

No. FELIX/AR\_2021-22/SUBMISSION/NSE

Dt.: 19<sup>th</sup> August, 2022

To,  
The General Manager,  
Listing Department,  
National Stock Exchange Limited.  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051.

**Script Code/Symbol: FELIX**

**Sub. : Submission of Annual Report of F.Y. 2021-22.**

Dear Sir/Ma'am,

Pursuant to the Regulation 34 (Annual Report) of SEBI (Listing obligation and Disclosure requirement) Regulations, 2015 and other applicable rules and regulations made there under, to comply with the disclosure requirement of Notice of AGM and Annual Report to National Stock Exchange Limited ("NSE"). We are submitting herewith Notice of 10<sup>th</sup> AGM & Annual Report for F.Y. 2021-22.

Further, we are submitting herewith;

1. Annual Report F.Y. 2021-22 – On NEAPS portal – Compliance – Annual Report Submit tab.
2. Notice of 10<sup>th</sup> AGM – On NSE Digital Portal\_ Announcement – Annual General Meeting – Notice

You are requested to take note of the same.

Thanking You,

For Felix Industries Limited

  
CS Pranav Patel  
Company Secretary  
ACS : 61542

Encl.:

**COPY OF ANNUAL REPORT OF F.Y.2021-22 ALONG WITH NOTICE.**

**FELIX INDUSTRIES LIMITED**

REGISTERED / CORPORATE OFFICE :

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

Ph. : +91 79 2646 3658 / 59

Cell : +91 99099 97538

E-mail : info@felixindustries.co



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FELIX INDUSTRIES LIMITED

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Annual Report 2021-22



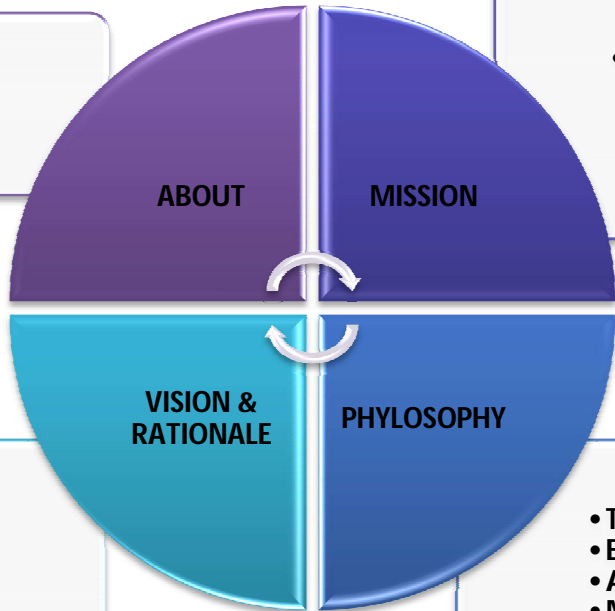
**FELIX INDUSTRIES LIMITED**

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

# FELIX® INDUSTRIES LIMITED



• A future-smart corporate movement in Environmental Conservation.



• Intensive Research & Development  
• User-friendly, easy-to-install and optimal in toxin-control.

• R-Reduce  
• R- Reuse  
• R Recycle  
• R-Recover

• T – Together  
• E– Everyone  
• A – Achieve  
• M – More



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## CORPORATE INFORMATION

Felix Industries has started its journey with corporate look in the year of 2012 with initial phase of its product as an eco-tech start up and service portfolio containing the design, development & manufacture, Import and export & distribution of comprehensive, membrane separation technology-based water and waste water solution 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 Environmental Separation Technologies. The Company is always looking for future-smart corporate movement in Environmental Conservation, Spearheaded by Philosophy by working on Recycling, Re-using (waste water), Recovering (products) & Reducing (effluents) and always looking for being the best part of this four "R's" axiom by exploring and utilizing the opportunity to work with best technology and strong and skill manpower which adds strength to human race's fight to ensure water sufficiency for future generation. The company has looking for developing its expertise in the field of curing the solution of waste water treatment which enables it to develop solutions which optimize its needs of various authorities which serve the life line to our society like municipalities, industrialist and other public at large 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 stretches/ Water bodies
- High Purity/Ultra Pure Water System

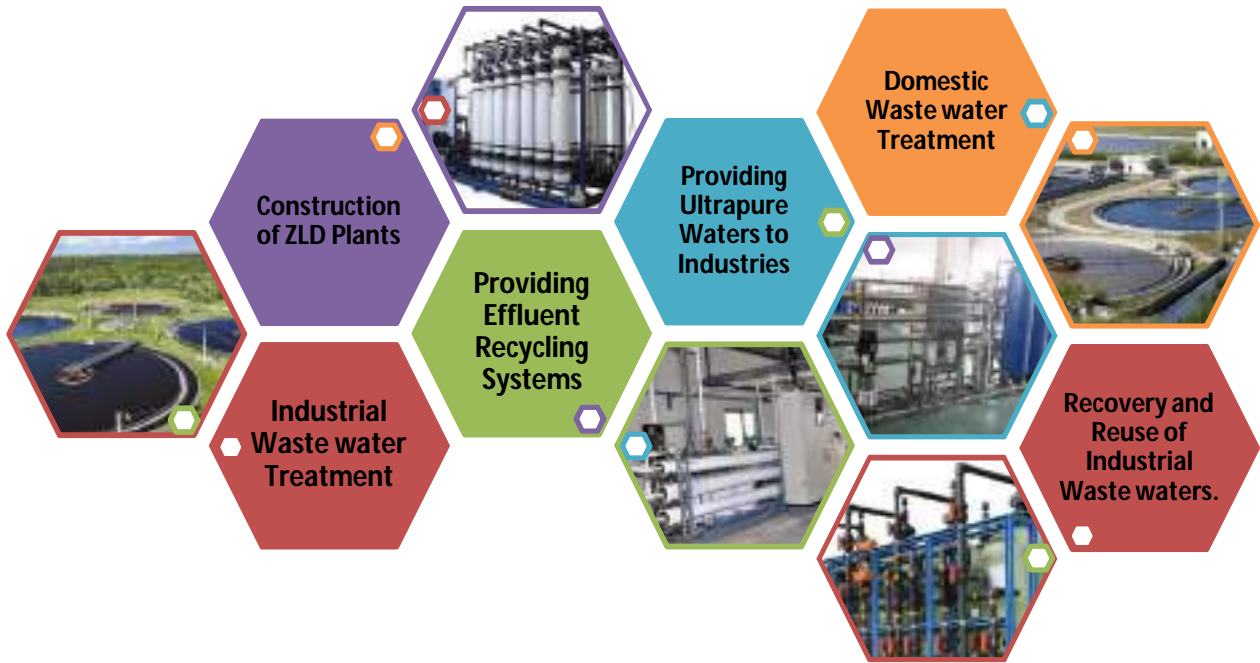
Felix, holds a portfolio of more than 450 proprietary technologies (including physicochemical, biological, membrane and bio membrane, membrane desalination, thermal and hybrid treatments) to tackle the challenges of managing water in all its forms (drinking water, industrial process water, ultrapure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

Felix along with waste water division, also does trading of Industrial Pipes.

Wastewater treatment and reuse practices are limited in India despite the known benefits of preventing water resources pollution and contributing to sustainable production and consumption systems. We identify the perceived key drivers and barriers to wastewater treatment and reuse governance in a two-round Delphi study, including literature and case study analyses and consultation with 75 panelists. Panelists indicated that the most significant driver for wastewater treatment and water reuse is persistent water scarcity that necessitates diversification to alternative water supplies. In contrast, the most significant barriers are the lack of enforcement of pollution monitoring and control, the lack of an umbrella directive for integrated water resources management, and insufficient collaboration

between responsible governmental organizations, central and state water authorities. Given the absence of central guidelines, only a few Indian states such as Maharashtra, Gujarat or Punjab have adopted effective governance structures. These states showcase that defined reuse standards can create successful wastewater treatment and reuse practices but require target-based regulations which are enforced and regularly monitored and financing mechanisms for their long-term operation. The new effluent discharge standards by the National Green Tribunal, the government support programmes, and increasing water scarcity in many parts of India will supposedly drive innovative wastewater treatment and reuse structures. Panelists agreed that efforts are needed to develop technology guiding frameworks following the fit-for-purpose principle and that strengthening institutional and monitoring capacity is crucial to increase confidence in the quality of recovered water resources, create demand, and ultimately safeguard human health and the environment.

# WATER & WASTEWATER DIVISION



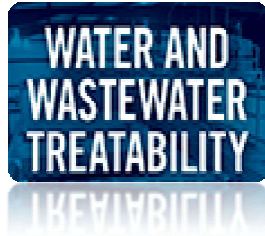
## INDUSTRIAL PIPING DIVISION

- Providing industrial piping solutions.
- Consultation services.
- Installation and trading.





## PRODUCTS & SERVICES



AFTER-SALES SUPPORT SERVICE



## 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 11 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 started working as Assistant Environmental Engineer , Deputy Environmental Engineer, Environmental Engineer, retired as Deputy Chief Environmental Engineer with Gujarat Pollution Control Board (GPCB) and got retired on 31/10/2016 and thereafter joined the Company. During his employment with GPCB he has 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.

## BOARD OF DIRECTOR'S AND KEY MANAGERIAL PERSONNEL

<u>Name</u>	<u>Designation</u>	<u>Appointment Date</u>	<u>DIN/PAN</u>
RiteshVinaybhai Patel	Managing Director	As Director : 18/05/2012 As MD: 13/08/2022	05350896
Vinay Rajnikant Patel	Whole Time Director (WTD)	28/02/2019	08377751
Mayuri Vinay Patel	Non- Executive Director Non-Independent Director	28/02/2019	05350901
Kashyap Hasmukhlal Shah	Independent Director	10/06/2022	00169746
NiveditaDinkar	Independent Director	12/02/2020	08546402
UdayChandulal Shah	Chief Financial Officer	15/05/2022	AFGPS3184L
Hena Shah*	Company Secretary & Compliance Officer	25/08/2021	-
PranavPatel**	Company Secretary & Compliance Officer	01/09/2021	BTCPP2845Q

\*Ms. Hena Shah has been resigned w.e.f. 25.08.2021.

\*\*Mr. Pranavkumar Patel has been appointed w.e.f. 01.09.2021.

## COMMITTEES OF THE COMPANY

<b>Audit Committee</b>	Chairman	Mr. Kashyap Shah
	Member	Ms. Nivedita Dinkar
	Member	Mr. Ritesh Patel
<b>Nomination &amp; Remuneration Committee</b>	Chairman	Ms. Nivedita Dinkar
	Member	Mr. Kashyap Shah
	Member	Ms. Mayuri Vinay Patel
<b>Stakeholders Relationship Committee</b>	Chairman	Mr. Kashyap Shah
	Member	Ms. Nivedita Dinkar
	Member	Mr. Ritesh Vinay Patel

## OTHER CORPORATE INFORMATION

<b>REGISTERED OFFICE</b> 208, Devshruti Complex  Opp. HCG Hospital Nr. Mithakhali Cross Road, Gujarat, India-06	<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b> Bigshare Services Private Limited A-802 Samudra Complex, Near Classic 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>
<b>STATUTORY AUDITORS</b>  M/s. S. N Shah & Associates Chartered Accountants Ahmedabad	<b>SECRETARIAL AUDITORS</b>  M/s. Vishwas Sharma & Associates Secretarial Auditor Ahmedabad
<b>BANKERS</b>  Bank Of Baroda, Opp.NCC Ground, Ellisbridge Ahmedabad Gujarat Pincode: 380006	<b>CONTACT DETAILS FOR INVESTORS</b>  <b>PRANAVKUMAR DAHYABHAI PATEL</b> Company Secretary & 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:cs@felixindustries.co">cs@felixindustries.co</a>

## NOTICE OF 10<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY

**NOTICE** is hereby given that the **Tenth (10<sup>th</sup>)** Annual General Meeting of the Members of the Felix Industries Limited will be held on Friday, September 9, 2022 **at 12.00 Noon** 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, 2022 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, 2022 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Vinay R. Patel (DIN:08377751)** who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To re-appointment of M/s. S.N.Shah & Associates (FRN:109782W), Chartered Accountants of the company for the second term of 4 years and to pass, with or without modification(s), the following resolution as **an ordinary resolution**.

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. S.N. Shah & Associates, Chartered Accountants (FRN : 109782W) be and is hereby appointed as a Statutory Auditors of the Company for second term of 4 (four) year to hold the office from the conclusion of this 10<sup>th</sup> Annual General Meeting (AGM) 2022 till the conclusion of 14<sup>th</sup> Annual General Meeting (AGM) of the Company to be held in 2026, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors from time to time."

### **SPECIAL BUSINESS:**

4. To consider and if thought fit, approve the appointment of **Mr. Ritesh Vinay Patel (DIN : 05350896)** as Managing Director of the company

To pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION;**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under, as amended from time to time, read with Schedule V to the Act, and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to appoint Mr. Ritesh Vinay Patel (DIN : 05350896) as Managing Director of the Company for a period of 3 (Three) years effective from 13<sup>th</sup> August, 2022 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 (Three) years from the date of his appointment),

with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions as detailed in the explanatory statement attached herewith;

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Ritesh Vinay Patel (DIN:05350896) shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time;

**RESOLVED FURTHER THAT** any of the Board of directors, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

5. To appoint Mr. Kashyap Hasmukhlal Shah (DIN: 00169746) as an Independent Director (Non-Executive) of the Company for the 2<sup>nd</sup> term of 5 (five) years.

