

Felix, holds a portfolio of more than 450 proprietary technologies (including physicochemical, biological, membrane and bio membrane, membrane desalination, thermal and hybrid treatments) to tackle the challenges of managing water in all its forms (drinking water, industrial process water, ultrapure water, wastewater and seawater, sewage, effluent, etc).

Felix along with waste water division, also offers its services in E-waste Recycling Division and trading of Industrial Pipes.

## TWO PILLARS OF THE COMPANY

### **Mr. Ritesh Vinay Patel**

Mr. Ritesh Vinay Patel, Managing Director of Felix Industries Limited is a graduate with Bachelor of Engineering (Chemical). He is a passionate Chemical Engineer with a heart for water as a resource. Having extensive experience in both fundamental and applied chemistry with a focus on treatment of water and waste water for environmental conservation. His vision is to leverage technical knowledge for treatment of large scale, complex industrial effluents and preservation of water systems in India. Over 8 years in leading and directing engineering of water, waste water and solid waste energy recovery projects by implementation of technologies and techniques to deliver at source treatment and recovery that optimizes use of assets and resources with balance consideration of competing drivers of the industry. Facing diverse situational challenges during the period of both ineffective legislations and less awareness for conservation of water, he has successfully led the establishment of a waste water engineering company providing complete innovative, efficient, cost effective solutions that span the entire water industry from treatment to recycling , recovery and desalinization.

### **Mr. Vinay Rajnikant Patel**

Mr. Vinay Rajnikant Patel, Executive Director of the Company, with over 34 years of experience in environmental field have dealt as Senior Administrator and have looked after all the Environmental regulations, legal compliances, research, government monitoring, preparing regulatory framework, implementing framework to control, limit and structure operations of industry and government to reduce environmental impacts and to conserve resources both for the environment and the industry.

A Practical aspects of waste & hazardous management and implications of policies and regulation at environmental levels for all the stakeholder throughout the value chain was developed and delivered resulting in a global exposure and networking in diverse environmental management systems in organizations of all scale and service.

## MAJOR PROJECTS

### 1) LINCOLN PHARMACEUTICALS LIMITED

70 KLD ETP SYSTEM



### 2) GDCL & PSP JOINT VENTURES

100 KLD ETP SYSTEM+ 50 KLD STP SYSTEM





**3) MEGAFINE SPECIALITY CHEMICALS PRIVATE LIMITED**  
**125 KLD ZLD SYSTEM**



**4) NEOCHEM TECHNOLOGIES PRIVATE LIMITED**  
**10 KLD ETP+ ERS SYSTEM**



## BOARD OF DIRECTOR'S AND KEY MANAGERIAL PERSONNEL

<b>Name</b>	<b>Designation</b>	<b>Appointment Date</b>	<b>DIN/PAN</b>
Ritesh Vinaybhai Patel	Managing Director	18/09/2012	05350896
Vinay Rajnikant Patel	Executive Director & CEO	28/02/2019	08377751
Mayuri Vinay Patel	Director	28/02/2019	05350901
Kashyap Hasmukhlal Shah	Independent Director	10/06/2017	00169746
Nivedita Dinkar	Independent Additional Director	12/02/2020	08546402
Uday Chandulal Shah	Chief Financial Officer	15/05/2017	AFGPS3184L
Hena Ketan Shah	Company Secretary & Compliance Officer	13/02/2017	EPUPS1507D

## COMMITTEES OF THE COMPANY

<b>Audit Committee</b>		Mr. Kashyap Shah(Chairman)
		Mrs. Nivedita Dinkar
		Mr. Ritesh Patel
<b>Nomination &amp; Remuneration Committee</b>		Mrs. Nivedita Dinkar(Chairperson)
		Mr. Kashyap Shah
		Mrs. Mayuri Vinay Patel
<b>Stakeholders Relationship Committee</b>		Mr. Kashyap Hasmukhlal Shah (Chairperson)
		Mrs. Nivedita Dinkar
		Mr. Ritesh Vinay Patel



## OTHER CORPORATE INFORMATION

<p><b>REGISTERED OFFICE</b> 208, Devshruti Complex Opp. HCG Hospital Nr. Mithakhali Cross Road, Gujarat, India-06</p>	<p><b>REGISTRAR &amp; SHARE TRANSFER AGENT</b> Bigshare Services Private Limited A-802 Samudra Complex, Near Klassic Gold Hotel Off C G Road Navrangpura, Ahmedabad- 380 009 Email: <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a></p>
<p><b>STATUTORY AUDITORS</b> M/s. S. N Shah &amp; Associates Chartered Accountants Ahmedabad</p>	<p><b>SECRETARIAL AUDITORS</b> M/s. Vishwas Sharma &amp; Associates Secretarial Auditor Ahmedabad</p>
<p><b>BANKERS</b> Bank of Baroda</p>	<p style="text-align: center;"><b>Contact Details for Investors</b></p> <p><b>HENA SHAH</b> Company Secretary &amp; Compliance Officer 208, Devshruti Complex, Opp. HCG Hospital Nr. Mithakhali Cross Road, Ellisbridge Ahmedabad GJ 380006 IN Tel:079-26463658/59 Email: <a href="mailto:hena.shah@felixindustries.co">hena.shah@felixindustries.co</a></p>

**Note:**

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

## NOTICE OF 08<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY

NOTICE is hereby given that the **Eighth (08<sup>th</sup>)** Annual General Meeting of the Members of the Felix Industries Limited will be held on **28<sup>th</sup> September, 2020 at 04.00 P.M.** through Video Conferencing / Other Audio Visual Means to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2020 and Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31<sup>st</sup> March, 2020 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Vinay Rajnikant Patel (DIN: 08377751)** who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. **To appoint Mrs. Nivedita Dinkar (DIN: 08546402) as an Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under, read with Schedule IV to the said Act, Mrs. Nivedita Dinkar (DIN: 08546402) who was appointed as the Additional Director under the category of Independent Director w.e.f. 12.02.2020 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose her as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and hereby authorized to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard."

### Regd. office:

208, Devshruti Complex,  
Opp. Medisurge Hospital,  
Nr. Mithakhali Cross Roads  
Ellisbridge,  
Ahmedabad-380006.

**Date: 24-08-2020**

**Place: Ahmedabad**

By Order of the Board of Directors  
For, **Felix Industries Limited**

**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

## NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the said circulars, the 08th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 17 and available at the Company's website [www.felixindustries.co](http://www.felixindustries.co).
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of ordinary businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Notice of AGM alongwith Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at [www.felixindustries.co](http://www.felixindustries.co). The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited (EMERGE) at <https://www1.nseindia.com/emerge/>.
6. The Register of members and share transfer books of the Company will remain closed from Monday, 21<sup>st</sup> September, 2020 to Monday, 28<sup>th</sup> September, 2020 (both days inclusive) for the purpose of Annual General Meeting.
7. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual members holding shares in the physical form. The members who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or

arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.

11. The Members can join the AGM through 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 for 1,000 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.

**12. Process and manner for members opting for voting through Electronic means:**

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the MCA dated April 8, 2020, April 13, 2020 and May 5, 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”) as the authorised e-Voting agency for facilitating voting through electronic means. The facility of casting votes by members using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, September 21, 2020 shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, September 21, 2020 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on Friday, September 25, 2020 at 10.00 a.m. and will end on Sunday, September 27, 2020 at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e. Monday, September 21, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- v. Once the vote on a resolution is casted by the member, he/she shall not be allowed to change it subsequently or cast the vote again. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e Monday, September 21, 2020.

vi. The Company has appointed CS Vishwas Sharma, Practising Company Secretary (Membership No. ACS: 33017; CP No: 16942), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

13. Process for those members whose email ids are not registered:

- a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder by email to [hena.shah@felixindustries.co](mailto:hena.shah@felixindustries.co).
- b) Members holding shares in Demat mode can get their e-mail id registered by contacting their respective Depository Participant or by email to [hena.shah@felixindustries.co](mailto:hena.shah@felixindustries.co).

14. The instructions for shareholders for remote voting are as under:

- (i) The voting period begins on Friday, September 25, 2020 at 10.00 a.m. and will end on Sunday, September 27, 2020 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday September 21, 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.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (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](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below:
- (viii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat mode and Physical mode**

	For Members holding shares in Demat Form and Physical Form
PAN	<ul style="list-style-type: none"> <li>• Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• 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.</li> <li>• If both the details are not recorded with the depository or</li> </ul>

	company please enter the member id / folio number in the Dividend Bank details field.
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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical mode will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be 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) Members holding shares in physical mode, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of the Company. – FELIX INDUSTRIES LIMITED which you have 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 casted 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 and 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 Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.



- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, 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](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

**15. The instructions for shareholders voting on the day of the AGM on e-voting system are as under: -**

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b. Only those Members/ shareholders, who will be 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 in the AGM.
- c. If any Votes are casted by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes casted by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- d. Members 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.

**16.** The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.felixindustries.co](http://www.felixindustries.co) within three days of the passing of the Resolutions at the 08<sup>th</sup> AGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

**17. Instruction for members for attending the AGM through VC/OAVM are as under:**

- a. Members will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at [https:// www.evotingindia.com](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.
- b. Members are encouraged to join the Meeting through Laptops for better experience.
- c. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d. 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.
- e. For ease of conduct, members who would like to ask questions may send their

questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at hena.shah@felixindustries.co and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

- f. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

## CONTACT DETAILS

**Company:**

FELIX INDUSTRIES LIMITED

**Regd. Office:**

208, DEVSHRUTI COMPLEX, OPP. HCG HOSPITAL, NR. MITHAKHALI CROSS ROADS,  
ELLISBRIDGE, AHMEDABAD-06

**CIN:**

L40103GJ2012PLC072005

**E-mail:**

hena.shah@felixindustries.co

**Registrar and Transfer Agent:**

Bigshare Services Private Limited

A-802 Samudra Complex, Near Klassic Gold Hotel Off C G Road Navrangpura, Ahmedabad- 380  
009

**Tel:** 079-40024135

**Email:** bssahd@bigshareonline.com

**E-Voting Agency:**

Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com

**Tel:** 022- 22723333/ 8588

**Scrutinizer:**

CS Vishwas Sharma Practicing Company Secretary (ACS: 33017 and COP: 16942)

E-mail: cs.vishwasb@gmail.com

## EXPLANATORY STATEMENT

### Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

#### Item No. 3:

Mrs. Nivedita Dinkar (DIN: 08546402) was appointed as an additional director under the category of Independent Director of the Company w.e.f. 12.02.2020. Under section 161 of the Companies Act, 2013, Mrs. Nivedita Dinkar (DIN: 08546402) holds her office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received alongwith requisite deposit of Rs. 1,00,000. The Board is also of the opinion that based on the declarations submitted by Mrs. Nivedita Dinkar she fulfils the criteria relating to her independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Mrs. Nivedita Dinkar does not hold any Equity Shares of the Company.

The Period of office of Mrs. Nivedita Dinkar shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149(13) of the Companies Act, 2013 and the relevant rules made thereunder.

Brief Profile of Mrs. Nivedita Dinkar in terms of Regulation 36(3) of the Listing Regulations is forming part of this notice. Mrs. Nivedita Dinkar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Shareholders.

None of the Director of the Company except Mrs. Nivedita Dinkar is concerned or interested in this resolution.

**Regd. office:**  
208, Devshruti Complex,  
Opp. Medisurge Hospital,  
Nr. Mithakhali Cross Roads  
Ellisbridge,Ahmedabad-380006.

By Order of the Board of Directors  
For, **Felix Industries Limited**

**Date: 24-08-2020**  
**Place: Ahmedabad**

**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015**

Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for appointment/re-appointment/regularize at 08<sup>th</sup> Annual general Meeting are as follows:

<b>Name</b>	<b>Mr. Vinay Rajnikant Patel</b>	<b>Mrs, Nivedita Dinkar</b>
<b>DIN</b>	08377751	08546402
<b>Designation</b>	Executive Director	Non-Executive Director
<b>Date of Birth</b>	30/10/1958	24/09/1966
<b>Date of Appointment</b>	28/02/2019	12/02/2020
<b>Qualifications experience in specific functional area</b>	Graduated with degree of Chemical Engineering	Graduated with M.Phil
<b>Directorship held in other companies*</b>	NIL	NIL
<b>Membership / Chairmanships of Committee in other Public Companies</b>	NIL	NIL
<b>Relationships between directors inter se</b>	Relative (father) of Mr. Ritesh Vinay Patel & (husband) of Mr. Mayuri Vinay Patel	No Relation
<b>Number of shares held in the Company</b>	1000	NIL

\*Pvt. Companies excluded

**Regd. office:**

208, Devshruti Complex,  
Opp. Medisurge Hospital,  
Nr. Mithakhali Cross Roads  
Ellisbridge,Ahmedabad-380006.

By Order of the Board of Directors  
For, **Felix Industries Limited**

**Date: 24-08-2020**  
**Place: Ahmedabad**

**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

## DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the **08<sup>th</sup>Annual Report** of your Company together with the Audited Statements of Accounts for the financial year ended 31<sup>st</sup>March, 2020.

