CIN: L40103GJ2012PLC072005

Date: 31/08/2019

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

Dear Sir/Ma'am

Sub: Submission of Annual Report for the financial year 2018-19.

Ref: Felix Industries Limited (SYMBOL: FELIX)

With reference to the Captioned Subject and pursuat to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached here with Annual Report for the financial year 2018-19.

Please take the same on your record and oblige us.

Thanking You,

For Felix Industries Limited

FELIX INDUSTRIES LIMITED AHMEDABAD

Authorized Signatory

Encl: As Above

FELIX INDUSTRIES LIMITED

Annual Report 2018-19

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

Content

Page No.		Particulars
02	:	Corporate Information
06	:	About
08	:	Other Corporate Information
09	:	Letter to shareholders
10	:	Financial highlights
11	:	Notice
15	:	Directors Report
		Annexures to the Board of Director's Report
29	:	Annexure A –Related Party Transactions (Form AOC-2)
30		Annexure B –Appointment and Remuneration to Managerial Personnel
32	:	Annexure C- Conservation of Energy
		Annexure D- Extract of Annual Return (Form MGT-9)
43	:	Annexure E : Nomination & Remuneration Policy
47	:	Annexure F- Secretarial Audit Report
41		Annexure G: Management Discussion Analysis Report
		Financial & Related Matters
52	:	Independent Auditor Report
63	:	Balance Sheet
65	:	Profit & Loss account
67	:	Cash Flow Statement
70	:	Notes to Financial Statement

* **Proxy Form & Attendance Slip**

CORPORATE INFORMATION

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

OUR MANAGEMENT

TWO PILLARS OF THE COMPANY

Mr. Ritesh Vinay Patel

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

Mr. Vinay Rajnikant Patel

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

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

Board of Director's and Key Managerial Personnel:

Name	Designation	Appointment Date	DIN/PAN
Ritesh Vinaybhai Patel	**Managing Director**	**18/09/2012**	**05350896**
Vinay Rajnikant Patel	**Director & CEO**	**28/02/2019**	**08377751**
Mayuri Vinay Patel	**Director**	**28/02/2019**	**05350901**
Kashyap Hasmukhlal Shah	**Independent Director**	**10/06/2017**	**00169746**
Raxesh Chandravadan Satia	**Independent Director**	**10/06/2017**	**00577822**
Uday Chandulal Shah	**Chief Financial Officer**	**15/05/2017**	**AFGPS3184L**
Hena Ketan Shah	**Company Secretary & Compliance Officer**	**13/02/2017**	**EPUPS1507D**

Committees:

Audit Committee		Mr. Kashyap Shah(Chairman)
		Mr. Raxesh Chandravadan Satia
		Mr. Ritesh Patel
Nomination & Remuneration Committee		Mr. Raxesh Chandravadan Satia (Chairman)
		Mr. Kashyap Shah
		Mrs. Mayuri Vinay Patel
Stakeholders Relationship Committee		Mr. Kashyap Hasmukhlal Shah (Chairperson)
		Mr. Raxesh Chandravadan Satia
		Mr. Ritesh Vinay Patel

About

Felix offers a comprehensive range of Water Cycle Management Solutions, ranging from production and supply of drinking water to collection, treatment, recovery and recycling of wastewater. Its evolved expertise in Waste Water Treatment enables it to develop solutions that optimally meet the needs of municipalities, industrial houses and other concerns, including

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

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

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

Major Projects Handled

1) COLOURTEX INDUSTRIES PRIVATE LIMITED

100 KLD ETP SYSTEM





2) MOHAN POLYFAB PRIVATE LIMITED

100 KLD ETP SYSTEM





3) RAZA TEXTILES

50 KLD ETP SYSTEM



OTHER CORPORATE INFORMATION

REGISTERED OFFICE

208, Devshruti Complex
Opp. HCG Hospital
Nr. Mithakhali Cross Road,
Gujarat, India.

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
A-802 Samudra Complex,
Near Klassic Gold Hotel
Off C G Road Navrangpura,
Ahmedabad- 380 009
Email: **bssahd@bigshareonline.com**
Website:www.bigshareonline.com

STATUTORY AUDITORS

M/s. S. N Shah & Associates
Chartered Accountants
Ahmedabad

SECRETERIAL AUDITORS

M/s. Vishwas Sharma & Associates
Secretarial Auditor
Ahmedabad

BANKERS

Bank of Baroda

Contact Details for Investors

HENA SHAH

208, Devshruti Complex,
Opp. HCG Hospital
Nr. Mithakhali Cross Road,
Ellisbridge Ahmedabad GJ 380006 IN
Tel:079-26463658/59
Email: hena.shah@felixindustries.co

NOTICE

NOTICE is hereby given that the **Seventh(07th)** Annual General Meeting of the Members of the Company will be held on **24th September, 2019** at **12.30 P.M.** at 208, Devshruti Complex, Opp. Medisurge Hospital Nr. Mithakhali Cross Road, Ellisbridge Ahmedabad GJ 380006 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2019 and Report of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of **Mrs. Mayuri Vinay Patel (DIN: 05350901)** who retires by rotation at this meeting and being eligible, offers herself for re-appointment.

3. To appoint **Mr. Vinay Rajnikant Patel (DIN: 08377751)** as a Whole Time Director of the company designated as Executive Director and in this regard pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Section 188, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being), approval of the members of the Company, be and is hereby accorded to appoint Mr. Vinay Rajnikant Patel (DIN: 08377751) as Whole Time Director of the Company who shall be liable to retire by rotation for a period of 5 (five) years w.e.f 01st October, 2019, on the terms and conditions as detailed in the explanatory statement attached herewith."

   "RESOLVED FURTHER THAT the remuneration payable Mr. Vinay Rajnikant Patel (DIN: 08377751), shall not exceed the overall ceiling of the total managerial remuneration as provided under Schedule V and 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."

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

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

Ritesh Patel
Managing Director
(DIN: 05350896)

Vinay Patel
Director
(DIN: 08377751)

Date: 14/08/2019
Place: Ahmedabad

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

   Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

   Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of the nominating organization.

   A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (''the Act''), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.

3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.

4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

5. Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.

6. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

7. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed to this Notice

8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 17th September 2019 to Tuesday 24th September, 2019 (both days inclusive).

9. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission /transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to M/s. Bigshare Services Pvt. Ltd. A-802 Samudra Complex, Near Klassic Gold Hotel, Off C G Road Navrangpura, Ahmedabad-380 009 Gujarat in case of holdings in physical form, mentioning your correct reference folio number.

10. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact **Bigshare Services Private Limited**. A-802 Samudra Complex, Near Klassic Gold Hotel, Off C G Road Navrangpura, Ahmedabad – 380 009, Gujarat for assistance in this regard.