To pass with or without modification(s) the following resolution as a **Special Resolution**;

**"RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(1)(c) and other Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, **Mr. Kashyap Hasmukhlal Shah (DIN:00169746)**, who was appointed for a term of 5 (five) years as an Independent Director of the Company upto June 9, 2022 by the members in terms of section 149 of the Act, be and is hereby re-appointed as an Independent Director of the Company for a Second term of 5 (five) years commencing from June 10, 2022 to 9<sup>th</sup> June, 2027, not liable to retire by rotation."

**RESOLVED FURTHER THAT** any of the Board of directors, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

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

**Date: 13 /08 /2022**  
**Place: Ahmedabad**

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

**Sd/-**  
**Ritesh Patel**  
**Managing Director**  
**(DIN: 05350896)**

## NOTES

1. The Government of India, Ministry of Corporate Affairs has allowed conducting AGM 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 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 and Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 and Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and 02/2022 dated 5<sup>th</sup> May 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13<sup>th</sup> May, 2022 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OVAM. In terms of the said circulars, the 10<sup>th</sup> 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.15 and available at the Company's website <http://www.felixindustries.co>.
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of ordinary and special 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 2021-22 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 2021-22 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 [www.nseindia.com](http://www.nseindia.com) and is also available on website of NSDL (agency for providing E-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
6. The Register of members and share transfer books of the Company will remain closed from Saturday, 3<sup>rd</sup> September, 2022 to Friday, 9<sup>th</sup> September, 2022 (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 7 days before the meeting so as to enable the management to keep the information ready.



8. Members holding the shares in physical mode, if any, 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 Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs 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 National Securities Depository Limited ("NSDL") 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 NSDL.
- 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. ,Friday , 2<sup>nd</sup>September 2022 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. , Friday , 2<sup>nd</sup> September 2022 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 Tuesday, September 6, 2022 at 10.00 a.m. and will end on Thursday, September 8, 2022 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. Friday, 2<sup>nd</sup> September 2022 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 NSDL 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.
- vi. 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. , Friday , 2<sup>nd</sup> September 2022.
- vii. 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 scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@felixindustries.co](mailto:cs@felixindustries.co)

**b) Members holding shares in Demat mode:**

Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@felixindustries.co](mailto:cs@felixindustries.co)

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

- (i) The voting period begins on Tuesday, September 6, 2022 at 10.00 a.m. and will end on Thursday, September 8, 2022 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. Friday , 2<sup>nd</sup> September 2022 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

(iv) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

### **Step 1: Access to NSDL e-Voting system**

#### **A. Access through Depositories CDSL/ NSDL e-Voting system in case of Individual Shareholders holding shares in demat mode.**

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

## LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE

Type	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li></ol>



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B. LOGIN METHOD FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.



**Step -2 : The instructions for casting of votes electronically and join General Meeting on NSDL E-voting system are as under:**

- a. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- b. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- c. Now you are ready for e-Voting as the Voting page opens.
- d. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- e. Upon confirmation, the message "Vote cast successfully" will be displayed.
- f. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

15. 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 10<sup>th</sup> AGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

**16. Instructions for members for e-voting on the day of AGM 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 in the AGM.
- c. 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.
- d. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of theAGM shall be the same person mentioned for Remote e-voting.

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

- a. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against

company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in -

Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

- 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 cs@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

**Regd. office:**

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

**Date : 13 /08 /2022**

**Place: Ahmedabad**

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

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

## CONTACT DETAILS

<b>Company</b>	:	FELIX INDUSTRIES LIMITED
<b>Regd. Office</b>	:	208, DEVSHRUTI COMPLEX, OPP. HCG HOSPITAL, NR. MITHAKHALI CROSS ROADS, ELLISBRIDGE, AHMEDABAD-06
<b>CIN</b>	:	L40103GJ2012PLC072005
<b>E-mail</b>	:	cs@felixindustries.co
<b>Registrar and Transfer Agent</b>	:	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
<b>E-Voting Agency</b>	:	National Securities Depositories Limited E-mail : <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> Tel.: 1800 1020 990 and 1800 22 44 30
<b>Scrutinizer</b>	:	CS Vishwas Sharma Practicing Company Secretary (ACS: 33017 and COP: 16942) E-mail: cs.vishwasb@gmail.com

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

#### **Item No. 4:**

Subject to the approval of members of the Company, the Board of Directors in their meeting held on 13th August, 2022, appointed Mr. Ritesh Vinay Patel (DIN : 05350896), as Managing Director of the Company for a period of 3 years effective from 13<sup>th</sup> August, 2022. The period of office of Mr. Ritesh Vinay Patel (DIN:05350896) shall not be liable to determination by retirement by rotation.

Mr. Ritesh Vinay Patel (DIN : 05350896) is actively engaged in managing the company since its incorporation. He has experience in the industry in which the company is presently engaged. He is instrumental in taking major policy decisions of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company, it would be in the interest of the Company to appoint him as Managing Director of the Company.

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

The details of remuneration payable to Mr. Ritesh Vinay Patel (DIN : 05350896), and the terms and conditions of the appointment are given below:

#### I. Period:

For a period of Three (3) years w.e.f. 13th August, 2022

#### II. Salary:

Upto Rs. 2,50,000/- per month which is eligible for revision on a date to be determined by the Board of the Director.

#### III. Perquisites:

The Managing Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;

- i. Medical Reimbursement: Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges for self and for family.
- ii. Leave Travel Concession rules of the Company.
- iii. Club Fees: Fees of clubs, subject to a maximum of three clubs.
- iv. Personal Accident Insurance/Group Life Insurance: Premium not to exceed Rs. 7200/- per annum.

- v. Provident Fund/Pension: Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income – Tax Act, 1961 - Contribution to Pension Fund will be paid on the basis of salary and commission.
- vi. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.
- vii. Use of Car with Driver: The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Managing Director for business and personal use.
- viii. Telephone facility at residence: Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Managing Director.
- ix. Duties: Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial power of management and also such other duties and responsibilities as may be entrusted to him By the Board of Directors from time to time.
- x. Termination: Managing Director may be removed from his office for gross negligence, breach of duty or trust if a special resolution to that effect is passed by the Company in its General Meeting. The Managing Director may resign from his office by giving 90 day's Notice to the Company.
- xi. Compensation: In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director of the Company shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.
- xii. Other terms and conditions:
  - A) In the event of absence or inadequacy of profits in any financial year during the tenure of the Managing Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act,2013, are payable.
  - B) 'Family" means the spouse and dependent children of Mr. Ritesh Vinay Patel .
  - C) Leave with full pay and allowances shall be allowed as per the Company's rules
  - D) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
  - E) No sitting fees shall be paid to the Managing Director for attending the meetings of the Board - of Directors thereof.
  - F) The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962 , as may be applicable .

**Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013.**

**A. General Information:**

1. Nature of Industry: Water Processing, Purification and Recycling
2. Date of commencement of Commercial production: The Company is already in existence and it started its activities since 2012.
3. In case of new companies, expected date of commencement of activities as per object approved by financial institutions appearing in the prospectus: N.A.
4. Financial performance based on given indicators:

[Rs. in Lakhs]

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Turnover	1238.24	295.45
Profit Before Tax	130.90	-76.79
Profit After Tax	82.90	-59.88

5. Foreign investments or collaborations, if any: N.A.

**B. Information about the appointee:**

**1. Background details:**

Mr. Ritesh Vinay Patel holds a degree of Bachelor of Engineering in Chemical. He was associated with Company as Director since Incorporation. He has more than 11 years of experience in the industry in which the Company is presently engaged He is instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company. Mr. Ritesh Vinay Patel would have immense contribution in the growth of the Company.

**2. Past Remuneration:**

In his earlier term of Managing Director, which completed on 31<sup>st</sup> March, 2022, he was eligible to receive the Remuneration of upto Rs.2,50,000/- per month.

**3. Recognition and awards: NA**

**4. Job profile and his suitability:**

5. Mr. Ritesh Vinay Patel will be responsible for overall in-charge of the business and day to day administration of the Company. He would be mainly involved in the corporate planning of the Company, policy decisions, formulations of strategies and other related matters.

**6. Remuneration proposed:**

Upto Rs. 2,50,000/- per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee.

7. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Considering the size of the Company, the industry benchmarks, experience and the responsibilities shouldered by the appointee, the proposed remuneration payable to him is commensurate with the remuneration paid to similar appointee in other companies.
8. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Except for the proposed remuneration Mr. Ritesh Vinay Patel does not have any pecuniary relationship directly or indirectly with the Company or managerial personnel of the Company except Mrs. Mayuri Vinay Patel, Mr. Vinay Rajnikant Patel relatives of Director and Mr. Ritesh Vinay Patel to whom the resolution relates, No other director, key managerial personnel or their relatives, are interested or concerned in the resolution.

C. Other information:

- (1) Reasons of loss or inadequate profits: The Company is engaged in Water Processing, Purification and Recycling industry. The Company is striving hard to earn sufficient profits however due to current pandemic situation and high operating expenses; the company is unable to earn adequate profits.
- (2) Steps taken or proposed to be taken for improvement:
- The Company has started working with different membrane based technology to give best water and waste solution as per industries norms.
  - The Company has started aggressively to bid for the projects of various Big Corporates.
  - The Company has recently availed increased working capital facility, which has provided comfort for the Company to deal with more customers and would result in increased turnover and net profit.
  - The Company has hired technical marketing tem to increase the cliental base.
- (3) Expected increase in productivity and profits in measurable term: Despite of the current situation of Covid, your company is confident of achieving its growth objectives for the coming year through implementation of steps taken and are proposed to be taken as mentioned above leading to increasing productivity and profits.

Except Mrs. Mayuri Vinay Patel, Mr. Vinay Rajnikant Patel relatives of Director and Mr. Ritesh Vinay Patel to whom the resolution relates, No other director, key managerial personnel or their relatives, are interested or concerned in the resolution.

Brief profile of Mr. Ritesh Vinay Patel (DIN: 05350896) in terms of Regulation 36 (3) of the Listing Regulations is forming part of this notice.

**Item No. 5 :**

Mr. Kashyap Shah was appointed as an Independent Director of the Company for a period of 5 (five) years upto June 10, 2022. Mr. Kashyap Shah completes his present term on June 9, 2027. The Nomination and Remuneration Committee on the basis of the report of performance evaluation of Independent Directors has recommended the re-appointment of Mr. Kashyap Shah as an Independent Director for a second term of 5 (five) year on the Board of the Company w.e.f. June 10, 2022. The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given the background and experience and contributions made by Mr. Kashyap Shah during his tenure, the continued association of Mr. Kashyap Shah would be -

beneficial to the Company, and it is desirable to continue to avail his services as an Independent Director. Considering his vast experience towards the industries point of view, the company always been welcomed him to take part in every events of the company as and when required, being to give of his best opinion for the success of the company and therefore considered and recommended the re-appointment of Mr. Kashyap Shah, for a second consecutive period of 5(five) year effective from 10<sup>th</sup> June, 2022 to 9<sup>th</sup> June 2027, so that his total tenure as a Director of the Company does not exceed 10 years. Accordingly, it is proposed to reappoint Mr. Kashyap Shah as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) year on the Board of the Company. Section 149 of the Act prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides further that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report.

Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Mr. Kashyap Shah is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has also received declaration from Mr. Kashyap Shah that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Mr. Kashyap Shah fulfils the conditions for appointment as Independent Director as specified in the Act. A copy of draft letter of appointment of Mr. Kashyap Shah, setting out the terms and conditions of appointment is available for inspection by the Members at the registered office of the Company. A brief profile of Mr. Kashyap Shah and other requisite details, pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, are annexed to this statement.

The Board of Directors in their meeting re-appointed Mr. Kashyap Shah (DIN 00169746) as an ID for second consecutive terms of 5 years effective from 10<sup>th</sup> June, 2022, subject to shareholders' approval and in terms of Regulation 17(1)(c) of SEBI LODR Regulations, 2015 the Company should obtained the shareholders' approval for re-appointment of Independent Director in the next general meeting or within 3 months from the date of appointment, whichever is earlier and therefore his re-appointment should be confirmed by the shareholders on or before 10<sup>th</sup> September, 2022 and hence this Special Resolution is proposed for your approval.

Mr. Kashyap Shah is interested in the Special Resolution set out at Item No. 5 with respect to his reappointment. The relative(s) of Mr. Kashyap Shah may be deemed to be interested in the said Resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution setout at Item No. 5 of the Notice. The Board of Directors recommends passing of the Special Resolution as set out in Item No. 5 of this Notice, for approval by the Members of the Company.



## ANNEXURE TO NOTICE

### 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 10<sup>th</sup> Annual general Meeting are as follows:

<b>Name</b>	Mr. Ritesh Patel	Mr. Kashyap H. Shah	Mr. Vinay Patel
<b>DIN</b>	05350896	00169746	08377751
<b>Designation</b>	Managing Director	Independent Director	Whole Time Director
<b>Date of Birth</b>	09.05.1987	26.08.1970	30.10.1958
<b>Date of Appointment</b>	13.08.2022	10.06.2022 (for second term of 5 years)	28.02.2019
<b>Qualifications experience in specific functional area</b>	Chemical Engineer having experience of more than 11 years.	MSC in applied Chemistry and MBA in Marketing having vast experience of more than 25 years.	Graduated with degree of Chemical Engineering
<b>Directorship held in other companies*</b>	-Felix Nano Synthesis Private Limited -Felix Colourant Private Limited	- Anugrah Inorg Private Limited - Adwith Nutrichem Private Limited	NIL
<b>Membership/ Chairmanships of Committee in other Public Companies</b>	NIL	NIL	NIL
<b>Relationships between directors inter se</b>	Relative (son) of Mr. Vinay Rajnikant Patel (Whole Time Director) & Mayuri Patel- Director )	NA	Relative (father) of Mr. Ritesh Vinay Patel & (husband) of Mr. Mayuri Vinay Patel
<b>Number of shares held in the Company</b>	36,36,000 Equity shares	NIL	1000Equity shares

\*Pvt. Companies excluded

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

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

**Date: 13/08/ 2022**  
**Place: Ahmedabad**

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

# DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the 10<sup>th</sup> **Annual Report** of your Company together with the Audited Financial Statements of Accounts for the financial year ended 31<sup>st</sup>March, 2022.