### **I. FINANCIAL RESULTS:**

The financial performance of the Company for the year ended 31<sup>st</sup> March, 2020 is summarized below:

(In Rupees)

Particulars	Year ending on 31 <sup>st</sup> March, 2020	Year ending on 31 <sup>st</sup> March, 2019
Sales	1,86,76,074	1,96,04,031
Other Income	7,230	18,61,739
<b>Total Income</b>	<b>1,86,83,304</b>	<b>2,14,65,770</b>
Less: Expenditure	2,44,91,851	3,14,32,596
Profit/Loss before interest, depreciation and tax	(72,85,256)	(1,20,00,309)
Less: Interest	-	-
Less: Depreciation & Amortization cost	14,76,709	10,16,742
<b>Profit/ (Loss) before Tax</b>	<b>(58,08,547)</b>	<b>(1,09,83,567)</b>
Less: Tax Expense	43,68,844	(3,23,159)
<b>Profit/ (Loss) after Tax</b>	<b>(29,16,412)</b>	<b>(1,13,06,726)</b>

### **II. STATE OF COMPANY'S AFFAIR :**

During the year under review, the company has made a net loss but the management is optimistic that the company will be in a commanding position this year as the orders are in hand for execution.

### **III. DIVIDEND:**

No dividend is being recommended by the Board of Directors for the year ended on 31<sup>st</sup> March, 2020 due to loss incurred by the company

### **IV. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed dividend, the provision of Section 125 of the Companies Act, 2013 do not apply.

### **V. POSTAL BALLOT**

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s)



made there under), your Company passed the following resolution through postal ballot as per the details below:

Date of Postal Ballot Notice: 30th May, 2019

Date of Declaration of Result: 08th July, 2019

Voting Period: 07th June, 2019 to 06th July, 2019

Date of Approval: 06<sup>th</sup> July, 2019

Particular of Resolution	Type of Resolution	Consolidated (Voting through Postal Ballot Forms )				
		No. Of votes polled	No. Of Votes in Favour	No. Of votes Against	% of votes in Favour	% of votes in Against
To Regularise Mr. Vinay Rajnikant Patel (DIN: 08377751) as a Director of the Company.	Ordinary	18,57,000	18,53,000	4,000	99.79	0.21
To Regularise Mrs. Mayuri Vinay Patel (DIN: 05350901) as a Director of the Company.	Ordinary	18,57,000	18,53,000	4000	99.79	0.21
To Alter the Object Clause of Memorandum of Association of the Company.	Special	18,57,000	18,53,000	4000	99.79	0.21
Variation in terms of Objects of the Issue	Special	18,57,000	18,53,000	4000	99.79	0.21
To Approve Related Party Transactions entered by the Company with Related Parties	Ordinary	18,57,000	18,49,000	8000	99.57	0.43

#### VI. ADDITION IN THE NATURE OF COMPANY'S BUSINESS:

The company has called a board meeting on 30th May, 2019 for approving the postal ballot notice and the company altered the object clause of Memorandum of Association through Postal Ballot dated 06th July, 2019 by incorporating therein under the sub-clause number as referred in Main-object Clause of the Company by adding the following sub-clause as new sub-clause 5 & 6 after the existing sub-clause 4 in Clause IIIA.

- 5) To carry on the business, whether within or outside India as producers, refiners, processors, converters, dealers, traders, importers, exporters of all types of ferrous & non-ferrous metals and generation of any and all classes and kinds of heavy chemicals, fine chemicals and any and all classes and kinds of inorganic and organic chemicals, source materials, intermediates, ingredients, mixtures, derivatives and compounds thereof and any and all kinds of products of which any of the foregoing constitutes an

ingredient or in the preparation, formulation, mixtures or production of which any of the foregoing is used or required.

- 6) To carry on in India or elsewhere the business to manufacture, produce, assemble, alter, acquire, build, construct, convert, commercialize, dismantle, design, develop, display, demonstrate, erect, equip, establish, fabricate, finish, hold, handle, install, hire, let on hire, lease, repair, maintain, modify, market, machine, own, operate, protect, pull down, reconstruct, renovate, recondition, remodel, import, export, buy, sell, trade, resale, exchange, service, turn to account and to act as agent, commission agent, broker, stockist, turn key supplier, contractor, promotor, consultant, engineer, collaborator or otherwise to deal in all types of machineries, engineering machineries, instruments, equipment's, spare parts, implements, devices, systems, apparatus, components, parts, fittings, tools, tackles and accessories used in all types of industries, hotels, railways, ships, aviations, defence, mining, oil drilling, water works, power plants, public utilities, offices, laboratories, hospitals and for other commercial, domestic or other purposes.

**VII. CHANGE IN THE SHARE CAPITAL OF THE COMPANY:**

During the year under review, there was no change in the share capital of the company

**VIII. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**IX. PUBLIC DEPOSITS:**

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force). Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

**X. MATERIAL CHANGES AND COMMITMENT:**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

**XI. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the period under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**XII. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

**XIII. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year, the Company has not given any guarantee or provided security in connection with the loan to any other body corporate or person or made any investments.

**XIV. RELATED PARTY TRANSACTIONS:**

During the year under review, no contracts or arrangements were made with the related parties falling under the purview of Section 188 of the Companies Act, 2013.

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

**XV. PARTICULARS OF EMPLOYEES:**

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the employees of the company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2019-20.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith as “Annexure-A”.

**XVI. SECRETARIAL STANDARDS**

The Directors states that applicable Secretarial Standards, i.e SS-1 & SS-2 has been duly followed by the company.

**XVII. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**[A] Consumption Of Energy & Technology Absorption:**

The details as required under Section 134 (3) (m) of the Companies Act, 2013, in respect of Conservation of Energy, Technology Absorption are provided in “Annexure-B” of this report.

**[B] Foreign Exchange Earning & Outgo :**

Foreign Exchange Earning: NIL

Foreign Exchange Outgo : NIL

**XVIII. REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY:**

M/s. Big Share Services Pvt. Ltd. is its registrar and share transfer agent of the company.

## **XIX. PROFILE OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT**

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment and appointment at the ensuing Annual General Meeting is annexed to the notice convening 08<sup>th</sup> Annual General Meeting.

## **XX. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **i. Composition of Board**

<b>Name of Directors</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Board Meeting held during the year</b>	<b>No. of Board Meeting attended during the year</b>
Mr. Ritesh Vinay Patel	Managing Director	Promoter Executive	05	05
Mr. Vinay Rajnikant Patel	Director	Executive Director	05	05
Mrs. Mayuri Vinay Patel	Director	Non- Executive Director	05	05
Mr. Raxesh Satia <sup>(1)</sup>	Director	Non-Executive Independent	05	03
Mr. Kashyap Shah	Director	Non-Executive Independent	05	03
Mrs. Nivedita Dinkar <sup>(2)</sup>	Director	Non-Executive Independent	05	01

(1) Mr. Raxesh Satia resigned from the Board of the Company w.e.f 12<sup>th</sup> February, 2020.

(2) Mrs. Nivedita Dinkar has been appointed as a Non-Executive Independent Director w.e.f 12<sup>th</sup> February, 2020.

### **ii. Appointment**

**During the year the following directors were appointed:**

**Mrs. Nivedita Dinkar (DIN: 08546402)** has been appointed as an additional Non- Executive Independent Director of the company w.e.f 12<sup>th</sup> February, 2020. Appropriate resolutions for there-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 08<sup>th</sup>AGM of your Company.

### **iii. Resignation**

**Mr. Raxesh Chandrvadan Satia (DIN: 00577822)** resigned from the Board of Directors of the Company w.e.f 12<sup>th</sup> February, 2020.

### **iv. Retirement by rotation and subsequent re-appointment:**

**Mr. Vinay Rajnikant Patel (DIN: 08377751)** is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of Company and being eligible have offered himself for reappointment. Appropriate resolutions

for there-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 08<sup>th</sup>AGM of your Company.

**v. Declaration of Independence:**

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

**vi. Evaluation of Board's Performance:**

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/ Committees was carried out.

**XXI. NUMBER OF MEETINGS OF THE BOARD**

The Company had conducted 5 (Five) Board meetings during the financial year 2019-20 on:

30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019, 10<sup>th</sup> January, 2020, and 12<sup>th</sup> February, 2020.

**XXII. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of our Company confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2020, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- b) the Directors have 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 your Company as at 31<sup>st</sup>March, 2020 and of the profit and loss of the Company for the financial year ended 31<sup>st</sup> March, 2020;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for

safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **XXIII. EXTRACT OF ANNUAL RETURN:**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure "C"** and is attached to this Report.

### **XXIV. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:**

#### **[A] AUDIT COMMITTEE:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013.

The audit committee was re-constituted in the board meeting held on 12<sup>th</sup> February, 2020. The composition of the Audit Committee is in conformity with the provisions of the said section.

#### **➤ Composition:**

The details of composition of Audit Committee are as follows:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Position In Committee</b>	<b>No. of meeting held</b>	<b>No. of meetings attended</b>
1.	Mr. Kashyap Shah	Independent Director	Chairman	02	02
2.	Mr. Raxesh Satia*	Independent Director	Member	02	02
3.	Mr. Ritesh Patel	Executive Director	Member	02	02
4.	Mrs. Nivedita Dinkar#	Independent Director	Member	02	00

\* Mr. Raxesh Satia resigned w.e.f 12<sup>th</sup> February, 2020.

# Mrs.Nivedita Dinkar was appointed w.e.f 12<sup>th</sup> February, 2020.

The Audit Committee had 02 meetings -30<sup>th</sup> May, 2019 and 13<sup>th</sup> November, 2019 during the financial year under review.



➤ **Terms of reference:**

The broad terms of reference of the Audit Committee are as under:

- Reviewing 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.
- Recommending the appointment, remuneration and terms of appointment of external Auditor.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.
- Discussions with Internal Auditor on any significant findings and follow up there on.

**[B] NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee was re-constituted in the board meeting held on 12<sup>th</sup> February, 2020. The composition of the Nomination & Remuneration Committee is in conformity with the provisions of the said section.

➤ **Composition**

The details of composition of Nomination and Remuneration Committee are as follows:

Sr. No.	Name	Designation	Position In Committee	No. of meeting held	No. of meetings attended
1.	Mr. Raxesh Satia*	Independent Director	Chairman	01	00
2.	Mr. Kashyap Shah	Independent Director	Member	01	01
3.	Mrs. Mayuri Vinay Patel	Non-Executive Director	Member	01	01

4.	Mrs. Nivedita Dinkar#	Independent Director	Member	01	01
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\* Mr. Raxesh Satia resigned w.e.f 12<sup>th</sup> February, 2020.

# Mrs.Nivedita Dinkar was appointed w.e.f 12<sup>th</sup> February, 2020.

The Nomination & Remuneration Committee had 01 meeting -12<sup>th</sup> February, 2020 during the financial year under review.

➤ **Terms of reference:**

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

The Board has on the recommendation of Nomination and Remuneration Committee framed a policy on director's appointment and remuneration of Directors including criteria for determining qualification, positive attributes, independence of directors and remuneration for directors, Key Managerial Personnel and other employees. The policy is annexed to this report as "**Annexure-D**"

**[C] STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee of Directors was constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013.

The Stakeholders Relationship Committee was re-constituted in the board meeting held on 12<sup>th</sup> February, 2020. The composition of the Audit Committee is in conformity with the provisions of the said section.

➤ **Composition:**

The details of composition of Stakeholders Relationship Committee shall comprise;

Sr. No.	Name	Designation	Position In Committee	No. of meeting held	No. of meetings attended
1.	Mr. Raxesh Satia*	Independent Director	Chairman	01	00
2.	Mr. Kashyap Shah	Independent Director	Member	01	01

3.	Mrs. Nivedita Dinkar#	Independent Director	Member	01	01
4.	Mr. Ritesh Vinay Patel	Executive Director	Member	01	01

\* Mr. Raxesh Satia resigned w.e.f 12<sup>th</sup> February, 2020.

# Mrs.Nivedita Dinkar was appointed w.e.f 12<sup>th</sup> February, 2020.

The Stakeholder Relationship Committee had 01 meetings –12<sup>th</sup> February, 2020 during the financial year under review.

➤ **Terms of reference:**

- Efficient transfer of shares; including review of cases for refusal of transfer transmission of shares;
- Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- Issue duplicate/split/consolidated share certificates;
- Dematerialization/Rematerialization of Share;
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and
- Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

➤ **Details of Investor's grievances/ Complaints:**

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31<sup>st</sup> March, 2020 are NIL.

➤ **Compliance Officer :**

Ms. Hena Shah is the Compliance Officer of the Company for the above purpose.

**XXV. AUDITORS:**

**[A] Statutory Auditors:**

M/s. S.N Shah & Associates, Chartered Accountants, Ahmedabad were appointed as Statutory Auditors in the Annual General Meeting held on 29<sup>th</sup> September, 2017 from the conclusion of Fifth (5<sup>th</sup>) Annual General Meeting till the conclusion of Tenth (10<sup>th</sup>) Annual General Meeting of the company.(subject to ratification of their appointment at every AGM).