11. Electronic copy of the Annual Report for FY 2018-19 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purpose unless any member has requested for a Physical copy of the same.

12. The Annual Report 2018-19 of the Company circulated to the Members of the Company, will be made available on the Company's website at **www.felixindustries.co**and also on the website of the respective Stock Exchanges at **www.nseindia.com**.

13. Members of the Company had approved the appointment of M/s S.N Shah & Associates. Chartered Accountants as the Statutory Auditors of the Company which is valid till 10th AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

14. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.

15. 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 will be available for inspection at the AGM.

16. The route map showing directions to reach the venue of the 07th AGM is annexed as per requirement of SS-2 on General Meetings.

Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for appointment/re-appointment at 07th Annual general Meeting are as follows:

Name	**Mrs. Mayuri Vinay Patel**	**Mr. Vinay Rajnikant Patel**
DIN	05350901	08377751
Designation	Non- Executive Director	Whole Time Director
Date of Birth	18/03/1962	30/10/1958
Date of Appointment	28/02/2019	28/02/2019
Qualifications experience in specific functional area	Graduated with degree of Architect	Graduated with Bachelor of Engineering (Chemical)
Directorship held in other companies*	NIL	NIL
Membership / Chairmanships of Committee in other Public Companies	NIL	NIL
Relationships between directors *inter se*	Relative (mother) of Mr. Ritesh Vinay Patel & (wife) of Mr. Vinay Rajnikant Patel	Relative (father) of Mr. Ritesh Vinay Patel & (husband) of Mrs. Mayuri Vinay Patel
Number of shares held in the Company	85000	1000

***Pvt. Companies excluded**

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

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

Ritesh Patel
Managing Director
(DIN: 05350896)

Vinay Patel
Director
(DIN: 08377751)

Date: 14/08/2019
Place: Ahmedabad

EXPLANATORY STATEMENT

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

Item No. 3:

The details of remuneration payable to Mr. Vinay Rajnikant Patel (DIN: 08377751) and the terms and conditions of the appointment are given below:

I. PERIOD

For a period of 5 years w.e.f 01st October, 2019.

II. REMUNERATION

He shall be entitled to salary up to Rs.2, 50, 000/- per month.

III. Perquisites:

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

i. Medical Re-imbursement: 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: For self and family every year incurred in accordance with the 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 basic 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 Whole Time 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 Whole Time Director.

IV. DUTIES:

1. The Whole Time Director shall be responsible for administration and day to day management of the Company i.e. co-ordinate business activities, accounting services, financial requirements, co-ordinate with the business works proposed by the party of the first part, formulate operational strategy and policies.
2. He shall ensure effective internal controls and management information systems are in place.
3. He shall be responsible for obtaining necessary approvals required by local government/statutory authorities.
4. He shall ensure that expenditures of the Company are within the authorized annual budget of the Company.

V. TERMINATION:

The Whole Time 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 Whole-Time Director may resign from his office by giving 90 days' Notice to the Company.

VI. COMPENSATION:

In the event of termination of office of Whole Time Director takes place before the expiration of tenure thereof, Whole Time Director 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.

VII. Other terms and conditions:

a) In the event of absence or inadequacy of profits in any financial year during the tenure of the Executive 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. 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 Whole Time Director for attending the meetings of the Board of Directors or Committees thereof.

f) The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

None of the directors except Mr. Ritesh Vinay Patel and Mrs. Mayuri Vinay Patel are in anyway concerned or interested in the above resolution except to the extent of their shareholding of the company.

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

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

Ritesh Patel
Managing Director
(DIN: 05350896)

Vinay Patel
Director
(DIN: 08377751)

Date:14/08/19
Place: Ahmedabad

DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the **07thAnnual Report** of your Company together with the Audited Statements of Accounts for the financial year ended 31stMarch, 2019.

I. FINANCIAL RESULTS:

The financial performance of the Company for the year ended 31st March, 2019 is summarized below:

(In Rupees)

Particulars	**Year ending on 31st March, 2019**	**Year ending on 31st March, 2018**
Sales	1,96,04,031	5,24,29,454
Other Income	18,61,739	18,46,472
Total Income	**2,14,65,770**	**5,42,75,926**
Less: Expenditure	3,14,32,596	5,02,07,889
Profit/Loss before interest, depreciation and tax	(1,20,00,309)	40,68,037
Less: Interest	-	-
Less: Depreciation & Amortization cost	10,16,742	3,04,863
Profit/ (Loss) before Tax	**(1,09,83,567)**	**37,63,174**
Less: Tax Expense	3,23,159	11,98,699
Profit/ (Loss) after Tax	**(1,13,06,726)**	**25,64,475**

II. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

Your directors hereby inform that due to some management issues your company has achieved a net turnover of Rs. 196.04 lacs in the year 2018-19 as compared to Rs. 524.29 lacs in the year 2017-18.

III. DIVIDEND:

No dividend is being recommended by the Directors for the year ending on 31st March, 2019 as the Board of Directors wants to plough back the profit in the business.

IV. TRANSFER TO RESERVES

During the year under review, the company has not transferred any amount to reserves.

V. POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made there under), your Company passed the following resolution through postal ballot as per the details below:

Date of Postal Ballot Notice: 30th May, 2019
Date of Declaration of Result: 08th July, 2019
Voting Period: 07th June, 2019 to 06th July, 2019
Date of Approval: 30th May, 2019

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

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

The company has called a board meeting on 30th May, 2019 for approving the postal ballot notice and the company altered the object clause of Memorandum of Association through Postal Ballot dated 06th July, 2019 by incorporating therein;

5) To carry on the business, whether within or outside India as producers, refiners, processors, converters, dealers, traders, importers, exporters of all types of ferrous & non-ferrous metals and generation of any and all classes and kinds of

heavy chemicals, fine chemicals and any and all classes and kinds of inorganic and organic chemicals, source materials, intermediates, ingredients, mixtures, derivatives and compounds thereof and any and all kinds of products of which any of the foregoing constitutes an ingredient or in the preparation, formulation, mixtures or production of which any of the foregoing is used or required.

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

VII. CHANGE IN THE SHARE CAPITAL OF THE COMPANY:

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

VIII. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

IX. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

X. 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.

XI. *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.

XII. *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.

XIII. *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.

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

The company has not given any loans or guarantees or made any investments covered under the provisions of section 186 of the Companies Act, 2013 during the financial period under review.

XV. *STATE OF COMPANY'S AFFAIR :*

During the year under review, your company has not made any default in repayment of any of its term loans, have met generally all its obligation in time including its tax liabilities.

XVI. *RELATED PARTY TRANSACTIONS:*

The Company has entered into related party transaction through postal ballot dated 06th July, 2019 which are disclosed herewith.