## I. FINANCIAL RESULTS:

The audited financial statements of the Company as on 31<sup>st</sup>March 2022, are prepared in accordance with the relevant applicable Ind. AS and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

(In Lakhs)

Particulars	Year ending on 31st March, 2022	Year ending on 31stMarch, 2021
Sales	1238.25	295.46
Other Income	0.75	6.71
<b>Total Income</b>	<b>1239.00</b>	<b>302.17</b>
Less: Expenditure	(1059.74)	342.41
Profit/Loss before interest, depreciation and tax	179.26	(40.24)
Less: Interest	28.30	22.04
Less: Depreciation & Amortization cost	20.06	14.51
<b>Profit/ (Loss) before Tax</b>	<b>130.90</b>	<b>(76.79)</b>
Less: Tax Expense	(48.00)	16.92
<b>Profit/ (Loss) after Tax</b>	<b>82.91</b>	<b>(59.85)</b>

## II. STATE OF COMPANY'S AFFAIR :

During the year under review, the company has made a net profit and the management is optimizing that the growth of the company will be on better track and doing well in the upcoming Financial Year. As, the Company has good orders in hand and Directors of your company are expecting to achieve much more net profit in coming Financial Years in comparing to the Previous Financial Year.

Further, in view of financial aspects, the position of the company is better than earlier and is competent to complete the order in hand in easy and smooth manner.

## III. DIVIDEND:

No dividend is being recommended by the Board of Directors for the year ended on 31<sup>st</sup> March, 2022, as the Company has limited profit and the Board finds it better to re-invest for further growth..

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

The provision of Section 125 of the Companies Act, 2013 is not applicable to the Company.

**V. ADDITION IN THE NATURE OF COMPANY'S BUSINESS:**

During the year under review, there was no change in the nature of the business of the Company.

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

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

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

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

**VIII. 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.

**IX. 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.

**X. 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.

**XI. 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.

**XII. 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.

**XIII. RELATED PARTY TRANSACTIONS:**

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.

#### **XIV. PARTICULARS OF EMPLOYEES:**

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**".

#### **XV. SECRETARIAL STANDARDS**

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

#### **XVI. 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: **Rs. 4,96,490/-** ( Value of exports in FOB Basis)  
Foreign Exchange Outgo : NIL

#### **XVII. 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.

#### **XVIII. 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 at the ensuing Annual General Meeting is annexed to the notice convening 10<sup>th</sup> Annual General Meeting.

## **XIX. 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	7	7
Mr. Vinay Rajnikant Patel	Whole Time Director and CEO*	Promoter Executive Director	7	7
Mrs. Mayuri Vinay Patel	Director	Non- Executive Director Non – Independent Director	7	7
Mr. Kashyap Shah	Director	Non-Executive Independent	7	6
Mrs. Nivedita Dinkar	Director	Non-Executive Independent	7	6

\*Mr. Vinay Rajnikantbhai Patel has been ceased to be a Chief Executive Officer ('CEO') of the company w.e.f .15.05.2022.

### **ii. Key Managerial Personnel:**

Pursuant to the provision of section 203 of the Companies Act,2013 ( 'the Act,') Mr. Ritesh Patel, (Managing Director), Mr. Vinay Rajnikantbhai Patel (Whole Time Director), Mr. Uday C. Shah (CFO) & Mr. Pranavkumar Patel (Company Secretary) are the key managerial personnel's of the company as on 31.03.2022.

#### **• Change in Key Managerial Personnel;**

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Reason for Change</b>	<b>Effective Date (Appointment/ Cessation)</b>	<b>Terms</b>
1.	Mr. Ritesh V. Patel	Managing Director	Expiry of term of Managing Director	31.03.2022	NA
2	Mr. Ritesh V. Patel	Managing Director	Appointment as Managing Director	13.08.2022	3 Yrs.
3.	Mr. Vinay R. Patel	CEO	Cessation	15.05.2022	NA
4.	Mr. Uday C. Shah	CFO	Re-appointment	15.05.2022	NA
5.	Ms. Hena Shah	CS and Compliance Officer	Resignation	25.08.2021	NA
6.	Mr. Pranav Patel	CS and Compliance Officer	Appointment	01.09.2021	NA

**iii. Appointment/Resignation of Directors**

During the year, there was no appointment/resignation of director of the company.

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

**Mr. Vinay R. 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 the re-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 10<sup>th</sup>AGM of your Company.

**v. Declaration from Independent Directors and Independent Directors Meeting**

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 ('**the Act,**') 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.

The Independent Directors met on 25<sup>th</sup> February, 2022 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

The Independent Directors reviewed the performance of the non-independent Directors and Board as a whole. The Performance of the Chairman taking into account the views of Executive Directors and non-executive Directors and assessed the quality, quantity and timeline of flow of inform action between Company management and Board

**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.

**XX. NUMBER OF MEETINGS OF THE BOARD**

The Company had conducted 7 (Seven) Board meetings during the financial year 2021-22 on:04<sup>th</sup> May, 2021, 26<sup>th</sup> June, 2021, 24<sup>th</sup> August, 2021 16<sup>th</sup> September, 2021 27<sup>th</sup> October, 2021, 24<sup>th</sup> December, 2021 and 25<sup>th</sup> February, 2022.

**XXI. 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, 2022, 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, 2022 and of the profit and loss of the Company for the financial year ended 31<sup>st</sup> March, 2022;
- 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;
- f) 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.

**XXII. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company as at 31<sup>st</sup> March, 2022 is available on the website of the Company at <https://www.felixindustries.co>

### **XXIII. 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;

- **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	6	6
2.	Mr. Ritesh Patel	Executive Director	Member	6	6
3.	Mrs.NiveditaDinkar	Independent Director	Member	6	6

The Audit Committee had 05 (Five) meetings 04<sup>th</sup> May, 2021, 26<sup>th</sup> June, 2021, 16<sup>th</sup> September, 2021 27<sup>th</sup> October, 2021, 24<sup>th</sup> December, 2021 and 25<sup>th</sup> February, 2022 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.

### ➤ **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. Kashyap Shah	Independent Director	Member	02	02
2.	Mrs.Mayuri Vinay Patel	Non-Executive Non-Independent Director	Member	02	02
3.	Mrs.NiveditaDinkar	Independent Director	Chairmen	02	02

The Nomination & Remuneration Committee had 02 meeting 26<sup>th</sup>June, 2021 and 16<sup>th</sup> September, 2021 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 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. Kashyap Shah	Independent Director	Chairmen	01	01
2.	Mrs.NiveditaDinkar	Independent Director	Member	01	00
3.	Mr. Ritesh Vinay Patel	Executive Director	Member	01	01

The Stakeholder Relationship Committee had 01 (One) meeting 27<sup>th</sup> October, 2021 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, 2022 are NIL.

➤ **Compliance Officer :**

Mr.Pranavkumar Patel is the Compliance Officer of the Company for the above purpose.

**XXIV. AUDITORS:**

**[A] Statutory Auditors:**

M/s. S.N Shah & Associates, Chartered Accountants, Ahmedabad was appointed for F.Y. 2016-17 in casual vacancy vide EGM dtd. 11.04.2017 upto conclusion of 4<sup>th</sup> Annual General Meeting and further the same was re-appointed as Statutory Auditors of the company 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, for further period of 5 (five) years effective from conclusion of 5<sup>th</sup> Annual General Meeting of the company until the conclusion of 10<sup>th</sup> Annual General Meeting at such remuneration as mutually decided with Board of Directors of the Company.

M/s. S.N Shah & Associates, Chartered Accountants completing their first term as the Statutory Auditors of the Company at this AGM. In accordance with Section 139(2) of the Act and the transitional provisions provided under the Companies (Audit and Auditors) Rules, 2014, M/s S.N Shah & Associates, are eligible for re-appointment for another term of 4 years. Previously, M/s. S.N Shah & Associates, Chartered Accountants, was appointed as Statutory Auditors for a period of 5 year(s) 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 and now proposed to re-appointed as Statutory Auditors of the Company for second term 4 years from conclusion of Tenth (10<sup>th</sup>) Annual General Meeting to hold the office till the conclusion of Fifteen (14<sup>th</sup>) Annual General Meeting of the Company. Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, The consent of M/s. S.N Shah & Associates, Chartered Accountants, Ahmedabad along with certificate under Section 139 of the Act has been obtained to the effect that their re-appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company.

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, 2022 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.

- Further, the Statutory Auditors' of the Company has put one matter under EMPHASIS OF MATTER and pointed out that the Financial Statement of the Company contains a Notes No. 29(e) relating to the non-provision for doubtful debts amounting to Rs. 76,70,214/- (Previous year Rs. 1,76,70,214/-).

**Board Clarification to Auditors' EMPHASIS OF MATTER:**

The Board of Your Company would like to clarify that the Company is pursuing the matters with the parties to whom such amount is outstanding since long and looking to the future business opportunity, the Company has yet not considered to have any legal

action against them. 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. 76,15,214/- The said amount belongs to the period pre-Initial Public Offer (IPO) of the Company. The Board will again assess the possibilities of recovery and if required might consider for provision of Doubtful debts in coming Financial Years.

**[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**

During the year the company has appointed M/s. DNP & Associates, Chartered Accountants as an Internal Auditor of the company for the F.Y 2020-21 w.e.f 09<sup>th</sup> November, 2020. They resigned and M/s Dang Sharma Maheshwari & Co LLP , Chartered Accountants were appointed as an 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. 09<sup>th</sup> November, 2021 for the financial year 2020-21 & 2021-22.

Further, the Company has appointed M/s. Nishant Sharma & Associates, Chartered Accountants (FRN : 143868w) as an Internal Auditors of the Company for the Financial Year 2022-23.

**[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 except the one as produced herein;

- Mr. Kashyap Hasmukhlal Shah (DIN: 00169746), Independent director of the company has been registered in Independent Directors Databank on 12<sup>th</sup> February, 2020. Hence he was required to clear online proficiency self-assessment test on or before 11<sup>th</sup> February, 2022. However, the said online –

proficiency self-assessment test had not been attempted by him within the prescribed time limit. Therefore, as per the recent amendments to the Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022 published on 10th June 2022 he has taken extension of one year for passing the self-assessment test

#### **Board Clarification to Secretarial Auditors' observation:**

The Board of Your Company would like to clarify that the Company has approached to Mr. Kashyap Hasmukhlal Shah (DIN: 00169746), Independent director of the company to appear and/or attempt for the online proficiency self-assessment test on or before 11th February, 2022 but due to his very busy schedule in those days, he could not appear for the said test. The Board decided to continue him as an Independent Director as his term for Independent Director was not completed and started searching another Independent Director in place of Mr. Kashyap Hasmukhlal Shah (DIN: 00169746) on completion of his term of appointment. It is further to be noted that before completion of his term, there was one amendment came into effect in the Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022 published on 10th June 2022 whereby extension of one year for passing the self-assessment test was provided and hence now Mr. Kashyap Hasmukhlal Shah (DIN: 00169746) has got more time of 1 year to clear online proficiency self-assessment test.

#### **[E] Reporting of Fraud by Auditors**

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Board under section 143(12) of the Act.

#### **XXV. INSURANCE :**

Your Company has taken appropriate insurance for all.

#### **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 and as your Company is listed on SME exchange of NSE i.e. NSE Emerge,

Therefore, the Regulations relating to Corporate Governance are not applicable to the Company.

#### **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 there under, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective

locations. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely.

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. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

**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. PANDEMIC AND COVID -19**

During the year, there was second wave of COVID-19 outbreak, we have also provided work from home facilities to our employees during the period and some of them at workplace also. Further, all the safety measures were taken and medical support was available within the premises since the company was started. Physical and emotional, well being and financial support was provided to the employees by the management.

**XXXIV. INSOLVENCY AND BANKRUPTCY CODE :**

During the Financial Year ended on March, 31<sup>st</sup> 2022, there is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**XXXV. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

Not applicable during the year under review.

**XXXVI. GENERAL:**

Your Company has not issued any equity shares with differential rights as to dividend, voting or otherwise and your Company does not have any ESOP scheme for its employees.

**XXXVII. Acknowledgement:**

Your directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and cooperation extended by them.

Your directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

**Regd. office:**

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

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

**Date: 13/08/2022**  
**Place: Ahmedabad**

<b>Sd/-</b>	<b>Sd/-</b>
<b>Ritesh Patel</b>	<b>Vinay Patel</b>
<b>Managing Director</b>	<b>Whole Time Director</b>
<b>(DIN: 05350896)</b>	<b>(DIN : 08377751)</b>

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:

<b>Sr. No.</b>	<b>Requirements</b>	<b>Disclosure</b>	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD	1.5 times
		WTD	No Increase
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, 2022	52	
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	



## **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, 2022 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 at regular period of time.

**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. Replacements/Up gradation of some of the old equipments with new equipments.
  - iii. Clean/replaced air filters in air conditioners, usage of led lights instead of bulbs and tubelights.
  - iv. Reduction of energy loss.
  - v. Ensure that light levels will remain at adequate levels before changing out technologies and other electrical equipment's.
  - vi. Ensure outdoor lighting is off during daytime.
  - vii. Take advantage of natural daylight, turn off or dim electric lighting when adequate sunlight is available to illuminate interior space.
  - viii. Keeping control on heating and cooling of office temperatures.
  - ix. In some of our equipments we use an anaerobic technology which helps in reduction of energy.
- 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 at its premises. 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 as and when required.