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by M/s. S.N Shah & Associates, Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31<sup>st</sup> March, 2020 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**[B] Cost Auditor:**

As the cost audit is not applicable to the Company, therefore the Company has not appointed the Cost Auditor pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

**[C] Internal Auditor**

The Company has appointed the M/s SNDK & Associates LLP, Chartered Accountants, Ahmedabad as Internal Auditor pursuant to the provision of section 138 of Companies Act, 2013 read with rule 13 of The Companies (Accounts) Rule, 2014 and other applicable provisions (including any modification or enactment thereof), if any, of the Companies Act, w.e.f. 30<sup>th</sup> May, 2019 for the financial year 2019-20.

**[D] Secretarial Auditor:**

The Company has appointed the M/s Vishwas Sharma & Associates, Company Secretaries, Ahmedabad as Secretarial Auditor to conduct secretarial audit pursuant to the provisions of Section 204 of the Companies Act, 2013. The secretarial audit of the Company has been conducted on a concurrent basis in respect of the matters as set out in the said rules and Secretarial Audit Report given by M/s. Vishwas Sharma & Associates, Company Secretaries, Secretarial Auditor of the Company forms part of this report and is marked as “**Annexure-F**”.

There are no qualifications, reservations or adverse remarks made by M/s. Vishwas Sharma & Associates, Company Secretaries, Secretarial Auditor of the Company, in their report.

**XXVI. CORPORATE GOVERNANCE**

Your Company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of schedule V shall not apply to the listed entity which has listed its specified securities on the SME Exchange.

**XXVII. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted

Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment.

Your Directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**XXVIII. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behavior in its employees & stakeholders. The Company has adopted a Whistle Blower Policy as a part of vigil mechanism. The said policy is available on the website of the company [www. Felixindustries.co](http://www.Felixindustries.co).

Also, the Code of Business Conduct (Code) lays down important corporate ethical practices that shape the Company's value system and business functions and represents cherished values of the Company.

**XXIX. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provision of section 135(1) of Companies Act 2013 i.e. Corporate Social Responsibility is not applicable on the company. Therefore the company has not constituted CSR committee.

**XXX. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) (e) of the Listing Regulations is given as an "Annexure-E" to this report.

**XXXI. DIRECTOR'S DISQUALIFICATION**

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

**XXXII. RISK MANAGEMENT:**

The Company does not have any Risk Management Policy or any statement concerning development and implementation of risk management policy of the company as the elements of risk threatening the Company's existence are very minimal.

**XXXIII. GENERAL:**

- a. Your Company has not issued any equity shares with differential rights as to dividend, voting or otherwise; and
- b. Your Company does not have any ESOP scheme for its employees/Directors.

**XXXIV. APPRECIATION:**

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

**Regd. office:**

208, Devshruti Complex,  
Opp. Medisurge Hospital,  
Nr. Mithakhali Cross Roads  
Ellisbridge, Ahmedabad-380006.

By Order of the Board of Directors  
For, **Felix Industries Limited**

**Date: 24-08-2020**  
**Place: Ahmedabad**

**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

**Vinay Patel**  
**Executive Director**  
**(DIN: 08377751)**

## “Annexure A”

The ratio of the remuneration of each director to the median employee’s remuneration and other details in terms of Sub Section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD	1.62 times
		WTD	1.12 times
II.	The percentage increase/decrease in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	No Increase	
III.	The percentage increase in the median remuneration of employees in the financial year	No Increase	
IV.	The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2020	19	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	



# **“ANNEXURE - B”**

## **CONSERVATION OF ENERGY**

The information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020 is given here below and forms part of the Directors' Report.

➤ **The steps taken for conservation of energy:**

In line with the Company's commitment towards conservation of energy, the company continues with its efforts aimed at improving energy efficiency through improved operational and maintenance practices.

**The steps taken in this direction are as under:**

- a)** Energy conservation has been an important thrust area for the Company and is continuously monitored. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.
- b)** Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.
- c)** Various on-going measures for conservation of energy include:
  - i. Effective planning and implementing of several weeks maintenance schedule with continuous monitoring which leads not only to energy conservation but also on the increased life cycle of equipment.
  - ii. Integrated building management system to remotely monitor and control all utility equipment for better energy conservation and replacement of the outdated energy intensive equipment.
  - iii. Reduction of energy loss.
  - iv. Ensure that light levels will remain at adequate levels before changing out technologies and other electrical equipment's.
  - v. Ensure outdoor lighting is off during daytime.
  - vi. Take advantage of natural daylight, turn off or dim electric lighting when adequate sunlight is available to illuminate interior space.
  - vii. Keeping control on heating and cooling of office temperatures.
- d)** The Company has not specific Research and Development Department. However, the Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.

The Company has derived benefits of product development, cost reduction and better quality as a result of the above efforts

The research and development is an on-going exercise and suitable efforts will continue to be made in future.

➤ **The capital investment on energy conservation equipment's :**

Capital Investment made in the year towards energy conservation: NIL

**TECHNOLOGY ABSORPTION:**

**i. The efforts made towards technology absorption: N.A.**

**ii. The benefits derived like product improvement, cost reduction, product development or import substitution:**

The Company has not specific Research and Development Department. But there are some manpower who are continuously engaged in research & development. The Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.

The Company has derived benefits of product diversification, cost reduction and better quality as a result of the above efforts. The research and development is an on-going exercise and suitable efforts will continue to be made in future.

**iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N.A.**

a) The details of technology imported: N.A.

b) The year of import: N.A

c) Whether the technology been fully absorbed: N.A

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

**iv. The expenditure incurred on Research and Development: N.A.**

# “Annexure-c”

## Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2020

[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:

1.	CIN:	L40103GJ2012PLC072005
2.	Registration Date	18/09/2012
3.	Name Of The Company	FELIX INDUSTRIES LIMITED
4.	Category / Sub-Category Of The Company	Public limited/ Limited by shares
5.	Address Of The Registered Office And Contact Details	208, DEVSHRUTI COMPLEX, OPP. MEDISURGE HOSPITAL NR. MITHAKHALI CROSS ROAD, ELLISBRIDGE AHMEDABAD GJ 380006 IN
6.	Whether Listed Company	Yes
7.	Name, Address And Contact Details Of Registrar And Transfer Agent, If Any	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building , opp. Vasant Oasis Makwana Road, Marol, Andheri (East) , Mumbai-400059 <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities Contributing 10 % or more of the total turnover of the company shall be stated)

Sr No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1.	Water collection, treatment and supply	36000	82%
2.	Wholesale of waste and scrap and other products	4669	1%
3.	Non-Specialized Wholesale Trade (trading of	46909	17%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable section
NIL					

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

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2019)				No. of Shares held at the end of the year (31/03/2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	3725000	-	3725000	73.13	3725000	-	3725000	73.13	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI									
f) Any other...									
<b>Sub-total (A) (1):-</b>	<b>3725000</b>	<b>-</b>	<b>3725000</b>	<b>73.13</b>	<b>3725000</b>	<b>-</b>	<b>3725000</b>	<b>73.13</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals									
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>3725000</b>	<b>-</b>	<b>3725000</b>	<b>73.13</b>	<b>3725000</b>	<b>-</b>	<b>3725000</b>	<b>73.13</b>	<b>-</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	194866	-	194866	3.83	436000	-	436000	8.57	4.73
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	465134	-	465134	9.13	372000	-	372000	7.30	(1.83)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	216000	-	216000	4.24	456000	-	456000	8.95	4.71
c) Others (specify)									
i) Non Resident Repatriates	-	-	-	-	-	-	-	-	-
ii) HUF	76000	-	76000	1.49	76000	-	76000	1.49	-
iii) Non Resident Non Repatriates	-	-	-	-	-	-	-	-	-
iv) Clearing Members	416000	-	416000	8.17	28000	-	28000	0.54	(7.62)
<b>Sub-total (B)(2):-</b>	<b>1368000</b>	-	<b>1368000</b>	<b>26.85</b>	<b>1368000</b>	-	<b>1368000</b>	<b>26.85</b>	

<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1368000</b>	<b>-</b>	<b>136800</b>	<b>26.85</b>	<b>1368000</b>	<b>-</b>	<b>136800</b>	<b>26.85</b>	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>5093000</b>	<b>-</b>	<b>5093000</b>	<b>100</b>	<b>5093000</b>	<b>-</b>	<b>5093000</b>	<b>100</b>	<b>-</b>

**(ii) Shareholding of Promoters (including promoter group)**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during 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	
1	Ritesh Vinay Patel	1738000	34.12	-	1738000	34.12	-	-
2	Sagar Samir Shah	1898000	37.26	-	1898000	37.26	-	-
3	Mayuri Vinay Patel	85000	1.67		85000	1.67	-	-
4	VinayRajnikant Patel	1000	0.02		1000	0.02	-	-
5	Samir R. Shah	1000	0.02		1000	0.02	-	-
6	Shweta Samir Shah	1000	0.02		1000	0.02	-	-
7	Charmi Praful Ramani	1000	0.02		1000	0.02	-	-
	<b>Total</b>	<b>3725000</b>	<b>73.13</b>	<b>-</b>	<b>3725000</b>	<b>73.13</b>	<b>-</b>	<b>-</b>

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

Sl. No.	For Each Of the Promoters'	Shareholding at the beginning of the year		Increase/Decrease in the Share holding	Reason	Cumulative Shareholding	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
	At the beginning of the year	3725000	73.13			3725000	73.13
	Date wise increase/decrease in the promoters shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/sweat equity etc);	No Change					
	At the end of the Year	3725000	73.13			3725000	73.13

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase/Decrease in the Share holding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
<b>1.</b>	<b>ANS PVT LTD</b>						
	At the beginning of the year	384000	7.54			-	-
	Increase as on 05/04/2019			4000	Transfer	388000	7.62
	Increase as on 12/04/2019			4000	Transfer	392000	7.70
	Increase as on 19/04/2019			4000	Transfer	396000	7.78
	Increase as on 26/04/2019			4000	Transfer	400000	7.85
	Decrease as on 03/05/2019			(184000)	Transfer	216000	4.24
	Decrease as on 10/05/2019			(216000)	Transfer	0	0
	Increase as on 31/05/2019			16000	Transfer	16000	0.31
	Increase as on 07/06/2019			24000	Transfer	40000	0.79



	Increase as on 14/06/2019			4000	Transfer	44000	0.86
	Increase as on 21/06/2019			100000	Transfer	144000	2.83
	Increase as on 19/07/2019			4000	Transfer	148000	2.91
	Increase as on 02/08/2019			4000	Transfer	152000	2.98
	Increase as on 23/08/2019			4000	Transfer	156000	3.06
	Decrease as on 24/09/2019			(156000)	Transfer	0	0.00
	Increase as on 01/11/2019			28000	Transfer	28000	0.55
	Decrease as on 08/11/2019			(28000)	Transfer	0	0.00
	<b>At the end of the year</b>	<b>0</b>	<b>0.00</b>			<b>0</b>	<b>0.00</b>
<b>2.</b>	<b>MONARCH NETWORTH CAPITAL LIMITED</b>						
	At the beginning of the year	140000	2.75				
	Decrease as on 05/04/2019			(4000)	Transfer	136000	2.67
	Decrease as on 03/05/2019			(24000)	Transfer	112000	2.20
	Decrease as on 10/05/2019			(112000)	Transfer	0	0.00
	Increase as on 20/03/2020			4000	Transfer	4000	0.08
	Increase as on 27/03/2020			4000	Transfer	8000	0.16
	<b>At the end of the year</b>	<b>8000</b>	<b>0.16</b>			<b>8000</b>	<b>0.16</b>
<b>3.</b>	<b>HEENA VIPUL VORA</b>						
	At the beginning of the year	36000	0.71				
	No increase/decrease in the shareholding during the year						
	<b>At the end of the year</b>	<b>36000</b>	<b>0.71</b>			<b>36000</b>	<b>0.71</b>
<b>4.</b>	<b>MAHENDRABHAI GULABDAS PATEL</b>						
	At the beginning of the year	24000	0.47				
	Decrease as on 21/06/2019			(24000)	Transfer	0	0.00
	<b>At the end of the year</b>	<b>0</b>	<b>0</b>			<b>0</b>	<b>0.00</b>
<b>5.</b>	<b>NIDHI MAHENDRABHAI PATEL</b>						
	At the beginning of the year	24000	0.47				
	Decrease as on 21/06/2019			(24000)	Transfer	0	0.00
	<b>At the end of the year</b>	<b>0</b>	<b>0.00</b>			<b>0</b>	<b>0.00</b>
<b>6.</b>	<b>MANSI MUNJAL PATEL</b>						
	At the beginning of the year	24000	0.47				
	Decrease as on 21/06/2019			(24000)	Transfer	0	0.00
	<b>At the end of the year</b>	<b>0</b>	<b>0.00</b>			<b>0</b>	<b>0.00</b>
<b>7.</b>	<b>KAILASHBEN MAHENDRABHAI PATEL</b>						
	At the beginning of the year	24000	0.47				
	Decrease as on 21/06/2019			(24000)	Transfer	0	0.00