During the year the contracts or arrangements were made with related parties falling under the purview of Section 188 of the Companies Act, 2013 which are disclosed in **"Annexure-A"** in Form AOC-2.

XVII. *PARTICULARS OF EMPLOYEES:*

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the employees of the company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2018-19.

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-B".**

XVIII. SECRETERIAL STANDARDS

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

XIX. 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-C"** of this report.

[B] Foreign Exchange Earning & Outgo :

Foreign Exchange Earning: NIL
Foreign Exchange Outgo : NIL

XX. 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.

XXI. DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. Composition of Board

Name of Directors	Designation	Category	No. of Board Meeting held during the year	No. of Board Meeting attended during the year
Mr. Ritesh Vinay Patel	Managing Director	Promoter Executive	8	6
Mr. Sagar Samir Shah (1)	Whole Time Director	Promoter Executive	8	4
Mrs. Shweta Samir Shah (2)	Director	Non- Executive	8	5
Mr. Raxesh Satia	Director	Non-Executive Independent	8	7
Mr. Kashyap Shah	Director	Non-Executive Independent	8	4
Mr. Janesh Vyas (3)	Director	Non-Executive Independent	8	2
Mr. Vinay Rajnikant Patel (4)	Director	Executive Director	8	2

Mrs. Mayuri Vinay Patel (5)	Director	Non- Executive Director	8	2

(1) Mr. Sagar Samir Shah has been resigned from the company w.e.f 28th February, 2019.
(2) Mrs. Shweta Samir Shah has been resigned from the company w.e.f 28th February, 2019.
(3) Mr. Janesh Vyas has been resigned from the company w.e.f 29th August, 2018.
(4) Mr. Vinay Rajnikant Patel has been appointed as an additional director in the company w.e.f 28th February, 2019.
(5) Mrs. Mayuri Vinay Patel has been appointed as an additional director in the company w.e.f 28th February, 2019.

ii. Appointment

During the year the following directors were appointed:

(1) Mr. Vinay Rajnikant Patel (DIN: 08377751) had been appointed as an additional executive director of the company w.e.f 28th February, 2019.
(2) Mrs. Mayuri Vinay Patel (DIN: 05350901) has been appointed as an additional Non-Executive Director of the company w.e.f 28th February, 2019.

iii. Change in Designation

During the year change in designation of the following persons were made:

(1) Mr. Vinay Rajnikant Patel (DIN: 08377751) has been appointed as a director of the company w.e.f 06th July, 2019.
(2) Mrs. Mayuri Vinay Patel (DIN: 05350901) has been appointed as a director of the company w.e.f 06th July, 2019.

iv. Resignation

(1) Mr. Janesh Kundanlal Vyas (DIN: 03291038) has been resigned from the company w.e.f 29th August, 2018.
(2) Mr. Sagar Samir Shah (DIN: 03082957) has been resigned from the company w.e.f 28th February, 2019.
(3) Mrs. Shweta Samir Shah (DIN: 03082967) has been resigned from the company w.e.f 28th February, 2019.

v. Retirement by rotation and subsequent re-appointment:

Mrs. Mayuri Vinay Patel (DIN: 05350901) 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 herself for reappointment. Appropriate resolutions for there-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 07thAGM of your Company.

vi. Declaration of Independence:

Mr. Kashyap Shah (DIN: 00169746) is the existing independent directors of the company and the company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

Mr. Raxesh Satia (DIN: 00577822) is the existing independent directors of the company and the company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

During the year under review the independent director duly met pursuant to provision as specified in Schedule IV of Companies Act, 2013 and the quorum was present throughout the meeting.

vii. 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.

XXII. NUMBER OF MEETINGS OF THE BOARD

The Company had conduct 8 (Eight) Board meetings during the financial year 2018-19 under review on:

- 25th April, 2018, 30th May, 2018, 29th August, 2018, 13th November, 2018, 07th December, 2018, 11th February, 2019, 28th February, 2019 and 30th March, 2019

XXIII. 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 31st March, 2019, 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 31stMarch, 2019 and of the profit and loss of the Company for the financial year ended 31st March, 2019;

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.

XXIV. EXTRACT OF ANNUAL RETURN:

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

XXV. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:

[A] AUDIT COMMITTEE:

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

The audit committee was constituted in the board meeting held on 27th June, 2017, and was further re-constituted on 29th August, 2018 and was further re-constituted on 28th February, 2019. The composition of the Audit Committee is in conformity with the provisions of the said section.

- **Composition:**

The details of composition of Audit Committee are as follows:

Sr. No.	Name	Designation	Position In Committee	No. of meeting held	No. of meetings attended
1.	Mr. Kashyap Shah	Independent Director	Chairman	05	03
2.	Mr. Raxesh Satia	Independent Director	Member	05	05
3.	Mr. Ritesh Patel#	Executive Director	Member	05	01
4.	Mr. Sagar Shah*	Executive Director	Member	05	03
5.	Mr. Janesh Vyas**	Independent Director	Chairman	05	02

* Mr. Sagar Shah has been resigned from the company w.e.f 28th February, 2019.

** Mr. Janesh Vyas has been resigned from the company w.e.f 29th August, 2018.

Mr. Ritesh Patel was appointed in the company w.e.f 28th February, 2019.

The Audit Committee had 05 meetings -25th April, 2018, 30th May, 2018, 29th August, 2019 13th November, 2018 and 30th March, 2019 during the financial year under review.

- **Terms of reference:**

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

- Reviewing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending the appointment, remuneration and terms of appointment of external Auditor.

- Review and monitor the auditor's independence and performance and effectiveness of audit process.

- Approval or any subsequent modification of transactions of the company with related parties

- Scrutiny of inter-corporate loans and investments

- Valuation of undertakings or assets of the Company, wherever it is necessary.

- Monitoring the end use of funds raised through public offers and related matters.

- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.

- Reviewing periodically the adequacy of the internal control system.

- Discussions with Internal Auditor on any significant findings and follow up there on.

[B] NOMINATION AND REMUNERATION COMMITTEE:

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

The Nomination and Remuneration Committee was constituted in the board meeting held on 27th June, 2017, and was further re-constituted on 29th August, 2018 and was further re-constituted on 28th February, 2019. The composition of the Audit Committee is in conformity with the provisions of the said section.

➢ **Composition**

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

Sr. No.	Name	Designation	Position In Committee	No. of meeting held	No. of meetings attended
1.	Mr. Raxesh Satia	Independent Director	Chairman	02	02
2.	Mr. Kashyap Shah	Independent Director	Member	02	01
3.	Mrs. Mayuri Vinay Patel#	Non-Executive Director	Member	02	01
4.	Mr. Janesh Vyas*	Independent Director	Member	02	00
5.	Mrs. Shweta Samir Shah**	Non-Executive Director	Member	02	01

* Mr. Janesh Vyas has been resigned from the company w.e.f 29th August, 2018.