➤ **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

e) Cf 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.

## 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 harmonize 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 there under, as amended from time to time.
- **"Board"** means Board of Directors of the Company.
- **"Directors"** mean Directors of the Company.
- **"Key Managerial Personnel"** means
  - ❖ Chief Executive Officer or the Managing Director or the Manager;
  - ❖ Whole-time director;
  - ❖ Chief Financial Officer;
  - ❖ Company Secretary; and
  - ❖ 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. HCGHospital,  
Nr. Mithakhali Cross Roads  
Ellisbridge, Ahmedabad-380006.

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

**Date: 13/08/2022**  
**Place: Ahmedabad**

<b>Sd/-</b>	<b>Sd/-</b>
<b>Ritesh Patel</b>	<b>Vinay Patel</b>
<b>Managing Director</b>	<b>Whole Time Director</b>
<b>(DIN: 05350896)</b>	<b>(DIN : 08377751)</b>

**MANAGEMENT DISCUSSION & ANALYSIS REPORT****i) Industry Structure and Development**

India wastewater treatment market was valued at US\$3.981 billion in 2020 and is expected to grow at a CAGR of 12.92% over the forecast period to reach a market size of US\$9.320 billion by 2027.

Demand for water and wastewater treatment technology in India is anticipated to be driven by rapidly depleting freshwater sources and increasing wastewater complexity. However, the high cost of water treatment plants, as well as the impact of the COVID-19 pandemic, is likely to stifle market expansion. Water treatment technology advancements are expected to create opportunities in the industry. The end-user industry includes Municipal, Food and Beverage, Pulp and Paper, Oil and Gas, etc.

Wastewater treatment is essential and utilized in many cities around India. Treatment technologies are used for a variety of purposes, including preliminary treatment, main and secondary treatment, tertiary treatment, biological nutrient removal (BNR), resource recovery, and energy generation.

Wastewater technology is widely utilized by municipal authorities in various cities across India for municipal wastewater treatment. According to NITI Aayog, the market for wastewater treatment plants in India was worth USD 2.4 billion in 2019 and is anticipated to rise to USD 4.3 billion by 2025 due to rising demand for municipal and sewage water treatment facilities across the country. The continual growth in the urban population in major Indian cities has created a demand for wastewater treatment facilities in the country to balance population with fresh water supply. According to a survey conducted by United Nations, 40.76 % of the Indian population would be living in cities by 2030, which will contribute to the market growth.

Furthermore, India is the world's third-largest coal producer. According to the Indian Brand Equity Foundation (IBEF), in FY20, the coal production in India was 729.10 million metric tonnes (MT), and it is anticipated to rise to 304.88 MT in FY21. Coal accounts for around 70% of the power generated in India. Coal production consumes a large amount of water, therefore significant wastewater treatment is required. Clarifiers and filter disposable equipment are largely utilized by the mining sector to treat suspended particles. The COVID-19 pandemic disrupted mining production rates and expansions in 2020, thus affecting the adoption of advanced solid treatment equipment.

**Impact of COVID-19 on the India wastewater treatment market**

The COVID-19 outbreak has had an unfavourable impact on the Indian economy. The pandemic had a detrimental impact on the operations of numerous end-user sectors in the market examined, resulting in a decrease in the outflow of industrial wastewater. The outbreak caused a significant reduction in oil consumption. Due to the reduction in demand, the future of the oil market has become negative. This resulted in lower investments and a significant reduction in drilling efforts. As a result, the industry's need for water treatment technology has decreased. Shortage of labor and facility closures lowered food production levels in the food and beverage industry in 2020.

The food and beverage sector contributes 3% of India's GDP and is the single largest employer in the country, employing over 7.3 million people. Food products other than -

staple foods and ready-to-eat foods had large declines due to low food consumption at restaurants and hotels. These developments hampered the expansion of the food sector. Furthermore, in the pulp and paper sector, decreased packaging material imports by existing clients resulted in an excess local supply of pulp and paper materials in the manufacturing countries. The industry expansion is being hampered by the oversupply problem.

(Source : <https://www.knowledge-sourcing.com/report/india-wastewater-treatment-market>)

## ii) **Opportunities and Threats**

India's wastewater treatment plants market stood at USD 2.4 billion in 2019 and is projected to reach USD 4.3 billion by 2025 owing to increasing demand for municipal water as well as sewage water treatment plants across the country, according to Amitabh Kant, CEO, NITI Aayog.

"There will be a huge gap of investments in this market and the private sector can fill this gap in terms of technology selection, fund rotation and implementation," Kant said while addressing the valedictory session '6th Edition of India Industry Water Conclave & 8th Edition of FICCI Water Awards', here yesterday.

In his address, the NITI Aayog CEO said that climate change along with rapid population and economic growth is resulting in an increased demand for water and food, potentially leading to over stressing not only for our present resources but also jeopardizing the resources for future generations.

To achieve the SDG 6.3 targets significant investments will be required in new infrastructure, grey and green and locally appropriate combinations along with appropriate technologies to increase the treatment in use of water. Inadequate sanitation resulting in poor hygienic practice leads to huge economic and social losses for the country, he said.

(Source:

<https://ficci.in/ficci-in-news-page.asp?nid=28979#:~:text=India&#39;s%20wastewater%20treatment%20plants%20market%20stood%20at%20USD%202.4%20billion,Kant%2C%20CEO%2C%20NITI%20Aayog.>)

## iii) **Risk and Concerns**

Pre-empting risks and activating a mitigation plan has been a priority on the management's agenda. As during the starting of the financial year, due to COVID-19 pandemic was a difficult year to start which overall affected the business and the company has faced some insufficient capital investments in processing equipment's being a manufacturing company and the debtors cycle processes was slow. The risk factors raised faced can be solved by taking different steps which are in favorable to the industry.



iv) **Segment wise performance**

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. Today more than ever, to meet the rising demand for water, it is imperative that water be effectively managed not just at the source but throughout its life cycle. Now our focus is towards meeting sustainable goals. 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. The company is also into trading of industrial piping and is providing end to end services. During the year due to COVID-19 we have researched and developed few more technologies for all the upcoming projects which can be beneficial to the end users.

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 **2021-22** 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 change in the key financial ratios for the year 2021-22 which are as below:

**Key Ratios:**

<b>Ratios</b>	<b>2021-22</b>	<b>2020-21</b>
Current Ration	1.30	1.05
Inventory Turnover	3.61	1.31
Debt Service Retio	0.41	-0.13
Current Ratio	1.30	1.77
Debt Equity Ratio	1.04	0.72
Net Profit Margin	6.70	-20.27%

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.

**Regd. office:**

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

**Date: 13/08/2022**

**Place: Ahmedabad**

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

**Sd/-**  
**Ritesh Patel**

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

**Sd/-**  
**Vinay Patel**

**Whole Time Director**  
**(DIN : 08377751)**

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2022

[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, 2022** ('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, 2022** 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 there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under 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 subject to the following observations;

- a) ***Non-compliance of provisions of Section 150 of the Companies Act, 2013 and Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019, as the Independent Director needs to be empanelled/ registered in Independent Directors Databank. Also, the Independent Director should clear online proficiency self-assessment test on Indian Institute of Corporate Affairs portal within 2 years of their inclusion of their name in the databank. However, as per the recent amendments to the Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022 published on 10th June 2022, one can get an extension of one year for passing the self-assessment test by paying a requisite fee.***

***Mr. Kashyap Hasmukhlal Shah (DIN: 00169746), Independent director of the company has been registered in Independent Directors Databank on 12th February, 2020. Hence he was required to clear online proficiency self-assessment test on or before 11th February, 2022.***

However, the said online proficiency self-assessment test had not been attempted by him within the prescribed time limit. Therefore, as per the recent amendments to the Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022 published on 10th June 2022 he has taken extension of one year for passing the self-assessment test.

**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
- iv. Merger/ amalgamation etc.
- v. Foreign technical collaborations.

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

**SD/-**

Vishwas Sharma

Proprietor

ACS: 33017

COP No.:16942.

**UDIN:A033017D000792600**

**Date: 13/08/2022**

**Place: Ahmedabad**

**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**

## 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,

**SD/-**  
Vishwas Sharma  
Proprietor  
ACS: 33017  
COP No.:16942  
**UDIN:A033017D000792600**

**Date: 13/08/2022**  
**Place: Ahmedabad**

## 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, 2022, 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, 2022, and its profit 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. 76,15,214/- classified as long-term trade receivables.

#### 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:**

**The Key Audit Matter**

**How the matter was addressed in our audit**

**1. Intangible Assets Under Development:**

In earlier financial years, the company commenced design and development of Waste Water Recycling Process-PEA Effluent. The process was completed in the current financial year on completion of development stage. The intangible asset is 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. As informed to us, the process was completed in the current financial year on completion of development stage and successful testing even though further expenditures were incurred during the year. The expenditures incurred on the design and development of the process has been treated as "Intangible Assets" in the financial statements. (Refer to Note No. 29(d)

The risks factors with the above matter are:

- i. The company may not be able to fully utilize the process so as to make it available for continuous use in the production process or supply of goods or provision of services as the process may require further up gradation or research.
- ii. Legal constraints and compliances if any for the registration of the process and the possibility of non-compliance by the company.

**Our audit procedure included**

- Obtaining basic understanding of the process.
- How the process will be continuously available for use in the production process or supply of goods or provision of services.
- How the company can use the process to generate future economic benefits.
- Obtaining basis understanding of the process of registration if any.
- Obtaining basic understanding as to the possible up gradation in the process.



## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THERE ON:**

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 scepticism 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, 2020 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 to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - 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, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 to this report;  
Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters 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, 2022 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**

**Sd/-  
FIROJ G. BODLA  
PARTNER  
M. No. 126770  
UDIN: 22126770AJWUQK7021**

**PLACE: AHMEDABAD  
DATED: 25<sup>TH</sup> MAY, 2022**

## **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, 2022]

In terms of the information and explanations sought by us and given to us by the management of the company and on the basis of such checks of the books and records of the company during the course of audit and to the best of our knowledge and belief, 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 and Capital Work-in-Progress showing full particulars including quantitative details and situation of property, plant & equipment and Capital Work-in-Progress.

According to the information and explanations given to us, the company is in the process of compiling the records showing full particulars of intangible assets.

- 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 and capital work-in-progress. 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 disclosed in the financial statements as part of property, plant & equipment are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- e) According to the information and explanations given to us no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of its Inventories:

- a) As explained to us, the inventories have been physically verified by the management of the company during the year at reasonable interval. In our opinion, the coverage and procedure of such verification by the Management of the company is appropriate having regard to the size of the Company and the nature of its operations. According to the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets and hence matter related to agreement of quarterly returns and statements filed by the company with banks and financial institution with books of accounts as referred to in clause ii(b) The Companies (Auditor's Report) Order, 2020 are not applicable.

- iii. Investments/Guarantee/Security/Loans/Advances Granted:
  - a) According to information and explanations given to us, during the year the company has not made any investments in, provided any guarantee or security or granted or provided any loans or advances in the nature of loan to any Company, Firms, Limited Liability Partnerships or Other Parties hence other matters related thereto referred to in clause iii of The Companies (Auditor's Report) Order, 2020 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, 2022 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, 2022 which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and so far as appears from our examination of books of account and other records as applicable, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. In respect of Loans & Other Borrowings:
  - a) 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.
  - b) According to the information and explanations given to us so far as appears from our examination of relevant records, we are of the opinion that the company has not been declared willful defaulter by any bank or financial institution or any other lender.

- c) In our opinion and according to the information and explanations given to us, the company has applied the term loans obtained during the year for the purpose for which they were obtained.
  - d) According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the financial statements of the company for the year, we are of the opinion that funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the company.
  - e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds during the year from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if any and hence reporting under clause 3(ix)(e) of the Order is not applicable.
  - f) According to the information and explanations given to us and audit procedures performed by us, we report that the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if any and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. In respect of moneys raised by issue of securities:
- a) 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 and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. In respect of Frauds and Whistle Blower Complaints:
- a) According to the information and explanations given to us and to the best of our knowledge, no material fraud by the Company or on the Company has been noticed or reported to us by the management during the year.
  - b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints from any party during the year.
- xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 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. In respect of Internal Audit:
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b) We have held discussions with the internal auditor of the Company for the year under audit and considered their opinion in determining the nature, timing and extent of our audit procedure.
- 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, 2020 is not applicable to it during the year.
- xvi. In respect of Registration Under Section 45-IA of the Reserve Bank of India Act, 1934/CIC
- a) As the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), clause (xvi)(a) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
  - b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and clause (xvi)(b) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
  - c) As the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, clause (xvi)(c) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
  - d) According to the information and explanations given to us, the company has no Core Investment Company (CIC) as part of its group, clause (xvi)(c) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
- xvii. The Company has not incurred cash losses in the financial year covered by our audit. However, the company has incurred cash losses of Rs. 55.35 Lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause (xviii) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- xx. As the company does not fall in any of the criteria specified under section 135 of the Companies Act, 2013 in the financial year covered by audit, reporting as per clauses (xx)(a) & (b) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.