	<b>At the end of the year</b>	<b>0</b>	<b>0.00</b>			<b>0</b>	<b>0.00</b>
<b>8.</b>	<b>ASHOK KUMAR MANDHANI</b>						
	At the beginning of the year	20000	0.39				
	No increase/decrease in the shareholding during the year						
	<b>At the end of the year</b>	<b>20000</b>	<b>0.39</b>			<b>20000</b>	<b>0.39</b>
<b>9.</b>	<b>ADROIT TRADELINK PRIVATE LIMITED</b>						
	At the beginning of the year	20000	0.39				
	Decrease as on 01/11/2019			(20000)	Transfer	0	0.00
	<b>At the end of the year</b>	<b>0</b>	<b>0.00</b>			<b>0</b>	<b>0.00</b>
<b>10.</b>	<b>NITIN AMRUTLAL SHAH</b>						
	At the beginning of the year	12000	0.24				
	No increase/decrease in the shareholding during the year						
	<b>At the end of the year</b>	<b>12000</b>	<b>0.24</b>			<b>12000</b>	<b>0.24</b>

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.		Shareholding at the beginning of the year		Increase / Decrease in the Share holding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
<b>1.</b>	<b>Ritesh Vinay Patel</b>						
	At the beginning of the year	1738000	34.12			1738000	34.12
	No changes during the year						
	<b>At the end of the Year</b>	<b>1738000</b>	<b>34.12</b>			<b>1738000</b>	<b>34.12</b>
<b>2.</b>	<b>Vinay Rajnikant Patel</b>						
	At the beginning of the year	1000	0.02			1000	0.02
	No changes during the year						
	<b>At the end of the Year</b>	<b>1000</b>	<b>0.02</b>			<b>1000</b>	<b>0.02</b>
<b>3.</b>	<b>Mayuri Vinay Patel</b>						
	At the beginning of the year	85000	1.67			85000	1.67
	No changes during the year						
	<b>At the end of the Year</b>	<b>85000</b>	<b>1.67</b>			<b>85000</b>	<b>1.67</b>

## V. INDEBTEDNESS

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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposit s</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	<b>10522472</b>	<b>53428</b>	-	<b>10575900</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>10522472</b>	<b>53428</b>	-	<b>10575900</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	<b>22369</b>	<b>8909629</b>	-	<b>8931998</b>
* Reduction	-	-	-	-
Net Change	<b>22369</b>	<b>8909629</b>	-	<b>8931998</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	<b>10544841</b>	<b>8963057</b>	-	<b>19507898</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>10544841</b>	<b>8963057</b>	-	<b>19507898</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ritesh Vinay Patel	Vinay Rajnikant Patel	
1.	Gross salary	520000	360000	880000
	(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	-		Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			Nil
2.	Stock Option	-		Nil
3.	Sweat Equity	-		Nil
4.	Commission - as % of profit - Others, specify...	- -		Nil
5.	Others, please specify	-		Nil
	Total (A)	520000	360000	880000
	Ceiling as per the Act	-	-	-

### B. Remuneration to other directors:

B. Remuneration to other directors:						
SN.	Particulars of Remuneration	Name of Directors				Total
		Mrs. Nivedita Dinkar	Mr. Raxesh Satia	Mr. Kashyap Shah	Mrs. Mayuri Patel	
1	Independent Directors	√	√	√		NIL
	Fee for attending board committee meetings	-	NIL	NIL	NIL	NIL
	Commission	-	NIL	NIL	NIL	NIL

	Others, please specify	-	NIL	NIL	NIL	NIL
	Total (1)	-	NIL	NIL	NIL	-
2	Other Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	NIL	-	-	-	NIL
	Commission	NIL	-	-	-	NIL
	Others, please specify <b>(Salary)</b>	NIL	-	-	-	NIL
3	Other Non-Executive Directors	-	-	-	√	
	Fee for attending board committee meetings	-	-	-	NIL	NIL
	Commission	-	-	-	NIL	NIL
	Others, please specify <b>(Salary)</b>	-	-	-	NIL	NIL
	Total (2)	-	-	-	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	100000/- per meeting	100000/- per meeting	100000/- per meeting	100000/- per meeting	-

### C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD:

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CFO	CEO	CS	
		Uday Shah	Vinay Patel	Hena Shah	
1.	Gross salary <b>(a)</b> Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 <b>(b)</b> Value of perquisites u/s 17(2) Income-tax Act,1961 <b>(c)</b> Profits in lieu of salary under section 17(3) Income- tax Act, 1961	3,60,000	-	3,00,000	6,60,000
2.	Stock Option	-			-
		-			-

3.	Sweat Equity	-			-
4.	Commission - as % of profit - Others, specify...	-			-
5.	Others, please specify	-			-
	<b>Total</b>	<b>3,60,000</b>	<b>-</b>	<b>3,00,000</b>	<b>6,60,000</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**Regd. office:**

208, Devshruti Complex,  
Opp. Medisurge Hospital,  
Nr. Mithakhali Cross Roads  
Ellisbridge, Ahmedabad-380006.

By Order of the Board of Directors  
For, **Felix Industries Limited**

**Date: 24-08-2020**  
**Place: Ahmedabad**

**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

**Vinay Patel**  
**Executive Director**  
**(DIN: 08377751)**

# **“Annexure D”**

## **Nomination and Remuneration Policy**

### **INTRODUCTION**

In pursuance to the Company’s policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, key managerial personnel and employees of the Company, to harmonise the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on Nomination and Remuneration of directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC”) and approved by the Board of Directors of the Company.

### **CONSTITUTION OF COMMITTEE**

The Board of Directors of Felix Industries Limited (“the Company”) constituted the “Nomination and Remuneration Committee” consisting of three (3) Non-Executive Directors of which majority are Independent Directors in accordance with the provisions of Section 178 of the Companies Act, 2013.

### **OBJECTIVE**

The key objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) Formulate the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management
- d) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage
- f) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- g) To develop a succession plan for the Board and to regularly review the plan.

### **DEFINITIONS**

“**Act**” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

“**Board**” means Board of Directors of the Company.

“**Directors**” mean Directors of the Company.

“**Key Managerial Personnel**” means

- a) Chief Executive Officer or the Managing Director or the Manager;
- b) Whole-time director;
- c) Chief Financial Officer;



- d) Company Secretary; and
- e) Such other officer as may be prescribed.

**“Senior Management”** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads

## **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIORMANAGEMENT**

### **A. Appointment criteria and qualifications**

**I.** The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

**II.** A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

**III.** The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### **B. Term / Tenure**

#### **➤ Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

#### **➤ Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed

companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### **C. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

### **D. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

### **POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

While determining the remuneration of Executive Directors and Key Managerial Personnel, the Committee shall consider following factors:

- i) Industry standards, if the data in this regard is available.
- ii) The job description.
- iii) Qualification and experience level of the candidate.

The remuneration payable to the Executive Directors, including the value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of the Companies Act, 2013. They shall not be eligible for any sitting fees for attending any meetings.

The Non-Executive Directors shall not be eligible to receive any remuneration/ salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board/Shareholders from time to time, presently the Company is not paying any sitting fee. They shall also be eligible for reimbursement of out of pocket expenses for attending Board/ Committee Meetings.

### **DUTIES IN RELATION TO NOMINATION MATTERS**

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Determining the appropriate size, diversity and composition of the Board;
- d) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- e) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- f) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- g) Recommend any necessary changes to the Board; and

**DUTIES IN RELATION TO REMUNERATION MATTERS:**

The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

**REVIEW AND AMENDMENTS:**

- I. The NRC or the Board may review the Policy as and when it deems necessary.
- II. The NRC may issue guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.

This Policy may be amended or substituted by the NRC or by the Board and as when required and also by the Compliance Officer where there is any statutory change necessitating the change in the policy.

**Regd. office:**

208, Devshruti Complex,  
Opp. Medisurge Hospital,  
Nr. Mithakhali Cross Roads  
Ellisbridge, Ahmedabad-380006.

By Order of the Board of Directors  
For, **Felix Industries Limited**

**Date: 24-08-2020**  
**Place: Ahmedabad**

**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

**Vinay Patel**  
**Executive Director**  
**(DIN: 08377751)**

# “Annexure E”

## ***MANAGEMENT DISCUSSION & ANALYSIS REPORT***

### **i) Industry Structure and Development**

FELIX INDUSTRIES LIMITED (FIL) is a company that offers total water and environmental solutions to the end customers. It is supported by a robust infrastructure of ISO certified manufacturing facilities and provide the best after-sales network in form of Operation & Maintenance to the companies. It offers complete range of solutions for water , waste water management by way of Reverse Osmosis Systems, Effluent Recycling System, Zero Liquid Discharge System upto 90% plus recovery. As far as E-waste is concerned the sector is growing in a faster manner as in this sector government involvement is more and they are taking different steps for recycling of E-Waste.

### **ii) Opportunities and Threats**

There is a considerable scope of growth in the business of waste-water recycling and e-waste division for which the management will puts all efforts to increase the business of the company. The whole year was full of opportunities which we have researched and developed which would be helpful to us in the upcoming financial year.

### **iii) Risk and Concerns**

The business sometimes faces insufficient capital investments in processing equipment's being a manufacturing company and the debtors cycle processes slow as the plant takes longer time to be in operation. The fluctuating commodity prices is one of the threat to the company as the company is into manufacturing and trading activity both. The risk factors raised faced can be solved by taking different steps which are in favorable to the industry.

### **iv) Segment wise performance**

The Management team comprising one of the Managing is looking after day to day management of the company and its divisions. The company also comprise of one whole time director who has vast experience in Environmental division so both the directors focus on Waste Water division keeping in mind the environment aspect. Amongst all divisions the waste-water recycling division has seen a downfall during the year with respect to overall market scenario. During this span of time we have researched and developed few more technologies with respect to the recycling systems which can be of good use to the end users. The E-waste division went quite well as we have excelled in the processing systems so we are able to process more amount of E-waste including metals recycling also as compared to the previous years. Overall all division was on an average stage this year.

### **v) Internal Control system and their adequacy**

The Company has a proper and adequate system of internal control and ensures that all assets are safeguard and protected against from unauthorized use or disposition, which has been looked after by Ritesh Patel, Managing Director of the Company.

vi) **Financial performance with respect to operational performance**

The Financial performance of the Company for the year **2019-20** is described in the Directors' Report under the head overview of Company's financial performance.

vii) **Human Resources/ Industrial Relations**

Relation between management and the employees at all level remained healthy and cordial throughout the year. The management and the employees are dedicated to achieve the corporate objectives and the targets set before the company.

viii) **Details of Significant Changes in key financial ratios**

There is a slight significant changes in the key financial ratios for the year 2019-20 which are as below:

**Key Ratios**

<b>Ratios</b>	<b>2019-20</b>	<b>2018-19</b>
Debtor Turnover (Number of Days)	654	791
Inventory Turnover (Number of Days)	421	173
Interest Coverage Ratio	-21.92%	-12.77%
Current Ratio	3.39	3.33
Debt Equity Ratio	0.24	0.24
Operating Profit Margin %	-39.05%	-65.52%
Net Profit Margin	-15.62%	-57.67%
Return on Networth	-3.80%	-15.09%

ix) **Cautionary Statement**

Statement in this management Discussion and Analysis describing the company's objectives, projections, estimated and expectations are "forward looking statements" Actual results might differ, materially from those anticipated because of changing ground realities.

By Order of the Board of Directors

**Date: 24-08-2020**  
**Place: Ahmedabad**

**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

**Vinay Patel**  
**Executive Director**  
**(DIN: 08377751)**

# “Annexure-F”

## Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2020

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

To,  
**The Members,**  
**FELIX INDUSTRIES LIMITED**  
Ahmedabad, Gujarat.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FELIX INDUSTRIES LIMITED (CIN: L40103GJ2012PLC072005)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2020** ('Audit Period') 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:

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

- i. The Companies Act, 2013 (**the Act**) and the rules made there under.
- 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 Borrowing. (**not applicable to the company during the audit period**)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (**not applicable to the company during the audit period**)

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ***(not applicable to the company during the audit period)***
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ***(not applicable to the company during the audit period);***
- (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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ***(not applicable to the company during the audit period);***
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ***(not applicable to the company during the audit period);***

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;

- a) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- b) Employees' State Insurance Act, 1948
- c) The Factories Act, 1948
- d) Environment Protection Act, 1986
- e) The Minimum Wages Act, 1948, and rules made there under

I have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (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. mentioned above.

**I further report that:**

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

Adequate notice is given to all the 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.

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

There are 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.

**I further report that** there were no other instances of:

- (i) Rights/Preferential issue of Shares/debentures/sweat equity.



(ii) Redemption/buy-back of securities.

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iii) Merger/ amalgamation etc.

(iv) Foreign technical collaborations.

For, **Vishwas Sharma and Associates**,  
Company secretaries,

Vishwas Sharma  
Proprietor  
ACS: 33017  
COP No.:16942

**Date: 24/08/2020**  
**Place: Ahmedabad**

**UDIN: A033017B000610187**

**Note: This report is to be read with my letter of even date which is annexed as Annexure -1 herewith and forms and integral part of this report**

## **Annexure - 1 to Secretarial Audit Report**

To,  
The Members,  
**Felix Industries Limited**  
Ahmedabad.