** Mrs. Shweta Samir Shah has been resigned from the company w.e.f 28th February ,2019.

Mrs. Mayuri Vinay Patel was appointed in the company w.e.f 28th February, 2019.

The Nomination & Remuneration Committee had 02 meetings -29th August, 2018 and 28th February, 2019 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-E"**

[C] STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

The Stakeholders Relationship Committee was constituted in the board meeting held on 27th June, 2017, and was further re-constituted on 29th August, 2018 and was further re-constituted on 28th February, 2019. The composition of the Audit Committee is in conformity with the provisions of the said section.

- **Composition:**

Sr. No.	Name	Designation	Position In Committee	No. of meeting held	No. of meetings attended
1.	Mr. Raxesh Satia	Independent Director	Chairman	01	01

2.	Mr. Kashyap Shah	Independent Director	Member	01	00
3.	Mr. Sagar Samir Shah*	Executive Director	Member	01	00
4.	Mr. Ritesh Vinay Patel#	Executive Director	Member	01	01

The details of composition of Stakeholders Relationship Committee shall comprise;

The Stakeholder Relationship Committee had 01 meetings –30th March, 2019 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 31st March, 2019 are NIL.

- **Compliance Officer :**

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

XXVI. AUDITORS:

[A] Statutory Auditors:

M/s. S.N Shah & Associates, Chartered Accountants, Ahmedabad were appointed as Statutory Auditors in the Annual General Meeting held on 29th September, 2017 from the conclusion of Fifth (5th) Annual General Meeting till the conclusion of

Tenth (10th) Annual General Meeting of the company.(subject to ratification of their appointment at every AGM).

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

There are no qualifications, reservations or adverse remarks made by M/s. S.N Shah & Associates, Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31st March, 2019 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

[B] Cost Auditor:

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

[C] Internal Auditor

The Company has appointed the M/s Rakesh Pariahar & Associates, Chartered Accountants, Ahmedabad as Internal Auditor pursuant to the provision of section 138 of Companies Act, 2013 read with rule 13 of The Companies (Accounts) Rule, 2014 and other applicable provisions (including any modification or enactment thereof), if any, of the Companies Act, w.e.f. 26th May, 2018 for the financial year 2017-18 & 2018-19.

[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.

XXVII. CORPORTAE 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.

XXVIII. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. Whistle Blower Policy is disclosed on the website of the Company at www.felixindustries.co.

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-G**" to this report.

XXXI. DIRECTOR'S DISQUALIFICATION

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

XXXII. RISK MANAGEMENT:

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

XXXIII. GENERAL:

a. Your Company has not issued any equity shares with differential rights as to dividend, voting or otherwise; and

b. Your Company does not have any ESOP scheme for its employees/Directors.

XXXIV. APPRECIATION:

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

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

Regd. office:

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

By Order of the Board of Directors

For, **Felix Industries Limited**

Ritesh Patel
Managing Director
(DIN: 05350896)

Vinay Patel
Director
(DIN: 08377751)

Date:14/08/19
Place: Ahmedabad

"Annexure A"

FORM NO. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of Contracts or arrangements or transactions not at arm's Length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)

2. Details of contracts or arrangements or transactions at Arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements / Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:
	(a)	(b)	(c)	(d)	(e)	(f)
1.	Ritesh Vinay Patel	Purchase of the Registered Office of the company		The Company has purchased office situated at 208, Devshruti Complex, Opp. HCG Hospital, Nr. Mithakhali Cross Roads, Ellisbridge,	07/12/2018	N.A

				Ahmedabad-380 006 at a total consideration of 75,00,000 (Rupees Seventy Five Lakhs) for the office and Rs. 20,00,000/- (Rupees Twenty Lakhs only) for the furniture aggregating to Rs. 95,00,000 /- (Rupee Ninety Five Lakhs Only).		

"Annexure 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:

Sr. No.	Requirements	Disclosure	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD	0.85 times
		WTD	0.85times
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD	0 %
		WTD	0%
		CS	0%
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 31st March, 2019	25	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

"ANNEXURE - C"

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, 2019 is given here below and forms part of the Directors' Report.

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

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

The steps taken in this direction are as under:

a) Energy conservation has been an important thrust area for the Company and is continuously monitored. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.

b) Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.

c) Various on-going measures for conservation of energy include

(i) Use of energy efficient lighting.
(ii) Reduction of energy loss.
(iii) Replacement of outdated energy intensive equipment.
(iv)Ensure that light levels will remain at adequate levels before changing out technologies and other electrical equipment's.
(v) Ensure outdoor lighting is off during daytime.
(vi) Take advantage of natural daylight, turn off or dim electric lighting when adequate sunlight is available to illuminate interior space.
(vii) Keeping control on heating and cooling of office temperatures.

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

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

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

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

Capital Investment made in the year towards energy conservation: NIL

TECHNOLOGY ABSORPTION:

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

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

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

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

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

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

b) The year of import: N.A

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

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

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

"Annexure-D"

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

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

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

Sr No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1.	Water collection, treatment and supply	36000	51%
2.	Wholesale of waste and scrap and other products n.e.c.	4669	30%

3.	Non-Specialized Wholesale Trade (trading of Pipes)	46909	19%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2018)				No. of Shares held at the end of the year (31/03/2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3725000	-	3725000	73.13	3725000	-	3725000	73.13	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI									
f) Any other…									
Sub-total (A) (1):-	**3725000**	**-**	**3725000**	**73.13**	**3725000**	**-**	**3725000**	**73.13**	**-**
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-

Sub-total (A) (2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**3725000**	**-**	**3725000**	**73.13**	**3725000**	**-**	**3725000**	**73.13**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
b) Banks/FI	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C) Central Govt.	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
d) State Govt.(s)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
e) Venture Capital Fund	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
f) Insurance Companies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
g) FIIS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
h) Foreign Venture Capital Funds	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
i) Others (specify)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	156000	-	156000	3.06	194866	-	194866	3.82	(0.76)
ii) Overseas	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	632000	-	632000	12.41	541134	-	541134	10.63	1.78
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	456000	-	456000	8.95	216000	-	216000	4.24	4.71
c) Others (specify)									

i)Non Resident Repartriates	-	-	-	-	-	-	-	-	-
ii) Non Resident Non Repartriates	-	-	-	-	-	-	-	-	-
iii)Clearing Members	124000	-	124000	2.43	416000	-	416000	8.17	(5.73)
Sub-total (B)(2):-	**1368000**	**-**	**1368000**	**26.85**	**1368000**	**-**	**1368000**	**26.85**	**26.85**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**1368000**	**-**	**136800**	**26.85**	**1368000**	**-**	**136800**	**26.85**	**26.85**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
Grand Total (A+B+C)	**5093000**	**-**	**5093000**	**100**	**5093000**	**-**	**5093000**	**100**	-