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

**SD/-  
FIROJ G. BODLA  
PARTNER  
M. No. 126770  
UDIN: 22126770AJWUQK7021**

**PLACE: AHMEDABAD  
DATED: 25<sup>TH</sup> MAY, 2022**

## **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 2022**

### **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, 2022 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, 2022, 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**

**SD/-  
FIROJ G. BODLA  
PARTNER  
M. No. 126770  
UDIN: 22126770AJWUQK7021**

**PLACE: AHMEDABAD  
DATED: 25<sup>TH</sup> MAY, 2022**

**FELIX INDUSTRIES LIMITED**  
( FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)

**BALANCE SHEET AS AT 31ST MARCH, 2022**

SR. NO.	PARTICULARS	Note No	AS AT	
			31-Mar-22	31-Mar-21
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDER'S FUND</b>			
	(a) Equity Share Capital	2	5,09,30,000	5,09,30,000
	(b) Reserves and Surplus	3	2,46,35,552	1,63,90,426
			<b>7,55,65,552</b>	<b>6,73,20,426</b>
<b>2</b>	<b>NON-CURRENT LIABILITIES</b>			
	(a) Long-Term Borrowings	4	1,75,07,694	98,23,975
			1,75,07,694	98,23,975
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	(a) Short-Term Borrowings	5	2,33,85,235	2,31,05,846
	(b) Trade Payables	6		
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		57,40,476	27,00,446
	- Total Outstanding Dues of Creditors Other Than Above		2,29,56,948	54,01,291
	(c) Other Current Liabilities	7	71,36,884	74,17,589
	(d) Short-Term Provisions	8	15,06,743	80,000
			6,07,26,287	3,87,05,171
	<b>TOTAL .....</b>		<b>15,37,99,534</b>	<b>11,58,49,573</b>
<b>II.</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON CURRENT ASSETS</b>			
	<b>(a) PROPERTY, PLANT &amp; EQUIPMENT AND INTANGIBLE ASSETS</b>	9		
	(i) Property, Plant and Equipments		3,85,94,228	3,92,17,961
	(ii) Intangible Assets		17,66,214	69,047
	(iii) Capital Work in Progress (BOOT Plants)		70,49,573	-
	(iii) Intangible Assets Under Development		-	18,15,298
			<b>4,74,10,015</b>	<b>4,11,02,306</b>
	(b) Non-current Investments	10	12,00,375	-
	(c) Deferred Tax Assets (Net)	11	8,75,734	56,75,925
	(d) Other Non-Current Assets	12	86,80,214	5,96,219
			5,81,66,338	4,73,74,450
<b>2</b>	<b>CURRENT ASSETS</b>			
	(a) Inventories	13	2,91,06,708	2,00,10,321
	(b) Trade Receivables	14	5,47,45,667	3,96,49,766
	(c) Cash and Cash Equivalents	15	6,55,873	10,93,223
	(d) Short-Term Loans and Advances	16	55,52,593	35,51,000
	(e) Other Current Assets	17	55,72,354	41,70,813
			<b>9,56,33,195</b>	<b>6,84,75,123</b>
	<b>TOTAL .....</b>		<b>15,37,99,534</b>	<b>11,58,49,573</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

SD/-  
[RITESH PATEL]  
DIRECTOR  
[DIN: 05350896]

SD/-  
[VINAY PATEL]  
DIRECTOR  
[DIN: 08377751]

SD/-  
UDAY CHANDULAL SHAH  
[CHIEF FINANCIAL OFFICER]  
PLACE: AHMEDABAD  
DATE: 25TH MAY, 2022

SD/-  
PRANAVKUMAR D. PATEL  
[COMPANY SECRETARY]

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

SD/-  
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, 2022

SR. NO.	PARTICULARS	Note No	AMOUNT	AMOUNT	PREVIOUS
			RS.	RS.	YEAR
I.	REVENUE FROM OPERATIONS	18	12,38,24,773		2,95,45,784
II.	OTHER INCOME	19	74,989		6,71,244
III.	<b>TOTAL REVENUE (I +II)</b>			<b>12,38,99,761</b>	<b>3,02,17,028</b>
IV.	<b>EXPENSES</b>				
1	Purchase of Stock-in-Trade	20	6,92,75,808		1,41,06,025
2	Changes Inventories of Trading Goods	21	(90,96,387)		55,64,077
3	Employee Benefit Expenses	22	1,95,15,581		69,54,821
4	Financial Costs	23	28,29,507		22,04,168
5	Depreciation and Amortization Expenses	24	20,06,340		14,51,049
6	Other Expenses	25			
	Manufacturing Expenses		90,60,503		32,02,347
	Administrative, Selling & Other Expenses		1,72,18,124		44,14,002
			2,62,78,627		76,16,350
	<b>TOTAL EXPENSES</b>			<b>11,08,09,475</b>	<b>3,78,96,489</b>
V.	<b>PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS &amp; TAX (III - IV)</b>			<b>1,30,90,286</b>	<b>(76,79,460)</b>
VI.	<b>EXCEPTIONAL ITEMS</b>			-	-
VII.	<b>PROFIT BEFORE TAX (V-VI)</b>			<b>1,30,90,286</b>	<b>(76,79,460)</b>
VIII.	<b>TAX EXPENSES:</b>				
	(1) Current Tax		(14,26,743)		-
	Less: MAT Credit Available		14,26,743		-
	(2) Deferred Tax		(48,00,191)		16,91,817
				(48,00,191)	16,91,817
IX.	<b>PROFIT(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS (VII-VIII)</b>			<b>82,90,094</b>	<b>(59,87,643)</b>
X.	<b>EARNING PER EQUITY SHARE</b>				
	(1) Basic			1.63	(1.18)
	(2) Diluted			1.63	(1.18)
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>			

The accompanying notes are an integral part of the Financial Statements.

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

SD/-  
[RITESH PATEL]  
[DIRECTOR]  
[DIN: 05350896]

SD/-  
[VINAY PATEL]  
[DIRECTOR]  
[DIN: 08377751]

SD/-  
UDAY CHANDULAL SHAH  
[CHIEF FINANCIAL OFFICER]

SD/-  
PRANAVKUMAR D. PATEL  
[COMPANY SECRETARY]

SD/-  
FIROJ G. BODLA  
PARTNER  
M. NO. 126770

PLACE: AHMEDABAD  
DATE : 25TH MAY, 2022

**FELIX INDUSTRIES LIMITED**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022**

**Indirect Method**

SR. NO.	Particulars	Year Ended 31-Mar-22	Year Ended 31-Mar-21
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
I	Net Profit before Taxation and Extraordinary Items	1,30,90,286	(76,79,460)
	Adjustments for :		
	Add : Depreciation	18,88,209	14,51,049
	Finance Costs	28,29,507	22,04,168
	Preliminary Expenses Written off	5,56,219	6,93,719
	Prior Period Expenses (Net)	(75,517)	(5,09,623)
	Less : Interest Income	(3,010)	(15,030)
<b>II</b>	<b>Operating Profit before Working Capital Changes</b>	<b>1,82,85,693</b>	<b>(38,55,177)</b>
	Adjustments for :		
	Less:		
	Increase in Inventories	(90,96,387)	-
	Increase in Trade Receivables	(2,27,11,114)	(91,13,607)
	Increase in Other Non-Current Assets	(10,25,000)	-
	Increase in Short Term Loans & Advances	(7,06,168)	(16,57,794)
	Decrease in Current Liabilities	(2,80,705)	-
	Decrease in Provisions	-	(1,02,322)
	Add:		
	Decrease in Inventories	-	55,64,077
	Decrease in Other Non-Current Assets	-	1,00,000
	Increase in Trade Payables	2,05,95,688	26,34,528
	Increase in Current Liabilities	-	47,50,736
<b>III</b>	<b>Cash Generated from Operations</b>	<b>50,62,007</b>	<b>(16,79,559)</b>
	Add: Income Taxes Refund	30,549	-
	Less : Income Taxes Paid	(12,70,223)	(36,231)
<b>IV</b>	<b>Cash Flow before extraordinary items</b>	<b>38,22,332</b>	<b>(17,15,790)</b>
	Less: Extraordinary Items	-	-
<b>V</b>	<b>Net Cash from Operating Activities (A)</b>	<b>38,22,332</b>	<b>(17,15,790)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(83,14,049)	(90,75,480)
	Investments in Gold	(12,00,375)	-
	Interest Income	3,010	15,030
	<b>Net Cash from/(Used In) Investing Activities (B)</b>	<b>(95,11,414)</b>	<b>(90,60,450)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Repayment/Proceeds of Long Term Bank Borrowings	1,47,96,542	66,05,828
	Repayment/Proceeds of Long Term Unsecured Loans	(39,47,673)	(49,61,956)
	Repayment/Proceeds of Short Term Bank Borrowings	(12,63,701)	13,63,879
	Repayment/Proceeds of Short Term Unsecured Loans	(16,22,059)	1,01,00,000
	Finance Costs	(28,29,507)	(22,04,168)
	<b>Net Cash from/(Used In) Financing Activities (C)</b>	<b>51,33,602</b>	<b>1,09,03,583</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(5,55,480)</b>	<b>1,27,342</b>
	<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>10,93,222</b>	<b>9,65,880</b>
	<b>Cash and Cash Equivalents at the End of the Period</b>	<b>5,37,742</b>	<b>10,93,222</b>

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W

SD/-

FIROJ G. BODLA  
PARTNER  
M. NO. 126770

PLACE: AHMEDABAD  
DATE: 25TH MAY, 2022

FOR AND ON BEHALF OF THE BOARD  
FELIX INDUSTRIES LIMITED

SD/-  
[RITESH PATEL]  
DIRECTOR  
[DIN: 05350896]

SD/-  
UDAY CHANDULAL SHAH  
[CHIEF FINANCIAL OFFICER]

PLACE: AHMEDABAD  
DATE: 25TH MAY, 2022

SD/-  
[VINAY PATEL]  
DIRECTOR  
[DIN: 08377751]

SD/-  
PRANAVKUMAR D. PATEL  
[COMPANY SECRETARY]

**FELIX INDUSTRIES LIMITED, AHMEDABAD. (2021-22)**  
**(FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)**

**NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

a)	<p><b>Accounting Conventions:</b></p> <p>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 <b>except in case of leave salary, gratuity &amp; other retirement employee benefits including statutory if any applicable</b> and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.</p>
b)	<p><b>Use of Estimates</b></p> <p>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.</p>
c)	<p><b>Property, Plant &amp; Equipment and Intangible Assets:</b></p> <p>The Property, Plant &amp; Equipment (PPE) except land are stated at cost of acquisition/construction (less Accumulated Depreciation, if any). The cost of Property, Plant &amp; 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 &amp; Equipment at a value net of GST received/receivable during the year in respect of eligible Capital Goods. Subsequent expenditures on Property, Plant &amp; Equipment have been capitalised only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance.</p> <p>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 &amp; Equipment and will be capitalized on completion of the construction/erection/acquisition/development activities.</p> <p>The Property, Plant &amp; Equipment developed/erected under the Build, Own, Operate and Transfer (BOOT) model have been capitalized at cost of materials used in erection/development and other cost directly incurred and ancillary to the acquisition, development and installations. The cost of PPE developed/erected under BOOT model is being systematically amortized by way of depreciation over the period of terms of agreement with respective parties in proportion of revenue realized during the year from operations vis-à-vis expected revenue to be realized over the period of the terms of agreement.</p> <p>The costs of PPE under the process of acquisition, erection, development &amp; installations have been capitalized as "Capital Work-in-Progress" and disclosed separately as "Capital Work-in-Progress" as a part of PPE. The costs of such "Capital Work-in-Progress" will be transferred to respective PPE on completion of acquisition, erection, development &amp; installations such that economic benefits from the operations of such PPE will commence to flow to the company.</p> <p>The Intangible Assets of Waste Water Recycling Process, Website Design &amp; 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.</p>
d)	<p><b>Depreciation</b></p> <p>The Depreciation on Property, Plant &amp; 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.</p> <p>The intangible assets are amortized on straight line basis over the estimated useful economic life.</p>
e)	<p><b>Inventories</b></p> <p>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.</p>
f)	<p><b>Revenue Recognition</b></p>

	<p>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.</p> <p>Interest income is taken into revenue in full on accrual basis and tax deducted at source thereon is treated as advance tax</p>
<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>
	<p>Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The tax credit available for set-off against current tax liabilities in future has been set-off current tax liabilities of the year. 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.</p> <p>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.</p>
<b>i)</b>	<b>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)</b>	<b>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)</b>	<b>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)</b>	<b>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)</b>	<b>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)</b>	<b>Government Grant/Subsidy:</b>
	<p>Government Grants/Subsidy available to the Company are accounted on the basis:</p> <p>i) Where there is reasonable assurance that the company will comply with the Conditions attached to them, and</p> <p>ii) where such benefits have been earned by the Enterprise and it is reasonably certain that the ultimate collection will be made.</p> <p>iii) nature of the grant i.e. whether in the nature of capital contribution or in the form of revenue.</p>
<b>o)</b>	<b>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)</b>	<b>Research and Development:</b>
<b>q)</b>	<b>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.