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Vishwas Sharma and Associates,**  
Company secretaries,

Vishwas Sharma  
Proprietor  
ACS: 33017  
COP No.:16942

**Date: 24/08/2020**  
**Place: Ahmedabad**  
**UDIN: A033017B000610187**

# INDEPENDENT AUDITOR'S REPORT

To the Members of

**FELIX INDUSTRIES LIMITED**

**AHMEDABAD.**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS:**

## **OPINION**

We have audited the accompanying financial statements of FELIX INDUSTRIES LIMITED (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its losses and its cash flows for the year ended on that date.

## **BASIS OF OPINION**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

## **EMPHASIS OF MATTER:**

We draw attention to the following matters in the Notes to the Financial Statements:

- I. Notes No. 29(e) relating to the non-provision for doubtful debts amounting to Rs. 1,76,70,214/-

## **KEY AUDIT MATTERS:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 following matters to be key audit matters to be communicated through our report.

**Description of Key Audit Matters:**

<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p><b>1. Intangible Assets Under Development:</b></p> <p>In the preceding financial year, the company commenced design and development of Waste Water Recycling Process-PEA Effluent. The process has not yet been completed in the current financial year and is still under development stage. This will be in the form of improved business process which is expected to be used in the production process or supply of goods or provision of services and from which future economic benefits are expected to flow to the company in the form of revenue generation. The process was in the development stage as at the reporting date. The expenditures incurred on the design and development of the process has been treated as “Intangible Assets Under Development” in the financial statements. (Refer to Note No. 29(d))</p> <p>The risks factors with the above matter are:</p> <p>(i) The company may not be able to fully complete the process so as to make it available for use in the production process or supply of goods or provision of services.</p> <p>(ii) Legal constraints and compliances if any for the registration of the process.</p>	<p><b>Our audit procedure included</b></p> <ul style="list-style-type: none"> <li>• obtaining basic understanding of the process.</li> <li>• how the process will be available for use in the production process or supply of goods or provision of services</li> <li>• how the company can use the process to generate future economic benefits</li> <li>• obtaining basis understanding of the process of registration if any.</li> </ul>

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS’ REPORT THEREON**

The Company’s Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board’s Report including Annexures to the Board’s Report, Business Responsibility Report but does not include the financial statements and our auditor’s report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in 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

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read the Companies (Accounts) Rules, 2014 as amended.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS:**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company has adequate internal financial controls with reference to financial statements 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 issued by The Central Government of India in term of section 143 (11) of The Companies Act, 2013, we enclose in the Annexure-A hereto a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable to the company.

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 appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, aforesaid Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows comply with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors of the Company as on March 31, 2020, and 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 sub-section (2) of section 164 of Act;
  - f) With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B;
  - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. As at 31st March, 2020 there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry

of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**FOR AND ON BEHALF OF  
S. N. SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,  
FIRM REG. NO. 109782W**

**PLACE: AHMEDABAD**

**DATED: 29<sup>TH</sup> JUNE, 2020**

**UDIN: 20126770AAAACE9699**

**FIROJ G. BODLA**

**PARTNER**

**M. No. 126770**



## **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 of even date to the members of FELIX INDUSTRIES LIMITED on the financial statements of the company for the year ended 31st March, 2020:

On the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us during the course of audit, we further report that:

- i. In respect of its fixed assets:
  - a) According to the information and explanations given to us, the company is in the process of compiling records of property, plant & equipment showing full particulars including quantitative details and situation of property, plant & equipment.
  - b) As explained to us, the management in accordance with a phased programme of verification adopted by the company has physically verified the property, plant & equipment. To the best of our knowledge, no material discrepancies have been noticed on such verification or have been reported to us.
  - c) According to the information and explanations given to us and on the basis of the examination of the records of the company, the title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

- ii. In respect of its Inventories:

- a) As explained to us, the inventories have been physical verified during the year by the management of the company.
- b) As explained to us, no material discrepancies were noticed on physical verification of inventory as compared to the books of account.

- iii. Loans/Advances Granted:

As informed to us, during the year the company has not granted any secured or unsecured loans to any Company, Firms, Limited Liability Partnerships or Other Parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence other matters related thereto referred to in clause III (a), (b) and (c) of The Companies (Auditor's Report) Order, 2016 are not applicable.

- iv. According to the information and explanations given to us, the company has complied with provisions of section 185 and 186 in respect of transaction of the nature referred to in Sections 185 and 186 of The Companies Act, 2013 in respect of any loans, investments, guarantees and security.
- v. According to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India, if applicable and the provisions Section 73 to 76 of The Companies Act, 2013, and The Companies (Acceptance of Deposits) Rules, 2014 in respect of deposits, if any, accepted by the company. According to the information and explanations given to us, the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal has not issued any order in respect of the deposits accepted by the company.

- vi. As per information and explanations given to us, the company has been engaged in the trading activities and provisions of services during the year and hence the company is not required to make and maintain the cost records and accounts as prescribed by The Central Government under Section 148(1) of the Companies Act, 2013.
- vii. In respect of Statutory Dues:
- a) As per the information & explanations furnished to us, in our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues of T.D.S., GST, Employee Provident Fund, ESIC and other material statutory dues applicable to it. There has been no outstanding as at 31<sup>st</sup> March, 2020 of undisputed liabilities outstanding for more than six months.
- b) According to information and explanations given to us and so far as appears from our examination of books of account, there were no statutory dues outstanding as at 31<sup>st</sup> March, 2020 which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, the company has repaid the principal amount and made payment of interest on loans or borrowings taken by it from banks.
- ix. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- In our opinion and according to the information and explanations given to us, the company has not obtained any new term loan during the year.
- x. 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 to us by the management during the year.
- xi. In our opinion and according to the information and explanations given to us, the company had paid/provided managerial remuneration in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.
- xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it.
- xiii. According to the information and explanations given to us, the company is in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013, where applicable, for related party transactions and the details of related party transactions have been disclosed in the Notes to the Financial Statements in accordance with the applicable Accounting Standards.

- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, clause (xiv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.
- xv. According to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or persons connected with them and hence clause (xv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.
- xvi. As the company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934, clause (xvi) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it.

**FOR AND ON BEHALF OF  
S. N. SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,  
FIRM REG. NO. 109782W**

**FIROJ G. BODLA  
PARTNER  
M. No. 126770**

**PLACE: AHMEDABAD  
DATED: 29<sup>TH</sup> JUNE, 2020  
UDIN: 20126770AAAACE9699**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

**[REFERRED TO IN PARAGRAPH 2(f) UNDER “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS SECTION OF OUR REPORT OF EVEN DATE]**

**FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2020**

### **Report on the Internal Financial Controls 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 **FELIX INDUSTRIES LIMITED (“the Company”)** as of March 31, 2020 in conjunction with our audit of the financial statements of the company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the company 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 issued by the Institute of Chartered Accountants of India.

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 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 Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was 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 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 financial statements for external purposes in accordance with generally accepted accounting principles. 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 and to the best of our information and according to the information and 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 commensurate with the nature of the business of the company and 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR AND ON BEHALF OF  
S. N. SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,  
FIRM REG. NO. 109782W**

**PLACE: AHMEDABAD**

**DATED: 29<sup>TH</sup> JUNE, 2020**

**UDIN: 20126770AAAACE9699**

**FIROJ G. BODLA**

**PARTNER**

**M. No. 126770**

**FELIX INDUSTRIES LIMITED**  
**( FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)**  
**BALANCE SHEET AS AT 31ST MARCH, 2020**

SR. NO.	PARTICULARS	Note No	AS AT	
			31-Mar-20	31-Mar-19
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDER'S FUND</b>			
	(a) Share Capital	2	50,930,000	50,930,000
	(b) Reserves and Surplus	3	22,852,890	25,893,949
			<b>73,782,890</b>	<b>76,823,949</b>
<b>2</b>	<b>NON-CURRENT LIABILITIES</b>			
	(a) Long-Term Borrowings	4	9,525,457	583,504
	(b) Deferred Tax Liabilities (Net)	5	-	384,736
			9,525,457	968,240
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	(a) Short-Term Borrowings	6	9,982,441	9,992,396
	(b) Trade Payables	7		
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		1,259,910	1,540,167
	- Total Outstanding Dues of Creditors Other Than Above		4,207,298	5,529,103
	(c) Other Current Liabilities	8	2,981,025	890,527
	(d) Short-Term Provisions	9	182,322	47,395
			18,612,996	17,999,588
	<b>TOTAL .....</b>		<b>101,921,343</b>	<b>95,791,776</b>
<b>II.</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON CURRENT ASSETS</b>			
	(a) <b>PROPERTY, PLANT AND EQUIPMENT</b>	10		
	(i) Tangible Assets		31,536,924	31,878,631
	(ii) Intangible Assets		125,652	182,489
	(iii) Intangible Assets Under Development		1,815,298	1,815,298
			<b>33,477,874</b>	<b>33,876,418</b>
	(b) Deferred Tax Assets (Net)	11	3,984,108	-
	(c) Long Term Loans and Advances	12	140,000	60,000
	(d) Other Non-Current Assets	13	1,249,938	1,943,657
			38,851,920	35,880,075
<b>2</b>	<b>CURRENT ASSETS</b>			
	(a) Inventories	14	25,574,398	15,148,012
	(b) Trade Receivables	15	30,536,160	36,437,039
	(c) Cash and Cash Equivalents	16	965,880	4,169,752
	(d) Short-Term Loans and Advances	17	5,992,986	4,156,898
			<b>63,069,423</b>	<b>59,911,701</b>
	<b>TOTAL .....</b>		<b>101,921,343</b>	<b>95,791,776</b>
III.	OTHER NOTES ON FINANCIAL STATEMENTS	26 to 28		
III.	SIGNIFICANT ACCOUNTING POLICIES	1		
IV.	ADDITIONAL INFORMATION	29		

FOR AND ON BEHALF OF THE BOARD  
FELIX INDUSTRIES LIMITED

MANAGING DIRECTOR  
[RITESH PATEL]  
[DIN: 05350896]

UDAY CHANDULAL SHAH  
[CHIEF FINANCIAL OFFICER]  
PLACE: AHMEDABAD  
DATE: 29<sup>TH</sup> JUNE, 2020

EXECUTIVE DIRECTOR  
[VINAY PATEL]  
[DIN: 08377751]

HENA KETAN SHAH  
[COMPANY SECRETARY]

AS PER OUR REPORT OF EVEN DATE  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W

FIROJ G. BODLA  
PARTNER  
M. NO. 126770

**FELIX INDUSTRIES LIMITED**  
**( FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

SR. NO.	PARTICULARS	Note No	AMOUNT	AMOUNT	PREVIOUS
			RS.	RS.	YEAR
I.	REVENUE FROM OPERATIONS	18	18,676,074		19,604,031
II.	OTHER INCOME	19	7,230		1,861,739
III.	<b>TOTAL REVENUE (I +II)</b>			<b>18,683,304</b>	<b>21,465,770</b>
IV.	<b>EXPENSES</b>				
	1 Purchase of Stock-in-Trade	20	19,218,699		21,707,664
	2 Changes in inventories of Trading Goods	21	(10,426,386)		(6,908,939)
	3 Employee Benefit Expense	22	6,990,821		8,198,151
	4 Financial Costs	23	1,531,621		1,303,605
	5 Depreciation and Amortization Expense	24	1,476,709		1,016,742
	6 Other Expenses	25			
	Manufacturing Expenses		1,854,605		1,735,285
	Administrative, Selling & Other Expenses		5,322,491		5,396,829
			7,177,096		7,132,114
	<b>TOTAL EXPENSES</b>			<b>25,968,560</b>	<b>32,449,337</b>
V.	<b>PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS &amp; TAX (III - IV)</b>			<b>(7,285,256)</b>	<b>(10,983,567)</b>
VI.	<b>EXCEPTIONAL ITEMS</b>			-	-
VII.	<b>PROFIT BEFORE TAX (V-VI)</b>			<b>(7,285,256)</b>	<b>(10,983,567)</b>
VIII.	<b>TAX EXPENSES:</b>				
	(1) Current Tax		-		-
	(2) Deferred Tax		4,368,844		(322,818)
				4,368,844	(322,818)
IX.	<b>PROFIT(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS (VII-VIII)</b>			<b>(2,916,412)</b>	<b>(11,306,385)</b>
X.	<b>EARNING PER EQUITY SHARE</b>				
	(1) Basic			(0.57)	(2.22)
	(2) Diluted			(0.57)	(2.22)
XI.	<b>OTHER NOTES ON FINANCIAL STATEMENTS</b>	<b>26 to 28</b>			
XII.	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>1</b>			
XIII.	<b>ADDITIONAL INFORMATION</b>	<b>29</b>			

FOR AND ON BEHALF OF THE BOARD  
FELIX INDUSTRIES LIMITED

MANAGING DIRECTOR  
[RITESH PATEL]  
[DIN: 05350896]

UDAY CHANDULAL SHAH  
[CHIEF FINANCIAL OFFICER]  
PLACE: AHMEDABAD  
DATE: 29<sup>TH</sup> JUNE, 2020

EXECUTIVE DIRECTOR  
[VINAY PATEL]  
[DIN: 08377751]