(ii) Shareholding of Promoters (including promoter group)

Sl No.	**Shareholder's Name**	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			
		No. of Shares	**% of total Shares Of the company**	**% of Shares Pledged/ encumbered to total shares**	**No. of Shares**	**% of total Shares of the company**	**% of Shares Pledged/ encumbered to total shares**	**% change in share holding during the year**
1	**Ritesh Vinay Patel**	1738000	34.12	**-**	1738000	34.12	-	-
2	**Sagar Samir Shah**	1898000	37.26	**-**	1898000	37.26	-	-
3	**Mayuri Vinay Patel**	85000	1.67		85000	1.67	-	-
4	**Vinay Rajnikant Patel**	1000	0.02		1000	0.02	-	-
5	**Samir R. Shah**	1000	0.02		1000	0.02	-	-
6	**Shweta Samir Shah**	1000	0.02		1000	0.02	-	-
7	**Charmi Praful Ramani**	1000	0.02		1000	0.02	-	-
	Total	**3725000**	**73.13**	**-**	**3725000**	**73.13**	**-**	**-**

***Categorized in Public and sifted from promoter to public**

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

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

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

Sl. No.		Shareholding at the beginning of the year		Increase/ Decrease in the Share holding	Reason	Cumulative Shareholding	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1.	**ANS Private Limited**						
	At the beginning of the year	80000	1.57			-	-
	Increase as on 18/05/2018			4000	Transfer	84000	1.65
	Increase as on 25/05/2018			12000	Transfer	96000	1.88
	Increase as on 01/06/2018			16000	Transfer	112000	2.20
	Increase as on 08/06/2018			8000	Transfer	120000	2.36
	Increase as on 15/06/2018			4000	Transfer	124000	2.43
	Increase as on 22/06/2018			12000	Transfer	136000	2.67
	Increase as on 10/08/2018			52000	Transfer	188000	3.69
	Increase as on 28/09/2018			64000	Transfer	252000	4.95
	Increase as on 05/10/2018			4000	Transfer	256000	5.03
	Increase as on 12/10/2018			4000	Transfer	260000	5.11

	Increase as on 21/12/2018			4000	Transfer	264000	5.18
	Increase as on 25/01/2019			4000	Transfer	268000	5.26
	Increase as on 29/03/2019			116000	Transfer	384000	7.54
	At the end of the year	384000	7.54			384000	7.54
2.	**Monarch Networth Capital Limited**						
	At the beginning of the year	100000	1.96				
	Increase as on 20/04/2018			4000	Transfer	104000	2.04
	Decrease as on 04/05/2018			(4000)	Transfer	100000	1.96
	Decrease as on 25/05/2018			(12000)	Transfer	88000	1.73
	Increase as on 01/06/2018			4000	Transfer	92000	1.81
	Increase as on 08/06/2018			4000	Transfer	96000	1.88
	Increase as on 15/06/2018			4000	Transfer	100000	1.96
	Decrease as on 22/06/2018			(4000)	Transfer	96000	1.88
	Increase as on 29/06/2018			4000	Transfer	100000	1.96
	Increase as on 06/07/2018			4000	Transfer	104000	2.04
	Increase as on 03/08/2018			8000	Transfer	112000	2.20
	Increase as on 10/08/2018			8000	Transfer	120000	2.36
	Decrease as on 24/08/2018			(16000)	Transfer	104000	2.04
	Increase as on 31/08/2018			4000	Transfer	108000	2.12
	Increase as 14/09/2018			80000	Transfer	116000	2.28
	Decrease as on 28/09/2018			(4000)	Transfer	112000	2.20
	Decrease as on 05/10/2018			(4000)	Transfer	108000	2.12
	Decrease as on 12/10/2018			(4000)	Transfer	104000	2.04
	Increase as on 19/10/2018			4000	Transfer	108000	2.12
	Increase as on 26/10/2018			4000	Transfer	112000	2.20
	Increase as on 02/11/2018			12000	Transfer	124000	2.43
	Increase as on 16/11/2018			12000	Transfer	136000	2.67
	Decrease as on 23/11/2018			(20000)	Transfer	116000	2.28
	Increase as on 14/12/2018			4000	Transfer	120000	2.36
	Decrease as on 21/12/2018			(4000)	Transfer	116000	2.28
	Increase as on 04/01/2019			12000	Transfer	128000	2.51
	Decrease as on 25/01/2019			(4000)	Transfer	124000	2.43
	Increase as on 15/02/2019			4000	Transfer	128000	2.51
	Increase as on 22/02/2019			4000	Transfer	132000	2.59
	Increase as on 15/03/2019			4000	Transfer	136000	2.67
	Increase as on 29/03/2019			4000	Transfer	140000	2.75
	At the end of the year	140000	2.75			1400000	2.75

3.	**JAYANTI DAHYABHAI PATEL**						
	At the beginning of the year	100000	1.96				
	Decrease as on 15/02/2019			(100000)	Transfer	0	0
	At the end of the year	0	0.00			0	0.00
4.	**Indravadan J Mehta**						
	At the beginning of the year	48000	0.94				
	Increase as on 20/04/2018			4000	Transfer	52000	1.02
	Decrease as on 01/06/2018			(40899)	Transfer	11101	0.22
	Increase as on 24/08/2018			40899	Transfer	52000	1.02
	Decrease as on 20/09/20148			(52000)	Transfer	0	0.00
	At the end of the year	0	0.00			0	0.00
5.	**Heena Vipul Vora**						
	At the beginning of the year	36000	0.71				
	No increase/decrease in the shareholding during the year						
	At the end of the year	36000	0.71			36000	0.71
6.	**Jayshree Rajesh Shah**						
	At the beginning of the year	32000	0.63				
	Decrease as on 10/08/2018			(32000)	Transfer	0	0.00
	At the end of the year	0	0.00			0	0.00
7.	**Mansi Munjal Patel**						
	At the beginning of the year	24000	0.47				
	No increase/decrease in the shareholding during the year						
	At the end of the year	24000	0.47			24000	0.47
8.	**Nidhi Mahendrabhai Patel**						
	At the beginning of the year	24000	0.47				
	No increase/decrease in the shareholding during the year						
	At the end of the year	24000	0.47			24000	0.47
9.	**Kailashben Mahendrabhai**						
	At the beginning of the year	24000	0.47				
	No increase/decrease in the shareholding during the year						
	At the end of the year	24000	0.47			24000	0.47
10.	**Mahendrabhai Gulabdas Patel**						
	At the beginning of the year	24000	0.47				
	No increase/decrease in the shareholding during the year						
	At the end of the year	24000	0.47			24000	0.47