**Assets:**

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**Liabilities:**

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period
- No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

**FELIX INDUSTRIES LIMITED**

(FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)

Notes "1" to "29" on Financial Statements for the Year Ended 31ST MARCH, 2022

**NOTE 2 : SHARE CAPITAL**

SR. NO	PARTICULARS	AS AT 31-Mar-22		AS AT 31-Mar-21	
	<b>EQUITY SHARES</b>				
2.1	<b>AUTHORISED</b>				
	Authorised Capital 52,00,000 Shares of Rs. 10/- each at par	5,20,00,000		5,20,00,000	
	(Previous Year 52,00,000 Shares of Rs. 10/- each at par)				
2.2	<b>Issued, Subscribed and Paid Up Capital</b>				
	50,93,000 Shares of Rs. 10/= each fully paid up	5,09,30,000		5,09,30,000	
	(Previous Year 50,93,000 Shares of Rs. 10/= each fully paid up)				
	<b>TOTAL .....</b>	<b>5,09,30,000</b>		<b>5,09,30,000</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	50,93,000		50,93,000	
	Add: Equity Shares Allotted As Fully Paid Up For Consideration Received In Cash	-		-	
	Outstanding As At The End Of The Year	<b>50,93,000</b>		<b>50,93,000</b>	
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, 2022</b>		<b>As At 31st March, 2021</b>	
		<b>No. of Shares</b>	<b>% of Total Holding</b>	<b>No. of Shares</b>	<b>% of Total Holding</b>
	Ritesh Vinaybhai Patel	36,36,000	71.39%	36,36,000	71.39%
	Silkon Trades LLP	32,000	0.63%	3,04,000	5.97%
	<b>TOTAL .....</b>	<b>36,68,000</b>	<b>72.02%</b>	<b>36,68,000</b>	<b>77.36%</b>
2.5	<b>Details of Shareholding by Promoters and Promoter Group in the Company</b>				
<b>Sr. No.</b>	<b>Name of the Promoter</b>	<b>Class of Shares</b>	<b>As At 31st March, 2022</b>		<b>% Change During the Financial Year 2021-22</b>
			<b>No. of Shares</b>	<b>% of Total Shares</b>	
1	Ritesh Vinaybhai Patel	Equity Shares	36,36,000	71.39%	-
2	Vinay Rajnikant Patel	Equity Shares	1,000	0.02%	-
3	Mayuri Vinay Patel	Equity Shares	85,000	1.67%	-
4	Charmi Ritesh Patel	Equity Shares	1,000	0.02%	-
	<b>TOTAL.</b>		<b>37,23,000</b>	<b>73.10%</b>	
<b>Sr. No.</b>	<b>Name of the Promoter</b>	<b>Class of Shares</b>	<b>As At 31st March, 2021</b>		<b>% Change During the Financial Year 2020-21</b>
			<b>No. of Shares</b>	<b>% of Total Shares</b>	
1	Ritesh Vinaybhai Patel	Equity Shares	36,36,000	71.39%	37.27%
2	Vinay Rajnikant Patel	Equity Shares	1,000	0.02%	-
3	Mayuri Vinay Patel	Equity Shares	85,000	1.67%	-
4	Charmi Ritesh Patel	Equity Shares	1,000	0.02%	-
	<b>TOTAL .</b>		<b>37,23,000</b>	<b>73.10%</b>	

**NOTE -3 RESERVE & SURPLUS**

SR. NO.	PATICULARS		AS AT 31-Mar-22	AS AT 31-Mar-21
<b>3.1</b>	<b>Securities Premium</b>			
	Balance as at the beginning of the year		3,42,00,000	3,42,000
	Add: Additions during the year		-	-
	Less: Withdrawals/Deductions during year		-	-
	Balance as at the end of the year		3,42,00,000	3,42,00,000
<b>3.2</b>	<b>Profit &amp; Loss Statement Surplus</b>			
	Balance as at the beginning of the year	(1,78,09,574 )		(1,13,47,110 )
	Add: Profit/(Loss) During The Year	82,90,094		(59,87,643)
	Add/(Less): Prior Period Items	(75,517)		(5,09,623)
	Add/(Less): Excess/(Short) Provision for Income Tax	30,549		34,802
	Balance Carried to Balance Sheet		(95,64,448)	(1,78,09,574)
	<b>TOTAL .....</b>		<b>2,46,35,552</b>	<b>1,63,90,426</b>

**NOTE 4 : LONG TERM BORROWINGS :**

SR. NO.	PARTICULARS		AS AT 31-Mar-22	AS AT 31-Mar-21
<b>I.</b>	<b>SECURED</b>			
<b>A.</b>	<b>Working Capital Term Loan</b>			
	From Bank of Baroda A/c. No. 29760600004126		7,46,670	14,40,000
	From Bank of Baroda A/c. No. 29760600005422		13,25,000	-
	(Nature of Security)*			
	(Guaranteed by Directors & Others)**			
	(Terms of Repayment)***			
	(Period of default)****			
<b>B.</b>	<b>Vehicle Loan</b>			
	ICICI Bank Limited		8,77,859	2,17,047
	(Secured By Hypothecation of Vehicles)			
<b>C.</b>	<b>Business Loan \$</b>			
	Bajaj Finance Limited	20,65,941	-	
	Tata Capital Financial Services Limited	-	-	
	Ratnaafin Capital Private Limited	1,24,38,796	41,65,827	
			1,45,04,737	41,65,827
<b>II.</b>	<b>UNSECURED</b>			
1	From Directors & Shareholders & Their Relatives	-	39,47,673	
2	Intercorporate Deposits	53,428	53,428	
			53,428	40,01,101
	<b>TOTAL</b>		<b>1,75,07,694</b>	<b>98,23,975</b>
*	<b>Nature of Security:</b>			
	The Existing Primary Securities/Collateral Securities for availing working capital loan from Bank of Baroda extended to cover Working Capital Term Loan (BGECLS).			

**	Outstanding balances of working capital term loan secured by personal/corporate guarantees of the following:				
-	<b>Directors</b>				
	Mr. Ritesh V. Patel				
	Mr. Vinay R. Patel				
***	Terms of Repayment				
	The Principal amount of loan to be repaid in 48 equal monthly instalment including the moratorium period of one year (effective 36 monthly instalment) from the date of disbursement (From July-2021).				
***	<b>* Nature of Default, If Any</b>				
	No Default as on the Balance Sheet Date.				
\$					
A.	<b>Nature of Security</b>				
-	<b>Collateral Security:</b>				
	First and Exclusive charge by way of registered mortgage/equitable mortgage of immovable property situated at Plot No. 123, Devraj Industrial Park, Piplaj Pirana Road, Piplaj, Ahmedabad-382405.				
B.	<b>Terms of Repayment:</b>				
	The loan is to be repaid in 84 monthly instalment: First Three Instalments of Rs. 90,960 each and Remaining 81 instalments of Rs. 1,83,996 each. (Inclusive of Interest)				
C.	Entire loan secured by personal guarantees of the following persons/parties.				
-	Mr. Ritesh Vinay Patel				
-	Mr. Vinay Rajnikant Patel				

#### NOTE 5 : SHORT TERM BORROWING

SR. NO.	PARTICULARS		AS AT 31-Mar-22		AS AT 31-Mar-21
<b>I.</b>	<b>SECURED</b>				
	<b>Working Capital Loan:</b>				
	From Bank of Baroda C.C. A/c. No. 297650500000027		1,00,82,618		1,13,46,320
	(Nature of Security)*				
	(Guaranteed by Directors & Others)**				
	(Terms of Repayment)***				
	(Period of default)****				
<b>II.</b>	<b>UNSECURED</b>				
	From Directors /Shareholders & Their Associates		-		-
	From Others		-		-
	Inter Corporate Loans	84,77,941	84,77,941	1,01,00,000	1,01,00,000
<b>III.</b>	<b>Current Maturities of Long Term Debts \$</b>				
<b>A.</b>	<b>Working Capital Term Loan</b>				
	From Bank of Baroda A/c. No. 29760600004126	6,40,000		4,80,000	
	From Bank of Baroda A/c. No. 29760600005422	-		-	
			6,40,000		4,80,000
<b>B.</b>	<b>Vehicle Loan:</b>				
	From ICICI Bank Limited	3,30,715		3,45,353	
			3,30,715		3,45,353
<b>C.</b>	<b>Business Loan</b>				
	Bajaj Finance Limited	2,90,561		-	
	Tata Capital Financial Services Limited	20,00,000		-	

	Ratnaafin Capital Private Limited		15,63,400		8,34,173	
				38,53,961		8,34,173
	<b>TOTAL .....</b>			<b>2,33,85,235</b>		<b>2,31,05,846</b>
<b>*</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-380006.					
<b>**</b>	Outstanding balances of working capital secured by personal/corporate guarantees of the following:					
-	<b>Directors</b>					
	Mr. Ritesh V. Patel					
	Mr. Vinay R. Patel					
-	<b>Others</b>					
<b>***</b>	Terms of Repayment					
	To be Repaid on Demand					
<b>***</b>	<b>Nature of Default, If Any</b>					
	No Default as on the Balance Sheet Date.					
<b>\$</b>	<b>For Nature of Security, Terms of Repayment, Gurantee Offered and Nature of Defaults Refer to Note No. 4.</b>					

#### NOTE 6: TRADE PAYABLES

<b>SR.</b>			<b>AS AT</b>		<b>AS AT</b>
<b>NO.</b>	<b>PARTICULARS</b>		<b>31-Mar-22</b>		<b>31-Mar-21</b>
1	Trade Payables for Goods				
	-Micro, Small & Medium Enterprises	56,32,504		26,13,117	
	-Others	1,54,80,848		26,66,598	
	*(Refer to Note No. 29(g))		2,11,13,352		52,79,715
2	Trade Payables for Other Expenses/Capital Goods				
	-Micro, Small & Medium Enterprises	1,07,973		87,329	
	-Others	74,76,101		27,34,693	
	*(Refer to Note No. 29(g))		75,84,073		28,22,022
	<b>TOTAL .....</b>		<b>2,86,97,425</b>		<b>81,01,736</b>

**NOTE 6 [A]: 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.		AS AT	AS AT
NO.	PARTICULARS	31-Mar-22	31-Mar-21
I	The principal amount remaining unpaid to any supplier at the end of the year.	57,40,476	27,00,446
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>57,40,476</b>	<b>27,00,446</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 6[B]: AGEING FOR TRADE PAYABLES OUTSTANDING AS AT MARCH 31, 2022:**

SR.	PARTICULARS	Outstanding for following periods from due date of payment#				TOTAL
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>I.</b>	<b>Trade Payable for Goods:</b>					
-	MSME-Others	56,08,023	24,481	-	-	56,32,504
-	MSME-Disputed	-	-	-	-	-
-	Other than MSME-Others	1,53,35,336	96,524	-	48,988	1,54,80,848
-	Other than MSME-Disputed	-	-	-	-	-
<b>II.</b>	<b>Trade Payable for Expenses:</b>					
	MSME-Others	20,644	41,659	35,740	9,930	1,07,973
	MSME-Disputed	-	-	-	-	-
	Other than MSME-Others	68,55,189	5,80,912	40,000	-	74,76,101
	Other than MSME-Disputed	-	-	-	-	-
	<b>TOTAL .....</b>	<b>2,78,19,191</b>	<b>7,43,576</b>	<b>75,740</b>	<b>58,918</b>	<b>2,86,97,425</b>

AS AT MARCH 31, 2021:						
Outstanding for following periods from due date of payment#						
SR.		Less than	1-2 Years	2-3 Years	More than	TOTAL
NO.	PARTICULARS	1 Year			3 Years	
I.	<b>Trade Payable for Goods:</b>					
-	MSME-Others	26,13,117	-	-	-	26,13,117
-	MSME-Disputed	-	-	-	-	-
-	Other than MSME-Others	26,17,610	-	-	48,988	26,66,598
-	Other than MSME-Disputed					-
II.	<b>Trade Payable for Expenses:</b>					
	MSME-Others	7,328	34,331	9,930	35,740	87,329
	MSME-Disputed	-	-	-	-	-
	Other than MSME-Others	26,60,673	74,020	-	-	27,34,693
	Other than MSME-Disputed	-	-	-	-	-
	<b>TOTAL .....</b>	<b>78,98,728</b>	<b>1,08,351</b>	<b>9,930</b>	<b>84,728</b>	<b>81,01,736</b>

# From the Date of bill accounted in the books of account.

**NOTE 7: OTHER CURRENT LIABILITIES**

SR.			AS AT	AS AT
NO.	PARTICULARS		31-Mar-22	31-Mar-21
I.	<b>Advances from Customers</b>		62,01,367	73,32,241
II.	<b>Other Payables-Statutory Liabilities</b>			
	- TDS Payable	79,181		12,504
	- GST Payable	1,34,630		2,260
	- PF Payable	5,56,530		57,168
	- ESIC Payable	60,806		8,066
	- Employee Professional Tax	1,04,370		5,350
			9,35,517	85,348
	<b>TOTAL</b>		<b>71,36,884</b>	<b>74,17,589</b>

**NOTE 8: SHORT TERM PROVISIONS**

SR.			AS AT	AS AT
NO.	PARTICULARS		31-Mar-22	31-Mar-21
1	Provision for Income Tax		14,26,743	-
2	Provision for Expenses		80,000	80,000
	<b>TOTAL</b>		<b>15,06,743</b>	<b>80,000</b>