HENA KETAN SHAH  
[COMPANY SECRETARY]

AS PER OUR REPORT OF EVEN DATE  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W

FIROJ G. BODLA  
PARTNER

M. NO. 126770



**FELIX INDUSTRIES LIMITED**  
**( FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)**  
**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

Indirect Method		(Amount in Rs.)	
SR. NO.	Particulars	Year Ended 31-Mar-20	Year Ended 31-Mar-19
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
I	Net Profit before Taxation and Extraordinary Items	(7,285,256)	(10,983,567)
	Adjustments for :		
	Add : Depreciation	1,476,709	1,016,742
	Finance Costs	1,531,621	1,303,605
	Preliminary Expenses Written off	693,719	693,719
	Loss On Sale of Fixed Assets	280,011	-
	Prior Period Expenses (Net)	(56,995)	(1,663,514)
	Less : Interest Income	(7,230)	(593,842)
II	<b>Operating Profit before Working Capital Changes</b>	<b>(3,367,421)</b>	<b>(10,226,858)</b>
	Adjustments for :		
	Less:		
	Increase in Inventories	(10,426,386)	(6,908,939)
	Increase in Short Term Loans & Advances	(1,780,691)	-
	Increase in Long Term Loans & Advances	(80,000)	-
	Decrease in Trade Payables	(1,602,061)	-
	Decrease in Other Current Liabilities	-	(249,401)
	Decrease in Provisions	-	(895,882)
	Add:		
	Decrease Trade Receivables	5,900,879	12,046,381
	Decrease in Short Term Loans & Advances	-	4,955,164
	Decrease in Other Current Assets	-	267,650
	Decrease in Long Term Loans & Advances	-	458,800
	Increase in Trade Payables	-	650,995
	Increase in Current Liabilities	2,364,923	-
	Increase in Provisions	134,927	-
	Increase in Provision For Income Tax Earlier Years	-	179,510
III	<b>Cash Generated from Operations</b>	<b>(8,855,830)</b>	<b>277,420</b>
	Less : Income Taxes Paid	(123,048)	(228,672)
IV	<b>Cash Flow before extraordinary items</b>	<b>(8,978,878)</b>	<b>48,748</b>
	Less: Extraordinary Items	-	-
V	<b>Net Cash from Operating Activities (A)</b>	<b>(8,978,878)</b>	<b>48,748</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(2,808,176)	(19,166,785)
	Proceeds of Sale of Fixed Assets	1,450,000	-
	Interest Income	7,230	593,842
	<b>Net Cash from/(Used In) Investing Activities (B)</b>	<b>(1,350,946)</b>	<b>(18,572,943)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Repayment/Proceeds of Long Term Bank Borrowings	(295,529)	412,191
	Repayment/Proceeds of Long Term Unsecured Loans	8,909,629	-
	Repayment/Proceeds of Short Term Bank Borrowings	43,473	5,564,637
	Finance Costs	(1,531,621)	(1,303,605)
	<b>Net Cash from/(Used In) Financing Activities (C)</b>	<b>7,125,952</b>	<b>4,673,223</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(3,203,873)</b>	<b>(13,850,973)</b>
	<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>4,169,752</b>	<b>18,020,724</b>
	<b>Cash and Cash Equivalents at the End of the Period</b>	<b>965,880</b>	<b>4,169,752</b>

FOR AND ON BEHALF OF THE BOARD  
FELIX INDUSTRIES LIMITED

AS PER OUR REPORT OF EVEN DATE  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W

MANAGING DIRECTOR  
[RITESH PATEL]  
[DIN: 05350896]

EXECUTIVE DIRECTOR  
[VINAY PATEL]  
[DIN: 08377751]

UDAY CHANDULAL SHAH  
[CHIEF FINANCIAL OFFICER]  
PLACE: AHMEDABAD  
DATE: 29<sup>TH</sup> JUNE, 2020

HENA KETAN SHAH  
[COMPANY SECRETARY]

FIROJ G. BODLA  
PARTNER  
M. NO. 126770

**FELIX INDUSTRIES LIMITED, AHMEDABAD. (2019-20)**  
(FOREMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

**a) Accounting Conventions:**

The Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 **except in case of leave salary, gratuity & other retirement employee benefits including statutory if any applicable** and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.

**b) Use of Estimates**

The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relate.

**c) Property, Plant & Equipment and Intangible Assets:**

The Property, Plant & Equipment except land are stated at cost of acquisition/construction (less Accumulated Depreciation, if any). The cost of Property, Plant & Equipment comprises of their purchase price including freight, duties, taxes or levies, directly attributable cost of bringing the assets to their working conditions for their intended use. The Company capitalises its Property, Plant & Equipment at a value net of GST received/receivable during the year in respect of eligible Capital Goods. Subsequent expenditures on Property, Plant & Equipment have been capitalised only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance.

The assets that are under construction/erection/development or not fully acquired and therefore not available for productive/intended use are shown as "Capital Work in Progress" under Property, Plant & Equipment and will be capitalized on completion of the construction/erection/acquisition/development activities.

The Intangible Assets of Website Design & Development has been recognised at its cost of acquisition less accumulated amortization. On the basis of the availability of the asset for its intended use, relevant contractual agreements and technological changes that may affect the usefulness of the

	asset, the useful life of the asset had been assumed to be of five years from the date of its acquisition
<b>d)</b>	<b>Depreciation</b>
	The Depreciation on Property, Plant & Equipment is provided on straight line method for the period of acquisition/construction i.e. from the period from which such assets were available for their intended use on pro-rata basis on the basis of useful life of each of the fixed assets as per Schedule II of the Companies Act, 2013. The intangible assets are amortized on straight line basis over the estimated useful economic life.
<b>e)</b>	<b>Inventories</b>
	The inventories of Trading Goods have been valued at cost or net realizable value whichever is lower. The Costs in respect of all items of inventories have been computed on FIFO basis. The cost of inventories comprises of the purchase price including duties and taxes, freight inwards and other expenditure directly attributable to the acquisition. The purchase price does not include GST credit availed of by the Company during the year.
<b>f)</b>	<b>Revenue Recognition</b>
	All income and expenses are accounted on accrual basis. The Company recognised Sale of Goods when it had transferred the property in Goods to the buyer for a price or all significant risks and rewards of ownership had been transferred to the buyer and no significant uncertainty existed as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. The revenue in respect of service contract is recognized based on order/contract with the parties. Interest income is taken into revenue in full on accrual basis and tax deducted at source thereon is treated as advance tax
<b>g)</b>	<b>Borrowing Costs</b>
	The borrowing costs incurred during the year have been debited to the Statement of Profit and Loss of the current year.
<b>h)</b>	<b>Taxes On Income:</b>
	Taxes on income comprises of deferred tax. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liabilities/assets have been worked out using the tax rate and tax laws that were in force as on the date of balance sheet. The company has carried forward balances of unabsorbed depreciation and unabsorbed business losses as per the Income Tax Act, 1961 as at the reporting date. Deferred tax assets have been

	recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.
<b>i) Impairment of Assets</b>	The management of the company makes an assessment at each reporting date as to whether there is any indication that any asset or group of assets is impaired or previously recognized impairment losses if any, may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or group of asset's recoverable amount and makes provision/reversal of provision of impairment losses.
<b>j) Provisions, Contingent Liabilities and Contingent Assets</b>	The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of company's resources. As a measure of prudence, the contingent assets are not recognised.
<b>k) Cash and Cash Equivalents-For the Purpose of Cash Flow Statements:</b>	For the purpose of Cash Flow Statements, cash and cash equivalents include Cash on Hand and Balances with Banks in the Current Account.
<b>l) Operating Cycle:</b>	Based on the activities of the company and normal time between incurring of liabilities and their settlement in cash or cash equivalents and acquisition/right to assets and their realization in cash or cash equivalents, the company has considered its operating cycle as 12 months for the purpose of classification of its liabilities and assets as current and non-current.
<b>m) Foreign Currency Transactions</b>	The transactions in foreign currency have been recorded using the rate of exchange prevailing on the date of transactions. The difference arising on the settlement/restatement of the foreign currency denominated Current Assets/Current Liabilities into Indian rupees has been recognized as expenses/income (net) of the year and carried to the statement of profit and loss.
<b>n) Government Grant/Subsidy:</b>	Government Grants/Subsidy available to the Company are accounted on the basis: i) Where there is reasonable assurance that the company will comply with the Conditions attached to them, and ii) where such benefits have been earned by the Enterprise and it is reasonably certain that the

	ultimate collection will be made. iii) nature of the grant i.e. whether in the nature of capital contribution or in the form of revenue.
<b>o) Insurance Claims:</b>	Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.
<b>p) Research and Development:</b>	Expenditures on research phase is recognized as an expense when they are incurred. Expenditures on development phase are recognized as an intangible asset if they are likely to generate probable future economic benefits and the cost of the same can be measured reasonably and can be attributed the intangible assets.
<b>q) Current/Non-Current Classifications:</b>	The Company presents assets and liabilities in the financial statements on the basis of their respective classifications into current and non-current.
	<b>Assets:</b>
	An asset is treated as current when it is: <ul style="list-style-type: none"> <li>• Expected to be realised or intended to be sold or consumed in normal operating cycle</li> <li>• Held primarily for the purpose of trading</li> <li>• Expected to be realised within twelve months after the reporting period</li> <li>• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.</li> </ul> All other assets are classified as non-current.
	<b>Liabilities:</b>
	A liability is treated as current when it is: <ul style="list-style-type: none"> <li>• Expected to be settled in normal operating cycle</li> <li>• Held primarily for the purpose of trading</li> <li>• Due to be settled within twelve months after the reporting period</li> <li>• No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.</li> </ul> All other liabilities are classified as non-current.

## **NOTE 2 :SHARE CAPITAL**

<b>SR. NO.</b>	<b>PARTICULARS</b>	<b>AS AT 31-Mar-20</b>		<b>AS AT 31-Mar-19</b>	
	<b>EQUITY SHARES</b>				
2.1	<b>AUTHORISED</b>				
	Authorised Capital 52,00,000 Shares of Rs. 10/- each at par (Previous Year 52,00,000 Shares of Rs. 10/- each at par)		52,000,000		52,000,000
2.2	<b>Issued, Subscribed and Paid Up Capital</b>				
	50,93,000 Shares of Rs. 10/= each fully paid up (Previous Year 50,93,000 Shares of Rs. 10/= each fully paid up)		50,930,000		50,930,000
	<b>TOTAL ..... ..</b>		<b>50,930,000</b>		<b>50,930,000</b>
2.3	<b>Reconciliation of Number Shares Outstanding at the beginning and at the end of the period</b>				
	Outstanding As At The Beginning Of The Year		5,093,000		5,093,000
	Add: Equity Shares Allotted As Fully Paid Up For Consideration Received In Cash		-		-
	Outstanding As At The End Of The Year		5,093,000		5,093,000
2.4	<b>Details of Shareholder Holding 5% or More Shares in the Company</b>				
	<b>Name of the Shareholder</b>	<b>As at 31st March, 2020</b>		<b>As at 31st March, 2019</b>	
		<b>No. of Shares</b>	<b>% of Total Holding</b>	<b>No. of Shares</b>	<b>% of Total Holding</b>
	Ritesh V. Patel	1,738,000	34.13%	1,738,000	34.13%
	Sagar Samir Shah	1,898,000	37.27%	1,898,000	37.27%
	<b>TOTAL ..... ..</b>	<b>3,636,000</b>	<b>71.39%</b>	<b>3,636,000</b>	<b>71.39%</b>

### **NOTE 3 : RESERVES & SURPLUS**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AS AT 31-Mar-20</b>		<b>AS AT 31-Mar-19</b>
<b>3.1</b>	<b>Securities Premium</b>				
	Balance as at the beginning of the year	34,200,000		34,200,000	
	Add: Additions during the year	-		-	
	Less: Withdrawals/Deductions during year	-		-	
	Balance as at the end of the year		34,200,000		34,200,000
<b>3.2</b>	<b>Profit &amp; Loss Statement Surplus</b>				
	Balance as at the beginning of the year	(8,306,051)		4,453,986	
	Add: Profit/(Loss) During The Year	(2,916,412)		(11,306,385)	
	Add/(Less) Prior Period Items	(56,995)		(1,663,514)	
	Add: Excess Depreciation Of Earlier Year Written Back	-		30,352	
	Add/(Less): Excess/(Short) Provision for Income Tax	(67,652)		179,510	
	Balance Carried to Balance Sheet		(11,347,110)		(8,306,051)
	<b>TOTAL .....</b>		<b>22,852,890</b>		<b>25,893,949</b>

### **NOTE 4 : LONG TERM BORROWINGS**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AS AT 31-Mar-20</b>		<b>AS AT 31-Mar-19</b>
<b>I.</b>	<b>SECURED</b>				
	<b>Vehicle Loan</b>				
	ICICI Bank Limited		562,400		583,504
	(Secured By Hypothecation of Vehicles)				
<b>II.</b>	<b>UNSECURED</b>				
1	From Directors & Shareholders & Their Relatives	8,909,629		-	

2	Intercorporate Deposits	53,428		-	
			8,963,057		-
	<b>TOTAL .....</b>		<b>9,525,457</b>		<b>583,504</b>

#### **NOTE 5: DEFFERED TAX LIABILITIES**

SR. NO.	PARTICULARS		AS AT 31-Mar-20		AS AT 31-Mar-19
	Opening Balance		-		61,918
	Add: Deferred Tax Liabilities-Relating to Fixed Assets		-		322,818
	<b>TOTAL .....</b>		<b>-</b>		<b>384,736</b>

#### **NOTE 6: SHORT TERM BORROWINGS**

SR. NO.	PARTICULARS	AS AT 31-Mar-20		AS AT 31-Mar-19
<b>I.</b>	<b>SECURED</b>			
	<b>Working Capital Loan:</b>			
	From Bank of Baroda C.C. A/c. No. 297650500000027	9,982,441		9,938,968
	(Nature of Security)*			
	(Guaranteed by Directors & Others)**			
	(Terms of Repayment)***			
	(Period of default )****			
<b>II.</b>	<b>UNSECURED</b>			
	Inter Corporate Loans		53,428	
		-		53,428
	<b>TOTAL .....</b>	<b>9,982,441</b>		<b>9,992,396</b>
*	<b>Nature of Security</b>			
-	Secured by Hypothecation of Stock and Book Debts of the Company.			
-	Secured by Mortgage of Office No. 208, Dev Shruti Complex, Opp. Medisurge Hospital, Near Mithakhali Cross Road, Ellisbridge, Ahmedabad.			
**				
-	<b>Directors</b>			



	Mr. Ritesh V. Patel			
	Mr. Vinay R. Patel			
**	Terms of Repayment			
	To be Repaid on Demand			
***	Nature of Default, If Any			
	No Default as on the Balance Sheet Date.			