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Increase/ Decrease in the Share holding	Reason	Cumulative Shareholding	
	For Each Of the Directors'	No. of shares	% of total shares of the			No. of shares	% of total shares of the company
1.	**Ritesh Vinay Patel**						
	At the beginning of the year	1738000	34.12			1738000	34.12
	No changes during the year						
	At the end of the Year	1738000	34.12			1738000	34.12
2.	**Vinay Rajnikant Patel#**						
	At the beginning of the year	1000	0.02			1000	0.02
	No changes during the year						
	At the end of the Year	1000	0.02			1000	0.02
3.	**Mayuri Vinay Patel#**						
	At the beginning of the year	85000	1.67			85000	1.67
	No changes during the year						
	At the end of the Year	85000	1.67			85000	1.67
4.	**Sagar Samir Shah***						
	At the beginning of the year	1898000	37.26			1898000	37.26
	No changes during the year						
	At the end of the Year	1898000	37.26			1898000	37.26
5	**Shweta Samir Shah***						
	At the beginning of the year	1000	0.02			1000	0.02
	No changes during the year						
	At the end of the Year	1000	0.02			1000	0.02

*** Sagar Samir Shah and Shweta Samir Shah has been resigned from the company w.e.f 28th February, 2019.**

 # Vinay Rajnikant Patel and Mayuri Vinay Patel has been appointed as Additional Directors in the company w.e.f 28th February, 2019.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	**4882199**	**53428**	**-**	**4935627**
ii) Interest due but not paid	**-**	**-**	**-**	**-**
iii) Interest accrued but not due	**-**	**-**	**-**	**-**
Total (i+ii+iii)	**4882199**	**53428**	**-**	**4935627**
Change in Indebtedness during the financial year				
* Addition	**5640273**	**-**	**-**	**5640273**
* Reduction	**-**	**-**	**-**	**-**
Net Change	**5640273**	**-**	**-**	**5640273**
Indebtedness at the end of the financial year				
i) Principal Amount	**10522472**	**53428**	**-**	**10575900**
ii) Interest due but not paid	**-**	**-**	**-**	**-**
iii) Interest accrued but not due	**-**	**-**	**-**	**-**
Total (i+ii+iii)	**10522472**	**53428**	**-**	**10575900**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ritesh Vinay Patel	**Sagar Samir Shah**	
1.	Gross salary	**720000**	**600000**	**1320000**
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	**-**		**Nil**

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			**Nil**
2.	Stock Option	**-**		**Nil**
3.	Sweat Equity	**-**		**Nil**
4.	Commission - as % of profit - Others, specify…	 **-** **-**		**Nil**
5.	Others, please specify	**-**		**Nil**
	Total (A)	**720000**	**600000**	**1320000**
	Ceiling as per the Act	-	**-**	-

B. Remuneration to other directors:

B. Remuneration to other directors:								
SN.	**Particulars of Remuneration**	**Name of Directors**						**Total**
		Mrs. Shweta Samir Shah	**Mr. Raxesh Satia**	**Mr. Kashyap Shah**	**Mr. Janesh Vyas**	**Mrs. Mayuri Patel**	**Mr. Vinay Patel**	
1	Independent Directors	-	√	√	√	-	-	NIL
	Fee for attending board committee meetings	-	NIL	NIL	NIL	-	-	NIL
	Commission	-	NIL	NIL	NIL	-	-	NIL
	Others, please specify	-	NIL	NIL	NIL	-	-	NIL
	Total (1)	-	NIL	NIL	NIL	-		-
2	Other Executive Directors	-	-	-	-	-	√	-
	Fee for attending board committee meetings	NIL	-	-	-	NIL	NIL	NIL
	Commission	NIL	-	-	-	NIL	NIL	NIL
	Others, please specify**(Salary)**	NIL	-	-	-	NIL	NIL	NIL
3	Other Non-Executive Directors	√	-	-	-	√	-	
	Fee for attending board committee meetings	NIL	-	-	-	NIL	NIL	NIL
	Commission	NIL	-	-	-	NIL	NIL	NIL
	Others, please specify**(Salary)**	NIL	-	-	-	NIL	NIL	NIL
	Total (2)	NIL	-	-	-	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL		NIL

	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL		NIL
	Overall Ceiling as per the Act	100000/- per meeting	100000/- per meeting	100000/- per meeting	100000/- per meeting	100000/- per meeting	100000/- per meeting	-

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

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

NIL

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

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

Ritesh Patel
Managing Director
(DIN: 05350896)

Vinay Patel
Director
(DIN: 08377751)

Date:14/08/19
Place: Ahmedabad

"Annexure E"

Nomination and Remuneration Policy

INTRODUCTION

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

CONSTITUTION OF COMMITTEE

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

OBJECTIVE

The key objectives of the Committee would be:

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

DEFINITIONS

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

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

a) Chief Executive Officer or the Managing Director or the Manager;
b) Whole-time director;
c) Chief Financial Officer;
d) Company Secretary; and
e) Such other officer as may be prescribed.

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

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIORMANAGEMENT

A. Appointment criteria and qualifications

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

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

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

B. Term / Tenure

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

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

- **Independent Director:**

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

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

DUTIES IN RELATION TO REMUNERATION MATTERS:

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

REVIEW AND AMENDMENTS:

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

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

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

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

Ritesh Patel **Vinay Patel**
Managing Director **Director**
(DIN: 05350896) **(DIN: 08377751)**

Date:14/08/19
Place: Ahmedabad

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration 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 **31st March, 2019** ('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 **31st March, 2019** according to the provisions of:

i. The Companies Act, 2013 **(the Act)** and the rules made there under.

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (***not applicable to the company during the audit period***)

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

(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) The Minimum Wages Act, 1948, and rules made there under

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;
(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

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

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

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

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

I further report that there were no other instances of:

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

(ii) Redemption/buy-back of securities.

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

(iii) Merger/ amalgamation etc.

(iv) Foreign technical collaborations.

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

Vishwas Sharma
Proprietor
ACS: 33017
COP No.:16942

Date: 14/08/2019
Place: Ahmedabad

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

Annexure - 1 to Secretarial Audit Report

To,
The Members,
Felix Industries Limited
Ahmedabad.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Vishwas Sharma
Proprietor
ACS: 33017
COP No.:16942

Date: 14/08/2019
Place: Ahmedabad

"ANNEXURE-F"

MANAGEMENT DISCUSSION & ANALYSIS REPORT

i) **Industry Structure and Development**

The waste water industry is growing as need of water is increasing day by day and government are also making strict regulation for each and every sector whether being a private or government to install different RO plants. As far as E-waste is concerned the sector is growing in a faster manner as in this sector government involvement is more and they are taking different steps for recycling of E-Waste.

ii) **Opportunities and Threats**

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

iii) **Risk and Concerns**

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

iv) **Segment wise performance**

The Management team comprising one of the Managing Director is looking after day to day management of the company and its divisions. Amongst all divisions the waste-water recycling division has seen a downfall during the year with respect to overall market scenario. During this span of time we have researched and developed few more technologies with respect to the recycling systems which can be of good use to the end users. The E-waste division went quite well as we have excelled in the processing systems so we are able to process more amount of E-waste as compared to the previous years. The piping division didn't came up good due to some unavoidable circumstances.