## NOTE "9" : PROPERTY, PLANT AND EQUIPMENT

Sr. No.	Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1st April 2021	Addition During the year	Sold/Adj. During the year	As at 31st March 2022	Upto 31st March 2021	For The Year	Adjustment During The year	Upto 31st March 2022	As At 31st March 2022	As At 31st March 2021
<b>I. TANGIBLE ASSETS OWNED</b>											
1	Freehold Land At Labha	71,72,650	-	-	71,72,650	-	-	-	-	71,72,650	71,72,650
2	Factory Building	69,61,877	-	-	69,61,877	6,61,515	2,19,674	-	8,81,189	60,80,688	63,00,362
3	Office Building	82,92,164	-	-	82,92,164	2,81,480	1,31,216	-	4,12,696	78,79,468	80,10,684
4	Plant & Machinery	1,48,48,867	-	-	1,48,48,867	14,26,862	9,21,146	-	23,48,008	1,25,00,859	1,34,22,005
5	Office Equipments	3,47,135	37,875	-	3,85,010	2,61,470	22,905	-	2,84,375	1,00,635	85,665
6	Furniture & Fixtures	30,35,694	-	-	30,35,694	7,42,923	2,73,530	-	10,16,453	20,19,241	22,92,771
7	Vehicles	21,59,914	11,84,482	-	33,44,396	3,88,289	2,66,033	-	6,54,322	26,90,074	17,71,625
8	Computer	8,20,556	42,119	-	8,62,675	6,58,357	53,703	-	7,12,060	1,50,615	1,62,199
<b>II. INTANGIBLE ASSETS OWNED</b>											
	Website Design & Development	2,24,000	-	-	2,24,000	1,54,953	28,609	-	1,83,562	40,438	69,047
	Waste Water Recycling Process-PEA Effluent	-	18,15,298	-	18,15,298	-	89,522	-	89,522	17,25,776	-
<b>III. CAPITAL WORK IN PROGRESS</b>											
	BOOT Plant At Aarti Industries Limited	-	70,49,573	-	70,49,573	-	-	-	-	70,49,573	-
<b>IV. INTANGIBLE ASSETS OWNED- DEVELOPMENT STAGE</b>											
	Waste Water Recycling Process-PEA Effluent	18,15,298	-	(18,15,298)	-	-	-	-	-	-	18,15,298
<b>T O T A L .....</b>		<b>4,56,78,155</b>	<b>1,01,29,347</b>	<b>(18,15,298)</b>	<b>5,39,92,204</b>	<b>45,75,850</b>	<b>20,06,340</b>	<b>-</b>	<b>65,82,189</b>	<b>4,74,10,015</b>	<b>4,11,02,306</b>
<b>Previous Year .....</b>		<b>3,66,02,675</b>	<b>90,75,480</b>	<b>-</b>	<b>4,56,78,155</b>	<b>31,24,801</b>	<b>14,51,049</b>	<b>-</b>	<b>45,75,850</b>	<b>4,11,02,306</b>	<b>3,34,77,874</b>

9 [A] CAPITAL WORK IN PROGRESS  
Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021:

## I. As At March 31, 2022

Sr. No.	CWIP Project Description	Amount in CWIP For A Period Of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Projects In Progress</b>						
1	BOOT Plant At Aarti Industries Limited	70,49,573	-	-	-	70,49,573
<b>T O T A L .....</b>		<b>70,49,573</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,49,573</b>

## II. As At March 31, 2021

Sr. No.	CWIP Project Description	Amount in CWIP For A Period Of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Projects In Progress</b>						
1	BOOT Plant At Aarti Industries Limited	-	-	-	-	-
<b>T O T A L .....</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

9 [B] INTANGIBLE ASSET UNDER DEVELOPMENT  
Intangible asset under development ageing schedule for the year ended March 31, 2022 and March 31, 2021:

## I. As At March 31, 2022

Sr. No.	Intangible Assets UnderDevelopment	Amount in Intangible Assets Under Development For A Period Of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Projects In Progress</b>						
1	Waste Water Recycling Process-PEA Effluent	-	-	-	-	-
<b>T O T A L .....</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## II. As At March 31, 2021

Sr. No.	Intangible Assets UnderDevelopment	Amount in Intangible Assets Under Development For A Period Of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Projects In Progress</b>						
1	Waste Water Recycling Process-PEA Effluent	-	-	18,15,298	-	18,15,298
<b>T O T A L .....</b>		<b>-</b>	<b>-</b>	<b>18,15,298</b>	<b>-</b>	<b>18,15,298</b>



**NOTE 10: NON-CURRENT INVESTMETNS**

SR.				AS AT		AS AT
NO.	PARTICULARS			31-Mar-22		31-Mar-21
-	Investments in Gold (At Cost)			12,00,375		-
	<b>TOTAL .....</b>			<b>12,00,375</b>		<b>-</b>

**NOTE 11: DEFERRED TAX ASSETS**

SR.				AS AT		AS AT
NO.	PARTICULARS			31-Mar-22		31-Mar-21
	Opening Balance			56,75,925		39,84,108
	Add: Deferred Tax Liabilities-Relating to Fixed Assets			(48,00,191)		16,91,817
	Less: Deferred Tax Liabilities Set-Off			-		-
	<b>TOTAL .....</b>			<b>8,75,734</b>		<b>56,75,925</b>

**NOTE 12: OTHER NON-CURRENT ASSETS**

SR.				AS AT		AS AT
NO.	PARTICULARS			31-Mar-22		31-Mar-21
<b>I.</b>	<b>LONG TERM TRADE RECEIVABLE</b>					
	<b>Unsecured and Considered Doubtful</b>					
	Outstanding for a period Exceeding Six Months		76,15,214		-	
	Less: Allowance for Bad and Doubtful Debts		-		-	
				<b>76,15,214</b>		<b>-</b>
<b>II.</b>	<b>SECURITY DEPOSITS</b>					
	<b>Unsecured and Considered Good</b>					
	CST Deposit		10,000		10,000	
	VAT Deposit		10,000		10,000	
	Other Deposit		20,000		20,000	
	Deposit Against Unsecured Loans		10,00,000		-	
	E-Waste Deposit		25,000		-	
				<b>10,65,000</b>		<b>40,000</b>
<b>III.</b>	<b>Miscellaneous Expenses (Assets)</b>					
				-		5,56,219
	<b>TOTAL .....</b>			<b>86,80,214</b>		<b>5,96,219</b>

**NOTE 13: INVENTORIES**

SR.			AS AT		AS AT
NO.	PARTICULARS		31-Mar-22		31-Mar-21
<b>I</b>	<b>-Inventories taken as Physically verified, valued and certified by the management of the company</b>				
1	Stock In Trade		2,91,06,708		2,00,10,321
			2,91,06,708		2,00,10,321
	<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		1,71,31,411		1,05,14,491
	Membrane		13,20,879		10,35,879
	Pipes		88,55,586		66,96,843
	E-Waste/Others		17,98,833		17,63,109
			2,91,06,708		2,00,10,321
	<b>Imported</b>		-		10,35,879
	<b>Indigenous</b>		2,91,06,708		1,89,74,443
			2,91,06,708		2,00,10,321
	<b>TOTAL</b>		<b>2,91,06,708</b>		<b>2,00,10,321</b>

**NOTE 14: TRADE RECEIVABLES**

SR.			AS AT		AS AT
NO.	PARTICULARS		31-Mar-22		31-Mar-21
<b>1</b>	<b>Unsecured But Considered Good</b>				
	-Outstanding for a period Exceeding Six Months		1,66,77,798		1,00,81,310
	(From the date from which they became due for payment)				
	-Others		3,80,67,869		1,18,98,243
	Less: Allowance for Bad and Doubtful Debts		-		-
			5,47,45,667		2,19,79,552
<b>2</b>	<b>Doubtful</b>				
	Outstanding for a period Exceeding Six Months		-		1,76,70,214
	Less: Allowance for Bad and Doubtful Debts		-		-
			-		1,76,70,214
	<b>TOTAL .....</b>		<b>5,47,45,667</b>		<b>3,96,49,766</b>

**NOTE 14[A]: AGEING FOR TRADE RECEIVABLES OUTSTANDING  
AS AT MARCH 31, 2022:**

		[Amount Rs.]					
SR. NO.	PARTICULARS	Outstanding for following periods from due date of payment#					TOTAL
		Less than	Six	1-2 Years	2-3 Years	More than	
		Six Months	Months- One Year			3 Years	
I.	Undisputed Trade Receivables- Considered Good	3,68,88,295	19,02,507	72,22,483	38,22,475	49,09,907	5,47,45,667
II.	Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
III.	Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
IV.	Disputed Trade Receivables-Considered Doubtful	-	-	-	-	-	-
	<b>TOTAL .....</b>	<b>3,68,88,295</b>	<b>19,02,507</b>	<b>72,22,483</b>	<b>38,22,475</b>	<b>49,09,907</b>	<b>5,47,45,667</b>
LESS:	Allowance For Bad & Doubtful Debts	-	-	-	-	-	-
	<b>NET TRADE RECEIVABLES</b>	<b>3,68,88,295</b>	<b>19,02,507</b>	<b>72,22,483</b>	<b>38,22,475</b>	<b>49,09,907</b>	<b>5,47,45,667</b>
<b>AS AT MARCH 31, 2021:</b>		[Amount Rs.]					
SR. NO.	PARTICULARS	Outstanding for following periods from due date of payment#					TOTAL
		Less than	Six	1-2 Years	2-3 Years	More than	
		Six Months	Months- One Year			3 Years	
I.	Undisputed Trade Receivables- Considered Good	1,16,20,046	20,27,260	45,61,547	8,39,951	29,30,749	2,19,79,552
II.	Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	76,15,214	76,15,214
III.	Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
IV.	Disputed Trade Receivables-Considered Doubtful	-	-	-	-	1,00,55,000	1,00,55,000
	<b>TOTAL .....</b>	<b>1,16,20,046</b>	<b>20,27,260</b>	<b>45,61,547</b>	<b>8,39,951</b>	<b>2,06,00,963</b>	<b>3,96,49,766</b>
LESS:	Allowance For Bad & Doubtful Debts	-	-	-	-	-	-
	<b>NET TRADE RECEIVABLES</b>	<b>1,16,20,046</b>	<b>20,27,260</b>	<b>45,61,547</b>	<b>8,39,951</b>	<b>2,06,00,963</b>	<b>3,96,49,766</b>
# From the Date of bill accounted in the books of account.							

**NOTE 15: CASH & CASH EQUIVALENT**

SR.			AS AT		AS AT
NO.	PARTICULARS		31-Mar-22		31-Mar-21
1	<b>Balance with Banks</b>				
	In Current Accounts	374		0.13	
			374		0.13
2	<b>Cash on Hand</b>		6,55,499		10,93,223
	<b>TOTA.</b>		<b>6,55,873</b>		<b>10,93,223</b>

**NOTE 16: SHORT TERM LOANS & ADVANCES**

SR.			AS AT		AS AT
NO.	PARTICULARS		31-Mar-22		31-Mar-21
I.	<b>Unsecured But Considered Good-Others</b>				
	Advances to Suppliers/Creditors/Capital Goods/Others	52,39,162		30,23,600	
	Advances to Employees	3,13,431		5,27,400	
			55,52,593		35,51,000
	<b>TOTAL .....</b>		<b>55,52,593</b>		<b>35,51,000</b>

**NOTE 17: OTHER CURRENT ASSETS**

SR.			AS AT		AS AT
NO.	PARTICULARS		31-Mar-22		31-Mar-21
I.	<b>Unsecured But Considered Good-Government</b>				
	Advance Tax, T.D.S & Self Assessment Tax	13,06,454		36,231	
	GST Credit Receivable	25,82,006		39,36,510	
	MAT Credit Receivable	14,26,743		-	
	VAT Receivable [Against Appeal]	1,29,784		71,000	
			54,44,987		40,43,741
II.	Pre- Paid & Other Advances for Expenses		1,27,367		1,27,072
	<b>TOTAL</b>		<b>55,72,354</b>		<b>41,70,813</b>

**NOTE 18: REVENUE FROM OPERATIONS**

SR.			AMOUNT		PREVIOUS
NO.	PARTICULARS		RS.		YEAR
A.	<b>SALE OF PRODUCTS</b>				
	Sale of Goods (Net)	6,82,33,424		2,78,65,527	
			6,82,33,424		2,78,65,527
B.	Sale of Services		5,55,83,602		16,80,258
C.	Duty Drawback Income		7,747		-
	<b>TOTAL .....</b>		<b>12,38,24,773</b>		<b>2,95,45,784</b>

**NOTE 19: OTHER INCOME**

SR.			AMOUNT		PREVIOUS
NO.	PARTICULARS		RS.		YEAR
<b>I.</b>	<b>INTEREST INCOME</b>				
	Interest On Fixed Deposits With Banks	-		5,560	
	Interest On Income Tax Refund	3,010		9,470	
			3,010		15,030
<b>II.</b>	Sundry Credit Balance Written Off (Net)		4,888		4,66,358
<b>III.</b>	Vatav & Kasar and Round Off		43,083		33,961
<b>IV.</b>	Foreign Exchange Fluctuations		24,008		-
<b>V.</b>	Excise Duty Refund		-		1,55,895
	<b>TOTAL .....</b>		<b>74,989</b>		<b>6,71,244</b>

**NOTE 20: PURCHASE OF GOODS**

SR.			AMOUNT		PREVIOUS
NO.	PARTICULARS		RS.		YEAR
<b>I.</b>	<b>PURCHASE OF GOODS</b>				
	Purchase of Stock-in-Trade	6,92,75,808		1,41,06,025	
			6,92,75,808		1,41,06,025
	<b>Details of Imported &amp; Indigenous Goods</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
	<b>Imported</b>	47,98,560	6.93%	-	0.00%
	<b>Indigenous</b>	6,44,77,248	93.07%	1,41,06,025	100.00%
		6,92,75,808	100.00%	1,41,06,025	100.00%
	<b>TOTAL .....</b>		<b>6,92,75,808</b>		<b>1,41,06,025</b>

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

SR.			CLOSING	OPENING	INCREASE/
NO.	PARTICULARS		STOCK	STOCK	(DECREASE)
	- Traded Goods		2,91,06,708	2,00,10,321	90,96,387
	<b>TOTAL .....</b>		<b>2,91,06,708</b>	<b>2,00,10,321</b>	<b>90,96,387</b>
	Previous Year.....		2,00,10,321	2,55,74,398	(55,64,077)