## **NOTE 7: TRADE PAYABLES**

SR. NO.	PARTICULARS		AS AT 31-Mar-20		AS AT 31-Mar-19
1	<b>Sundry Creditors for Goods</b>				
	-Micro, Small & Medium Enterprises	1,052,907		1,190,836	
	-Others	1,715,752		3,335,474	
	*(Refer to Note No. 30(d))		2,768,659		4,526,310

2	<b>Sundry Creditors for Other Expenses/Capital Goods</b>				
	-Micro, Small & Medium Enterprises	207,004		349,331	
	-Others*	2,491,546		2,193,629	
	*(Refer to Note No. 30(d))		2,698,550		2,542,959
	TOTAL .....		5,467,208		7,069,269

### **NOTE: DUES TO MICRO AND SMALL ENTERPRISES**

**The Company has dues outstanding as at the reporting date to certain suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act, 2006 are as follows:**

SR. NO.	PARTICULARS		AS AT 31-Mar-20		AS AT 31-Mar-19
I	The principal amount remaining unpaid to any supplier at the end of the year.		1,259,910		1,540,167
II	Interest due as claimed remaining unpaid to any supplier at the end of the year.		-		-
III	The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year.		-		-
IV	The amount of interest due and		-		-

	payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.				
V	The amount of interest accrued and remaining unpaid at the end of accounting year.		-		-
VI	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.		-		-
	<b>TOTAL .....</b>		<b>1,259,910</b>		<b>1,540,167</b>
I	Trade payables are non-interest bearing and are normally settled within the normal credit period.				
II	Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.				

## **NOTE 8 : OTHER CURRENT LIABILITIES**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AS AT 31-Mar-20</b>		<b>AS AT 31-Mar-19</b>
<b>I</b>	<b>Current Maturities of Long Term Debts</b>				
	<b>Vehicle Loan:</b>				
	From ICICI Bank	314,172		588,597	
			314,172		588,597
<b>II</b>	<b>Advances from Customers</b>		2,585,909		238
<b>III</b>	<b>Other Payables-Statutory Liabilities</b>				
	- TDS Payable	30,400		115,438	

	- PF Payable	43,085		150,097	
	- ESIC Payable	3,559		19,857	
	- Employee Professional Tax	3,900		16,300	
			80,944		301,692
	<b>TOTAL .....</b>		<b>2,981,025</b>		<b>890,527</b>

### **NOTE 9 : SHORT TERM PROVISIONS**

<b>SR.</b>			<b>AS AT</b>		<b>AS AT</b>
<b>NO.</b>	<b>PARTICULARS</b>		<b>31-Mar-20</b>		<b>31-Mar-19</b>
1	Provision for Expenses		182,322		47,395
	<b>TOTAL .....</b>		<b>182,322</b>		<b>47,395</b>

## **NOTE 10: FIXED ASSETS**

No.	Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1st April 2019	Addition During the year.	Sold/Adj. During the year.	As at 31st March 2020	Upto 31st March 2019	For The Year	Adjustment During The year	Upto 31st March 2020	As At 31st March 2020	As At 31st March 2019
I.	TANGIBLE ASSETS										
	OWNED										
1	Freehold Land At Lambha	7,172,650	-	-	7,172,650	-	-	-	-	7,172,650	7,172,650
2	Factory Building	6,395,161	436,556	-	6,831,717	219,613	214,992	-	434,605	6,397,112	6,175,548
3	Office Building	8,072,000	220,164	-	8,292,164	16,457	131,500	-	147,957	8,144,207	8,055,543
4	Plant & Machinery	6,582,081	30,000	-	6,612,081	543,954	435,573	-	979,527	5,632,554	6,038,128
5	Office Equipments	284,749	9,675	-	294,424	235,088	11,726	-	246,814	47,610	49,661
6	Furniture & Fixtures	2,528,727	459,967	-	2,988,694	154,257	274,596	-	428,853	2,559,841	2,374,470
7	Vehicles	3,210,057	1,635,014	(3,147,157)	1,697,914	1,226,977	333,285	(1,417,146)	143,116	1,554,797	1,983,080

8	Computer	656,933	16,800	-	673,733	627,381	18,199		645,581	28,152	29,552
II.	INTANGIBLE ASSETS										
	OWNED										
	Website Design & Development	224,000		-	224,000	41,511	56,838	-	98,348	125,652	182,489
III.	INTANGIBLE ASSETS										
	OWNED										
	Waste Water Recycling Process-PEA Effluent	1,815,298			1,815,298	-	-	-	-	1,815,298	1,815,298
	<b>TOTAL .....</b>										
	<b>.... ....</b>	<b>36,941,656</b>	<b>2,808,176</b>	<b>(3,147,157)</b>	<b>36,602,675</b>	<b>3,065,238</b>	<b>1,476,709</b>	<b>(1,417,146)</b>	<b>3,124,801</b>	<b>33,477,874</b>	<b>33,876,418</b>
	<b>Previous Year .....</b>	<b>17,774,871</b>	<b>19,166,785</b>	<b>-</b>	<b>36,941,656</b>	<b>2,078,848</b>	<b>1,016,742</b>	<b>(30,352)</b>	<b>3,065,238</b>	<b>33,876,418</b>	<b>15,696,023</b>

**NOTE 11: DEFERRED TAX ASSETS**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AS AT 31-Mar-20</b>		<b>AS AT 31-Mar-19</b>
	Opening Balance		-		-
	Add: Deferred Tax Assets-Relating to Fixed Assets		4,368,844		-
	Less: Deferred Tax Liabilities Set-Off		(384,736)		-
	<b>TOTAL .....</b>		<b>3,984,108</b>		<b>-</b>

**NOTE 12: LONG TERM LOANS & ADVANCES**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AS AT 31-Mar-20</b>		<b>AS AT 31-Mar-19</b>
<b>I.</b>	<b>Unsecured and Considered Good</b>				
<b>1</b>	<b>SECURITY DEPOSITS</b>				
	CST Deposit	10,000		10,000	
	VAT Deposit	10,000		10,000	
	Other Deposit	20,000		20,000	
	Security Deposit to Suppliers	100,000		-	
	EMD For Post Office Ludhiana	-		20,000	
			140,000		60,000
	<b>TOTAL .....</b>		<b>140,000</b>		<b>60,000</b>

### **NOTE 13: OTHER NON-CURRENT ASSETS**

<b>SR. NO.</b>	<b>PARTICULARS</b>	<b>AS AT 31-Mar-20</b>	<b>AS AT 31-Mar-19</b>
<b>I.</b>	Miscellaneous Expenses (Assets)	1,249,938	1,943,657
	<b>TOTAL ..... ..</b>	<b>1,249,938</b>	<b>1,943,657</b>

### **NOTE 14: INVENTORIES**

<b>SR. NO.</b>	<b>PARTICULARS</b>	<b>AS AT 31-Mar-20</b>	<b>AS AT 31-Mar-19</b>
<b>I</b>	<b>-Inventories taken as Physically verified, valued and certified by the management of the company</b>		
1	Stock In Trade	25,574,398	15,148,012
		25,574,398	15,148,012
	<b>(Refer No. 1(e) on Significant Accounting Policies for Method and Basis for Valuation of Inventories)</b>		
<b>II</b>	<b>Details of Stock in Trade</b>		
	Water Plant/Equipments/System	16,143,741	8,702,845
	Membrane	935,537	612,437
	Pipes	6,263,112	4,148,019
	E-Waste/Others	2,232,008	1,684,712
		25,574,398	15,148,012
	<b>Imported</b>	935,537	612,437
	<b>Indigenous</b>	24,638,861	14,535,575
		25,574,398	15,148,012
	<b>TOTAL ..... ..</b>	<b>25,574,398</b>	<b>15,148,012</b>

**NOTE 15: TRADE RECEIVABLES**

SR. NO.	PARTICULARS		AS AT 31-Mar-20		AS AT 31-Mar-19
<b>1</b>	<b>Unsecured But Considered Good</b>				
	-Outstanding for a period Exceeding Six Months	5,983,122		8,572,033	
	(From the date from which they became due for payment)				
	-Others	6,882,824		7,549,301	
	Less: Allowance for Bad and Doubtful Debts	-		-	
			12,865,946		16,121,334
<b>2</b>	<b>Doubtful</b>				
	Outstanding for a period Exceeding Six Months	17,670,214		20,315,705	
	Less: Allowance for Bad and Doubtful Debts	-		-	
			17,670,214		20,315,705
	<b>TOTAL ..... ..</b>		<b>30,536,160</b>		<b>36,437,039</b>

**NOTE 16: CASH & CASH EQUIVALENT**

SR. NO.	PARTICULARS		AS AT 31-Mar-20		AS AT 31-Mar-19
<b>1</b>	<b>Balance with Banks</b>				
	In Current Accounts	1,239		2,797,848	
			1,239		2,797,848
<b>2</b>	<b>Cash on Hand</b>		964,641		1,371,904
	<b>TOTAL ..... ..</b>		<b>965,880</b>		<b>4,169,752</b>



### **NOTE 17: SHORT TERM LOANS & ADVANCES**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AS AT 31-Mar-20</b>	<b>AS AT 31-Mar-19</b>
<b>I.</b>	<b>Unsecured But Considered Good-Government</b>			
	Advance Tax, T.D.S & Self Assessment Tax	123,048		228,672
	GST Credit Receivable	2,981,498		1,507,936
	VAT Receivable [Against Appeal]	65,000		65,000
			3,169,546	1,801,608
<b>II.</b>	<b>Unsecured But Considered Good-Others</b>			
	Advances to Suppliers/Creditors/Capital Goods	2,354,551		1,960,316
	Advances to Employees	412,700		379,731
	Pre- Paid & Other Advances for Expenses	56,188		15,243
			2,823,439	2,355,290
	<b>TOTAL ..... ..</b>		<b>5,992,986</b>	<b>4,156,898</b>

### **NOTE 18: REVENUE FROM OPERATIONS**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AMOUNT RS.</b>	<b>PREVIOUS YEAR</b>
<b>A.</b>	<b>SALE OF PRODUCTS</b>			
	Sale of Goods	15,943,074		17,348,421
			15,943,074	17,348,421
<b>B.</b>	<b>Sale of Services</b>		2,733,000	2,255,610
	<b>TOTAL ..... ..</b>		<b>18,676,074</b>	<b>19,604,031</b>

**NOTE 19: OTHER INCOME**

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
<b>I</b>	<b>INTEREST INCOME</b>				
	Interest On Fixed Deposits With Banks	-		593,842	
	Interest On Income Tax Refund	7,230		-	
			7,230		593,842
<b>II</b>	Insurance Claim Received		-		306,333
<b>III</b>	Sundry Credit Balance Written Off		-		461,564
<b>IV</b>	Subsidy		-		500,000
	<b>TOTAL .....</b>		<b>7,230</b>		<b>1,861,739</b>

**NOTE 20: PURCHASE OF GOODS**

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
<b>I.</b>	<b>PURCHASE OF GOODS</b>				
	Purchase of Stock-in-Trade	19,218,699		21,707,664	
			19,218,699		21,707,664
	<b>Details of Purchase of Stock-in-Trade</b>				
	<b>Class of Goods Traded</b>				
	Water Plant/Equipments/System			-	
	Membrane/DC Motor	-		-	
	Pipes			-	
	E-Waste			-	