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 **2018-19** 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) **Cautionary Statement**

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

By Order of the Board of Directors

	Ritesh Patel	Vinay Patel
Date:14/08/19	**Managing Director**	**Director**
Place: Ahmedabad	**(DIN: 05350896)**	**(DIN: 08377751)**

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, 2019, 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, 2019, 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. 2,03,15,705/-

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: During the year the company commenced design and development of Waste Water Recycling Process-PEA Effluent. This will be in the form of improved business process which is expected to be used in the production process or supply of goods or provision of services and from which future economic benefits are expected to flow to the company in the form of revenue generation. The process was in process as at the reporting date. The expenditures incurred on the design and	**Our audit procedure included** • obtaining basic understanding of the process. • how the process will be 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

development of the process has been treated as "Intangible Assets Under Development" 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 complete the process so as to make it available for use in the production process or supply of goods or provision of services. (ii) Legal constraints and compliances if any for the registration of the process.	of the process of registration if any.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

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

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing

and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by The Companies (Auditor's Report) Order, 2016 issued by The Central Government of India in term of section 143 (11) of The Companies Act, 2013, we enclose in the Annexure-A hereto a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable to the company.

2. As required by section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

d) In our opinion, aforesaid Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows comply with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of written representations received from the directors of the Company as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub-section (2) of section 164 of Act;

f) With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B;

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. As at 31st March, 2019 there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

FIROJ G. BODLA
PARTNER
M. No. 126770

PLACE: AHMEDABAD
DATED: 30TH MAY, 2019

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under "Report On Other Legal And Regulatory Requirements' section of our report of even date to the members of FELIX INDUSTRIES LIMITED on the financial statements of the company for the year ended 31st March, 2019:

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

i. In respect of its fixed assets:

   a) According to the information and explanations given to us, the company is in the process of compiling records of fixed assets showing full particulars including quantitative details and situation of fixed assets.

   b) As explained to us, the management in accordance with a phased programme of verification adopted by the company has physically verified the fixed assets. To the best of our knowledge, no material discrepancies have been noticed on such verification or have been reported to us.

   c) According to the information and explanations given to us and on the basis of the examination of the records of the company, the title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

ii. In respect of its Inventories:

   a) As explained to us, the inventories have been physical verified during the year by the management of the company.

   b) As explained to us, no material discrepancies were noticed on physical verification of inventory as compared to the books of account.

iii. Loans/Advances Granted:

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

iv. According to the information and explanations given to us, the company has complied with provisions of section 185 and 186 in respect of transaction of the nature referred to in Sections 185 and 186 of The Companies Act, 2013 in respect of any loans, investments, guarantees and security.

v. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73,74,75 & 76 of the Act and Rules framed thereunder during the year and therefore, the provisions of clause 3(v) of the Order are not applicable to 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 31st March, 2019 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 31st March, 2019 which have not been deposited on account of any dispute**.**

viii. According to the information and explanations given to us, the company has repaid the principal amount and made payment of interest on loans or borrowings taken by it from banks.

ix. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

In our opinion and according to the information and explanations given to us, the company has applied the term loan obtained during the year for the purpose for which it had been obtained.

x. According to the information and explanations given to us, no material fraud by the company or on the company by its Officers or Employees has been noticed or reported to us by the management during the year.

xi. In our opinion and according to the information and explanations given to us, the company had paid/provided managerial remuneration in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it.

xiii. According to the information and explanations given to us, the company is in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013,

where applicable, for related party transactions and the details of related party transactions have been disclosed in the Notes to the Financial Statements in accordance with the applicable Accounting Standards.

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, clause (xiv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.

xv. According to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or persons connected with them and hence clause (xv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.

xvi. As the company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934, clause (xvi) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it.

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

FIROJ G. BODLA
PARTNER
M. No. 126770

PLACE: AHMEDABAD
DATED: 30TH MAY, 2019

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 31ST MARCH 2019

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, 2019 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, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note 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

FIROJ G. BODLA
PARTNER
M. No. 126770

PLACE: AHMEDABAD
DATED: 30TH MAY, 2019

FELIX INDUSTRIES LIMITED
(FOREMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)

BALANCE SHEET AS AT 31ST MARCH, 2019

SR. NO.	PARTICULARS	Note No	AS AT 31-Mar-19		AS AT 31-Mar-18	
I.	**EQUITY AND LIABILITIES**					
1	**SHAREHOLDER'S FUND**					
	(a) Share Capital	2	50,930,000		50,930,000	
	(b) Reserves and Surplus	3	25,893,608		38,653,986	
				76,823,608		**89,583,986**
2	**NON-CURRENT LIABILITIES**					
	(a) Long-Term Borrowings	4	583,504		507,868	
	(b) Deferred Tax Liabilities (Net)	5	385,077		61,918	
				968,581		569,786
3	**CURRENT LIABILITIES**					
	(a) Short-Term Borrowings	6	9,992,396		4,427,759	
	(b) Trade Payables	7				
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		1,540,167		190,217	
	- Total Outstanding Dues of Creditors Other Than Above		5,529,103		6,228,057	
	(c) Other Current Liabilities	8	890,527		803,373	
	(d) Short-Term Provisions	9	47,395		1,049,264	
				17,999,587		12,698,671
	TOTAL ….. ….. …..			**95,791,776**		**102,852,442**
II.	**ASSETS**					
1	**NON CURRENT ASSETS**					
	(a) FIXED ASSETS	10				
	(i) Tangible Assets		31,878,631		15,696,022	

	(ii) Intangible Assets		182,489		-	
	(iii) Intangible Assets Under Development		1,815,298		-	
			33,876,418		**15,696,022**	
	(b) Long Term Loans and Advances	11	60,000		518,800	
	(c) Other Non-Current Assets	12	1,943,657		2,637,376	
				35,880,075		18,852,198
2	**CURRENT ASSETS**					
	(a) Inventories	13	15,148,012		8,239,073	
	(b) Trade Receivables	14	36,437,039		48,483,419	
	(c) Cash and Cash Equivalents	15	4,169,752		18,020,726	
	(d) Short-Term Loans and Advances	16	4,156,898		8,989,377	
	(e) Other Current Assets	17	-		267,650	
				59,911,701		**84,000,245**
	TOTAL ….. ….. …..			**95,791,776**		**102,852,442**
III.	OTHER NOTES ON FINANCIAL STATEMENTS	26 to 29				
III.	SIGNIFICANT ACCOUNTING POLICIES	1				
IV.	ADDITIONAL INFORMATION	29				