**NOTE 25: OTHER EXPENSES**

SR.				AMOUNT		PREVIOUS
NO.	PARTICULARS			RS.		YEAR
<b>I.</b>	<b>DIRECT EXPENSES</b>					
	Labour Charges			30,51,178		14,10,201
	Custom Duty, Inward Freight & Transportation Charges			45,94,043		10,97,744
	Laboratory Expenses			1,10,590		1,11,233
	Design Charges			2,11,100		1,20,889
	Factory Expenses			3,68,977		1,58,250
	Miscellaneous Material Expenses			7,24,615		3,04,030
				90,60,503		32,02,347
<b>II.</b>	<b>ADMINISTRATIVE, SELLING AND OTHER EXPENSES</b>					
	Postage, Telephone & Communication Expenses			73,910		64,911
	Stationery & Printing			19,869		31,237
	Travelling, Conveyance & Vehicle Expenses			33,06,142		11,19,941
	Legal & Professional Charges			6,63,180		3,32,669
	Rent, Rates & Taxes			6,94,844		1,76,892
	Electricity Expenses			3,28,722		3,00,204
	Auditor's Remuneration					
	- Statutory Audit Fees		30,000		30,000	
	- Tax Audit Fees		10,000		10,000	
				40,000		40,000
	Insurance Expenses			2,29,028		1,50,310
	<b>Selling &amp; Distribution Expenses</b>					
	Advertisement Expenses		97,680		96,000	
	Sales Promotion Expenses		-		48,370	
	Clearing & Forwarding Expenses		-		4,39,736	
	Commission on Sales/Services		53,239		50,000	
				1,50,919		6,34,106
	Security Expenses			1,67,639		-
	Discount & Vatav/Kasar			9,740		2,07,000
	Bad Debts Written Off			1,00,55,000		-
	Preliminary Expenses Written Off			5,56,219		6,93,719
	Other Expenses			9,22,911		6,63,011
				1,72,18,124		44,14,002
	<b>TOTAL .....</b>			<b>2,62,78,627</b>		<b>76,16,350</b>

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

SR.			AMOUNT		PREVIOUS
NO.	PARTICULARS		RS.		YEAR
1	Trading Goods		47,98,560		-
	<b>TOTAL .....</b>		<b>47,98,560</b>		<b>-</b>

**NOTE 27: EXPENDITURE IN FOREIGN CURRENCY**

SR.			AMOUNT		PREVIOUS
NO.	PARTICULARS		RS.		YEAR
-	Consultancy Fees		-		-
-	Travelling Expenses		-		-
	<b>TOTAL .....</b>		<b>-</b>		<b>-</b>

**NOTE 28: EARNINGS IN FOREIGN CURRENCY**

SR.			AMOUNT		PREVIOUS
NO.	PARTICULARS		RS.		YEAR
-	Value of Exports in FOB Basis		4,96,490		1,00,00,000
	<b>TOTAL .....</b>		<b>4,96,490</b>		<b>1,00,00,000</b>



**NOTE 29: OTHER NOTES**

<b>a)</b>	<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>For the year ended</b>		
	<b>Particulars</b>	<b>31<sup>st</sup> March, 2022</b>		<b>31<sup>st</sup> March, 2021</b>
	Net Profit After Tax for the period (A)		82,90,094	(59,87,643)
	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)		50,93,000	50,93,000
	Basic and Diluted Earnings per Share (C) (A/B)		1.63	(1.18)
<b>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 H. Shah-Director		
	iii.	Mayuri V. Patel-Director		
	iv.	Uday C. Shah-CFO		
	v.	Vinay R. Patel-CEO & Whole Time Director		
	vi.	Nivedita Dinkar		
	vii.	Pranavkumar D. Patel-Company Secretary		
	viii.	Hena K. Shah-Company Secretary (Resigned During the Year)		
	<b>B. Transaction with Related Parties</b>			
	<b>Nature of Transaction</b>	<b>Name of the Party</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>Loans Taken</b>	Ritesh V. Patel	61,24,000	78,06,000
	<b>Loans Repaid</b>	Ritesh V. Patel	1,04,25,000	1,34,66,070
	<b>Interest Paid</b>	Ritesh V. Patel	NIL	7,75,682
	<b>Director/Key Managerial Personnel Remuneration</b>	Ritesh V. Patel	7,20,000	4,80,000
		Vinay R. Patel	7,20,000	7,20,000
		Uday C. Shah	3,60,000	3,60,000
		Hena K. Shah	1,25,000	3,00,000
		Pranavkumar D. Patel	1,75,000	NIL
	<b>Outstanding Balances as at the year end- On Account of Remuneration &amp; Others</b>	Ritesh V. Patel-Loan Taken	NIL	39,47,673 (Cr.)
		Ritesh V. Patel-Salary	4,55,426 (Cr.)	3,85,309 (Cr.)
		Vinay R. Patel-Salary	11,36,000 (Cr.)	4,54,400 (Cr.)
		Uday C. Shah	1,17,200 (Cr.)	59,600 (Cr.)
		Pranavkumar D. Patel	800 (Dr.)	NIL
		Hena K. Shah	NIL	2,17,761 (Cr.)
<b>c)</b>	<b>Operating Segment</b>			
	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.			
	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.			

d)	<b>Intangible Assets/Intangible Assets Under Development:</b>	
	<p>The company had designed Waste Water Recycling Process-PEA Effluent in the earlier 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. In view of the management of the company, the process of development was completed in the current financial year and development stage was over and the intangible asset in the form of Waste Water Recycling Process-PEA Effluent was available for its intended use during the current financial year and hence accordingly intangible asset under development has been capitalized as Waste Water Recycling Process-PEA Effluent during the year. The company had incurred following expenditures for designing and development of Waste Water Recycling Process-PEA Effluent in the earlier financial year which have been capitalized as "Intangible Assets" in the financial statements.</p>	
	<b>Sr. No.</b>	<b>Particulars</b>
	1.	Technical Personnel and Support Staff Salaries
	2.	Materials used in Development Process
	3.	Laboratory Charges
	<b>TOTAL ..... ..</b>	
		<b>18,15,298</b>
e)	<b>Debtors From Operating Activities</b>	
	<p>The company has initiated proceedings/taken actions for recovery against the doubtful debtors amounting to Rs. 76,15,214/- (Previous Year 1,76,70,214/-). 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. 76,15,214/- (Previous Year Rs. 1,76,70,214/-). However, considering the uncertainty over the time period over which the amounts are expected to realized, the outstanding balances of doubtful debts have been classified as long-term trade receivables under the head "Other Non-Current Assets" in the balance sheet and will be classified as short term trade receivable if it is expected with reasonable certainty that the amounts will be recovered within twelve months from the end of the balance sheet date.</p>	

f)	<p>The outbreak of COVID-19 pandemic across the globe and in India led to nation-wide lockdown and subsequent restrictions impacting the business operations of the company for some time in the last two years. The management of the company has assessed the impact of COVID-19 pandemic and subsequent lockdown/restrictions on its business activities including effect of fluctuations in foreign exchange rates 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/restrictions 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 company has been able to resume business operations at normal levels and hence the reported amounts of assets and liabilities required no adjustments in the carrying value. Based on the continuous assessment of the impact of COVID-19 pandemic on the business of the company, the company expects to realise the value of assets at which they have been stated in the financial statements and settle liabilities at values at which they have been stated in the financial statement. The management of the company will continue to assess the impact of health pandemic and its recurring waves as and when they arise 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.</p> <p>The impact of health pandemic and its subsequent waves, 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.</p>																																																																																											
g)	<p>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).</p>																																																																																											
h)	<p>In the opinion of the Board of Directors, Current Assets &amp; 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.</p>																																																																																											
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j)	<p>Disclosure of Financial Ratios:</p> <table border="1"> <thead> <tr> <th rowspan="2">Sr. No.</th> <th rowspan="2">Particulars</th> <th rowspan="2">Numerator</th> <th rowspan="2">Denominator</th> <th colspan="2">As At/For The Year Ended</th> <th rowspan="2">% Change Compared to Last Year</th> </tr> <tr> <th>31/03/2022</th> <th>31/03/2021</th> </tr> </thead> <tbody> <tr> <td>i.</td> <td>Current Ratio (times)</td> <td>Current Assets</td> <td>Current Liabilities</td> <td>1.30</td> <td>1.05</td> <td>23.57%</td> </tr> <tr> <td>ii.</td> <td>Debt-Equity Ratio (times) (a)</td> <td>Total Debt</td> <td>Total Equity</td> <td>1.04</td> <td>0.62</td> <td>66.80%</td> </tr> <tr> <td>iii.</td> <td>Debt Service Coverage Ratio (times) (b)</td> <td>Earnings available for debt Service</td> <td>Debt Service</td> <td>0.41</td> <td>(0.13)</td> <td>418.02%</td> </tr> <tr> <td>iv.</td> <td>Return on Equity Ratio (%) (c)</td> <td>Profit for the year</td> <td>Average Total Equity</td> <td>11.60%</td> <td>(8.49%)</td> <td>236.73%</td> </tr> <tr> <td>v.</td> <td>Inventory Turnover Ratio (times) (d)</td> <td>Purchase of Stock in Trade + Changes in Inventory of Trading Goods+ Employee Benefit Expenses+ Other Direct Expenses</td> <td>Average Inventory</td> <td>3.61</td> <td>1.31</td> <td>176.17%</td> </tr> <tr> <td>vi.</td> <td>Trade Receivables Turnover Ratio (times) (e)</td> <td>Revenue from Operations</td> <td>Average Trade Receivable</td> <td>2.62</td> <td>0.84</td> <td>211.61%</td> </tr> <tr> <td>vii.</td> <td>Trade Payables Turnover Ratio (times) (f)</td> <td>Purchases during the year</td> <td>Average Trade Payables</td> <td>3.77</td> <td>2.08</td> <td>81.09%</td> </tr> <tr> <td>viii.</td> <td>Net Capital Turnover Ratio (times) (g)</td> <td>Revenue from Operations</td> <td>Average Working Capital</td> <td>3.83</td> <td>0.80</td> <td>380.97%</td> </tr> <tr> <td>ix.</td> <td>Net Profit Ratio (%) (h)</td> <td>Net Profit After Tax</td> <td>Revenue from Operations</td> <td>6.70%</td> <td>(20.27 %)</td> <td>133.04%</td> </tr> <tr> <td>x.</td> <td>Return on Capital Employed (%) (i)</td> <td>EBIT</td> <td>Capital Employed</td> <td>9.25%</td> <td>(-4.68%)</td> <td>297.56%</td> </tr> <tr> <td>xi.</td> <td>Return on Investments (%) (c)</td> <td>Net Profit After Tax</td> <td>Average Total Equity</td> <td>11.60%</td> <td>(8.49%)</td> <td>236.73%</td> </tr> </tbody> </table> <p>(a) On Account of increase in borrowings and trade payables during the year 2021-22.</p> <p>(b) On Account of generation of profits from operations in the financial year 2021-22 compared to operational losses in previous financial year.</p> <p>(c) On Account of generation of profits from operations in the financial year 2021-22 compared to operational losses in previous financial year.</p> <p>(d) On Account of Increase in operational activities during the year compared to previous financial year.</p> <p>(e) On Account of Increase in operational activities during the year compared to previous financial year.</p> <p>(f) On Account of Increase in operational activities during the year compared to previous financial year.</p> <p>(g) On Account of Increase in Revenue from Operations during the year compared to the previous financial year.</p>						Sr. No.	Particulars	Numerator	Denominator	As At/For The Year Ended		% Change Compared to Last Year	31/03/2022	31/03/2021	i.	Current Ratio (times)	Current Assets	Current Liabilities	1.30	1.05	23.57%	ii.	Debt-Equity Ratio (times) (a)	Total Debt	Total Equity	1.04	0.62	66.80%	iii.	Debt Service Coverage Ratio (times) (b)	Earnings available for debt Service	Debt Service	0.41	(0.13)	418.02%	iv.	Return on Equity Ratio (%) (c)	Profit for the year	Average Total Equity	11.60%	(8.49%)	236.73%	v.	Inventory Turnover Ratio (times) (d)	Purchase of Stock in Trade + Changes in Inventory of Trading Goods+ Employee Benefit Expenses+ Other Direct Expenses	Average Inventory	3.61	1.31	176.17%	vi.	Trade Receivables Turnover Ratio (times) (e)	Revenue from Operations	Average Trade Receivable	2.62	0.84	211.61%	vii.	Trade Payables Turnover Ratio (times) (f)	Purchases during the year	Average Trade Payables	3.77	2.08	81.09%	viii.	Net Capital Turnover Ratio (times) (g)	Revenue from Operations	Average Working Capital	3.83	0.80	380.97%	ix.	Net Profit Ratio (%) (h)	Net Profit After Tax	Revenue from Operations	6.70%	(20.27 %)	133.04%	x.	Return on Capital Employed (%) (i)	EBIT	Capital Employed	9.25%	(-4.68%)	297.56%	xi.	Return on Investments (%) (c)	Net Profit After Tax	Average Total Equity	11.60%	(8.49%)	236.73%
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	(h) On Account of higher scale of business operations and marginal decrease in various expenses during the year compared to the previous financial year.
	(i) On Account of Increase in Operational Profits during the year compared to the previous financial year.
<b>k)</b>	<b>Relationship with Struck off Companies:</b>
	The company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.
<b>l)</b>	The Financial Statements were authorised for issue by the Board of Directors on 25th May, 2022.

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.

**SIGNATURES TO NOTES '1' TO '29'**

**FOR, M/S. FELIX INDUSTRIES LIMITED**

SD/-  
(RITESH PATEL)  
(DIRECTOR)

SD/-  
UDAY C. SHAH  
(CFO)

SD/-  
(VINAY PATEL)  
(DIRECTOR)

SD/-  
PRANAVKUMAR D. PATEL  
(COMPANY SECRETARY)

**FOR, S. N. SHAH & ASSOCIATES,**

**CHARTERED ACCOUNTANTS,  
FIRM REG. NO.: 109782W**

SD/-  
**FIROJ G. BODLA**  
**PARTNER**  
**M. NO. 126770**  
**PLACE: AHMEDABAD**  
**DATE : 25<sup>TH</sup> MAY, 2022**