			-		-
	<b>Details of Imported &amp; Indigenous Goods</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
	<b>Imported</b>	-	0.00%	-	0.00%
	<b>Indigenous</b>	19,218,699	100.00%	21,707,664	100.00%
		19,218,699	100.00%	21,707,664	100.00%
	<b>TOTAL .....</b>		<b>19,218,699</b>		<b>21,707,664</b>

### **NOTE 21: VARIATION IN INVENTORIES OF STOCK-IN-TRADE GOODS**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>CLOSING STOCK</b>	<b>OPENING STOCK</b>	<b>INCREASE/ (DECREASE)</b>
	- Traded Goods		25,574,398	15,148,012	10,426,386
	<b>TOTAL .....</b>		<b>25,574,398</b>	<b>15,148,012</b>	<b>10,426,386</b>
	<b>Previous Year....</b>		<b>15,148,012</b>	<b>8,239,072</b>	<b>6,908,939</b>

### **NOTE 22: EMPLOYEE BENEFIT EXPENSES**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AMOUNT RS.</b>		<b>PREVIOUS YEAR</b>
	Salaries, Wages & Labour 1Charges				
	-Director Remuneration	880,000		1,260,000	
	-Salary	5,143,349		5,806,594	
			6,023,349		7,066,594

2	Bonus to Employees		-		36,600
3	Employer Contribution to Provident Fund		255,614		303,683
4	Employer Contribution to ESIC		33,437		61,361
5	Staff Welfare Expenses		678,422		729,913
	<b>TOTAL .....</b>		<b>6,990,821</b>		<b>8,198,151</b>

### **NOTE 23: FINANCE COSTS**

<b>SR. NO.</b>	<b>PARTICULARS</b>		<b>AMOUNT RS.</b>		<b>PREVIOUS YEAR</b>
1	Bank Charges		222,003		60,210
2	Interest Expenses				
	Bank-Working Capital	1,176,510		981,281	
	Vehicle Loan Interest	100,620		133,067	
	Interest on Late Payment to Suppliers	15,881		-	
	Interest on Provident Fund	6,111		4,857	
	Interest on ESIC	2,048		-	
	Interest on Income Tax	-		98,883	
	Interest on Professional Tax	1,605		126	
	Interest on TDS/TCS	6,842		25,181	
			1,309,617		1,243,395
	<b>TOTAL .....</b>		<b>1,531,621</b>		<b>1,303,605</b>

**NOTE 24: DEPRECIATION AND AMORTISATION EXPENSES IN ANCE COSTS**

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
1	Depreciation on Fixed Assets	1,476,709		1,016,742	
			1,476,709		1,016,742
	<b>TOTAL .....</b>		<b>1,476,709</b>		<b>1,016,742</b>

**NOTE 25: OTHER EXPENSES**

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
<b>I.</b>	<b>DIRECT EXPENSES</b>				
	Labour Charges		893,210		256,741
	Custom Duty, Inward Freight & Transportation Charges		714,282		862,034
	Laboratory Expenses		57,955		49,800
	Design Charges		41,300		-
	Factory Expenses		30,972		-
	Miscellaneous Material Expenses		116,886		566,710
			1,854,605		1,735,285
<b>II.</b>	<b>ADMINISTRATIVE, SELLING AND OTHER EXPENSES</b>				
	Postage, Telephone & Communication Expenses		90,636		145,012
	Stationery & Printing		24,502		20,346
	Travelling, Conveyance & Vehicle Expenses		1,777,813		1,592,810
	Legal & Professional Charges		1,042,304		515,030
	Rent, Rates & Taxes		12,500		194,461

	Electricity Expenses		286,466		302,604
	Auditor's Remuneration				
	- Statutory Audit Fees	30,000		30,000	
	- Tax Audit Fees	10,000		10,000	
			40,000		40,000
	Insurance Expenses		111,893		285,331
	<b>Selling &amp; Distribution Expenses</b>				
	Advertisement Expenses	86,400		321,600	
	Sales Promotion Expenses	72,750		-	
	Marketing Expenses	-		23,631	
	Commission on Sales/Services	-		367,751	
			159,150		712,982
	Tender Fees		35,309		-
	Security Expenses		336,000		336,000
	Vatav/Kasar		115,183		136,702
	Sundry Balances Written Off		86,722		26,204
	Preliminary Expenses Written Off		693,719		693,719
	Loss On Sale of Fixed Assets (Net)		280,011		-
	Other Expenses		230,283		395,628
			5,322,491		5,396,829
	<b>TOTAL .....</b>		<b>7,177,096</b>		<b>7,132,114</b>

**NOTE 26: VALUE OF IMPORTS CALCULATED ON CIF BASIS**

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
1	Trading Goods		-		-
	<b>TOTAL .....</b>		-		-

**NOTE 27: EXPENDITURE IN FOREIGN CURRENCY**

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
-	Consultancy Fees		-		170,289
-	Travelling Expenses		-		28,689
	<b>TOTAL .....</b>		-		<b>198,978</b>

**NOTE 28: EARNINGS IN FOREIGN CURRENCY**

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
-	Value of Exports in FOB Basis		-		2,080,626
	<b>TOTAL .....</b>		-		<b>2,080,626</b>

## **NOTE 29: OTHER NOTES**

a)	<b>Earnings Per Share:</b>			
	The earnings per share as per AS-20 "Earning Per Share" has been computed on the basis of net profit after tax divided by the weighted average number of shares outstanding during the year.			
	<b>Particulars</b>	<b>For the year ended</b>		
		<b>31<sup>st</sup> March, 2020</b>		<b>31<sup>st</sup> March, 2019</b>
	Net Profit After Tax for the period (A)		<b>(29,16,412)</b>	<b>(1,13,06,385)</b>
	Weighted Average Number of Shares (B)			
	Opening Balance of Share Outstanding	50,93,000		50,93,000
	No. of Months/Days for which Shares Outstanding	12		12
	Total No. of Weighted Average Shares (B)		<b>50,93,000</b>	<b>50,93,000</b>
Basic and Diluted Earnings per Share (C) (A/B)		<b>(0.57)</b>	<b>(2.22)</b>	
b)	<b>Related Party Disclosures:</b>			
	As per AS-18 "Related Party Disclosures" issued by the ICAI, the disclosure of transactions with relate parties as defined in the accounting standard has been given as under:			
<b>A. List of Related Parties</b>				
<b>Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence:</b>				
i. Felix Nano Synthesis Private Limited				
ii. Felix Colourant Private Limited				
<b>Key Management Personnel</b>				
i. Ritesh V. Patel-Managing Director				
ii. Kashyap S. Shah-Director				
iii. Mayuri V. Patel-Director				
iv. Uday C. Shah-CFO				
v. Vinay R. Patel-CEO & Whole Time Director				
vi. Nivedita Dinkar-Appointed as Additional Director w.e.f. 12/02/2020				
vii. Raxeshbhai Chandravadan Satia-Resigned as Director w.e.f. 12/02/2020				
viii. Hena K. Shah-Company Secretary				
<b>B. Transaction with Related Parties</b>				
<b>Nature of Transaction</b>	<b>Name of the Party</b>	<b>2019-20</b>	<b>2018-19</b>	



	<b>Loans Taken</b>	Ritesh V. Patel	1,32,86,629	NIL
	<b>Loans Repaid</b>	Ritesh V. Patel	43,77,000	NIL
	<b>Director/Key Managerial Personnel Remuneration</b>	Ritesh V. Patel	5,20,000	7,20,000
		Vinay R. Patel	3,60,000	NIL
		Uday C. Shah	3,60,000	3,60,000
		Hena K. Shah	3,00,000	3,02,500
	<b>Purchase of Fixed Assets</b>	Ritesh V. Patel	NIL	95,00,000
	<b>Outstanding Balances as at the year end-On Account of Remuneration &amp; Others</b>	Ritesh V. Patel-Loan Taken	89,09,629 (Cr.)	NIL
		Ritesh V. Patel-Salary	3,25,085 (Cr.)	1,10,000 (Cr.)
		Vinay R. Patel-Salary	2,27,200 (Cr.)	NIL
		Uday C. Shah	1,19,200 (Cr.)	89,400 (Cr.)
		Hena K. Shah	88,762 (Cr.)	61,152 (Cr.)
<b>c)</b>	<b>Operating Segment</b>			
	<p>The Company identifies operating segments on the basis of dominant source, nature of risks and returns and the internal organization. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director/Chief Executive Officer who is Company's chief operating maker in deciding how to allocate resources and in assessing performance.</p> <p>The dominant source of income of the company from its activities do not materially differ in respect of risk perception and the return realized/to be realized. Even the geographical/regulatory environment in which the company operates does not materially differ considering the political and economic environment, the type of customers, assets employed and the risk and return associated in respect of each of the geographical area. So, the disclosure requirements pursuant to "Segment Reporting" are not applicable.</p>			
<b>d)</b>	<b>Intangible Assets Under Development:</b>			
	<p>The company had designed Waste Water Recycling Process-PEA Effluent in the preceding financial year being in the form of improved business process which in the opinion of the management of the company will be available for use in the production process or supply of goods or provision of services and from which future economic benefits are expected to flow to the company in the form of revenue generation. The process is still under development stage and the management continues to explore and evaluate the improvement in the process to make it available for use in business. The process will be capitalized to intangible assets on completion of development stage, availability of it for use in business for generation of revenue and on getting statutory approvals if any. The company had incurred following expenditures for designing and development of Waste Water Recycling Process-PEA Effluent in the preceding financial year which has been treated as "Intangible Assets Under Development" in the financial statements.</p>			
	<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (Rs.)</b>	
	1.	Technical Personnel and Support Staff Salaries	16,32,000	
	2.	Materials used in Development Process	1,25,193	
	3.	Laboratory Charges	58,105	
	<b>TOTAL .... ....</b>			<b>18,15,298</b>
	In the current financial year, the company has not incurred any expenditure on Waste Water Recycling Process-PEA Effluent.			
<b>e)</b>	<b>Debtors From Operating Activities</b>			
	<b>The company has initiated proceedings for recovery against the doubtful debtors amounting to</b>			

	<b>Rs. 1,76,70,214/- (Previous Year 2,03,15,705/-). In view of the management of the company, it is most likely that the company will be able to recover the amount from the doubtful debtors and hence the company has not made any provision against the doubtful debts of Rs. 1,76,70,214/- (Previous Year Rs. 2,03,15,705/-).</b>
<b>f)</b>	The outbreak of COVID-19 pandemic across the globe and in India led to nation-wide lockdown impacting the business operations of the company for some time. The management of the company has assessed the impact of COVID-19 pandemic and subsequent lockdown on its business activities based on internal and external information, general economic trend in the county and the probable impact of government measures to revive the economy and business activities. As per management's current assessment, the outbreak of COVID-19 pandemic and subsequent lockdown had no significant impact on the carrying values of current and non-current assets and liabilities as at the reporting date of the financial statements and hence required no adjustments in the carrying value. The management of the company will continue to assess the impact of health pandemic on its business activities and will reassess the carrying values of its current and non-current assets and liabilities whenever there is possibility of significant impact on the carrying value. The impact of health pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial statements, which may differ from that considered as at the date of approval of these financial statements. However, the Company does not anticipate any adverse effect on its ability to continue as going concern or meeting its financial obligations.
<b>g)</b>	The company has communicated suppliers to provide confirmations as to their status as Micro, Small or Medium Enterprise registered under the applicable category as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). The company has classified suppliers into Micro, Small and Medium Enterprises as per the confirmations received by the company upto the date of the financial statements and accordingly other suppliers are classified as Non-MSME Suppliers irrespective of their status as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006).
<b>h)</b>	In the opinion of the Board of Directors, Current Assets & Loans and Advances have a value on realisation in the ordinary course of business equal to the amount at which they are stated in the balance sheet. In the opinion of the Board of Directors, claims receivable against property/goods are realizable as per the terms of the agreement and/or other applicable relevant factors and have been stated in the financial statements at the value which is most probably expected to be realized.
<b>i)</b>	All the balances of debtors and creditors, loans and advances and unsecured loans are subject to confirmation and subsequent reconciliation, if any.
<b>j)</b>	The Financial Statements were authorised for issue by the Board of Directors on 29th June, 2020.
<b>k)</b>	The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year. The Paises are rounded up to the nearest of rupee.
<b>SIGNATURES TO NOTES '1' TO '29'</b>	

**FOR AND ON BEHALF OF THE BOARD  
FELIX INDUSTRIES LIMITED**

**AS PER OUR REPORT OF EVEN DATE  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W**

**MANAGING DIRECTOR  
[RITESH PATEL]  
[DIN: 05350896]**

**EXECUTIVE DIRECTOR  
[VINAY PATEL]  
[DIN: 08377751]**

**UDAY CHANDULAL SHAH  
[CHIEF FINANCIAL OFFICER]  
PLACE: AHMEDABAD  
DATE: 29<sup>TH</sup> JUNE, 2020**

**HENA KETAN SHAH  
[COMPANY SECRETARY]**

**FIROJ G. BODLA  
PARTNER  
M. NO. 126770**