FOR AND ON BEHALF OF THE BOARD
FELIX INDUSTRIES LIMITED

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

MANAGING DIRECTOR **DIRECTOR**
[RITESH PATEL] **[VINAY PATEL]**
[DIN: 05350896] **[DIN: 08377751]**

UDAY CHANDULAL SHAH **HENA KETAN SHAH**
[CHIEF FINANCIAL OFFICER] **[COMPANY SECRETARY]**

FIROJ G. BODLA
PARTNER
M. NO. 126770

PLACE: AHMEDABAD
DATE: 30TH MAY, 2019

FELIX INDUSTRIES LIMITED
(FOREMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	SR. NO.	PARTICULARS	Note No	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
	I.	REVENUE FROM OPERATIONS	18	19,604,031		52,429,454
	II.	OTHER INCOME	19	1,861,739		1,846,472
	III.	**TOTAL REVENUE (I +II)**			**21,465,770**	**54,275,926**
	IV.	**EXPENSES**				
	1	Purchase of Stock-in-Trade	20	21,707,664		31,408,537
	2	Changes in inventories of Trading Goods	21	(6,908,939)		1,138,396
	3	Employee Benefit Expense	22	8,198,151		8,850,501
	4	Financial Costs	23	1,303,605		1,668,365
	5	Depreciation and Amortization Expense	24	1,016,742		304,863
	6	Other Expenses	25			
		Manufacturing Expenses		1,735,285		2,730,554
		Administrative, Selling & Other Expenses		5,396,829		4,411,536
				7,132,114		7,142,090
		TOTAL EXPENSES			**32,449,338**	**50,512,751**
	V.	**PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS & TAX (III - IV)**			**(10,983,567)**	**3,763,174**
	VI.	**EXCEPTIONAL ITEMS**			**-**	-
	VII.	**PROFIT BEFORE TAX (V-VI)**			**(10,983,567)**	**3,763,174**
	VIII.	**TAX EXPENSES:**				
		(1) Current Tax		-		(1,049,264)
		(2) Deferred Tax		(323,159)		(149,435)
					(323,159)	(1,198,699)
	IX.	**PROFIT(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS (VII-VIII)**			**(11,306,726)**	**2,564,475**

	X.	**EARNING PER EQUITY SHARE**				
		(1) Basic			(2.22)	0.62
		(2) Diluted			(2.22)	0.62
	XI.	**OTHER NOTES ON FINANCIAL STATEMENTS**	**26 to 29**			
	XII.	**SIGNIFICANT ACCOUNTING POLICIES**	**1**			
	XIII.	**ADDITIONAL INFORMATION**	**29**			

FOR AND ON BEHALF OF THE BOARD
FELIX INDUSTRIES LIMITED

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

MANAGING DIRECTOR **DIRECTOR**
[RITESH PATEL] **[VINAY PATEL]**
[DIN: 05350896] **[DIN: 08377751]**

UDAY CHANDULAL SHAH **HENA KETAN SHAH**
[CHIEF FINANCIAL OFFICER] **[COMPANY SECRETARY]**

FIROJ G. BODLA
PARTNER
M. NO. 126770

PLACE: AHMEDABAD
DATE: 30TH MAY, 2019

FELIX INDUSTRIES LIMITED

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

	Indirect Method			(Amount in Rs.)
SR.			Year Ended	Year Ended
NO.	Particulars		31-Mar-19	31-Mar-18
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
I	Net Profit before Taxation and Extraordinary Items		(10,983,567)	3,763,174
	Adjustments for :			
	Add : Depreciation		1,016,742	304,863
	Finance Costs		1,303,605	1,668,365
	Preliminary Expenses Written off		693,719	693,719
	Prior Period Income (Net)		(1,663,514)	2,833
	Less : Interest Income		(593,842)	(295,316)
II	**Operating Profit before Working Capital Changes**		**(10,226,858)**	**6,137,638**
	Adjustments for :			
	Less:			
	Increase in Inventories		(6,908,939)	-
	Increase in Trade Receivables		-	(10,147,780)
	Increase in Short Term Loans & Advances		-	(5,915,990)
	Increase in Other Current Assets		-	(267,650)
	Increase in Long Term Loans & Advances		-	(478,800)
	Decrease in Trade Payables		-	(3,417,695)
	Decrease in Other Current Liabilities		(249,401)	(687,256)
	Decrease in Provisions		(895,882)	(754,051)
	Add:			
	Decrease in Inventories		-	1,138,396
	Decrease Trade Receivables		12,046,381	-
	Decrease in Short Term Loans & Advances		4,955,164	-
	Decrease in Other Current Assets		267,650	

				-
	Decrease in Long Term Loans & Advances		458,800	-
	Increase in Trade Payables		650,995	-
	Increase in Provision For Income Tax Earlier Years		179,510	-
III	**Cash Generated from Operations**		**277,420**	**(14,393,188)**
	Less : Income Taxes Paid		(228,672)	(68,392)
IV	**Cash Flow before extraordinary items**		48,748	(14,461,580)
	Less: Extraordinary Items		-	-
V	**Net Cash from Operating Activities (A)**		**48,748**	**(14,461,580)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets		(19,166,785)	(7,173,706)
	Interest Income		593,842	295,316
	Net Cash from/(Used In) Investing Activities (B)		**(18,572,943)**	**(6,878,390)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from Issue of Share Capital Face Value		-	13,680,000
	Proceeds from Issue of Securities Premium		-	34,200,000
	Payment of Share Issue Expenses		-	(2,762,650)
	Repayment of Long Term Bank Borrowings		412,191	(277,850)
	Repayment of Short Term Bank Borrowings		5,564,637	(5,679,756)
	Finance Costs		(1,303,605)	(1,668,365)
	Net Cash from/(Used In) Financing Activities (C)		**4,673,223**	**37,491,379**
	Net Increase/(Decrease) in Cash and Cash Equivalents		**(13,850,974)**	**16,151,409**
	Cash and Cash Equivalents at the Beginning of the Period		**18,020,726**	**1,869,317**

	Cash and Cash Equivalents at the End of the Period		**4,169,753**	**18,020,725**

FOR AND ON BEHALF OF THE BOARD
FELIX INDUSTRIES LIMITED

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

MANAGING DIRECTOR **DIRECTOR**
[RITESH PATEL] **[VINAY PATEL]**
[DIN: 05350896] **[DIN: 08377751]**

UDAY CHANDULAL SHAH **HENA KETAN SHAH**
[CHIEF FINANCIAL OFFICER] **[COMPANY SECRETARY]**

FIROJ G. BODLA
PARTNER
M. NO. 126770

PLACE: AHMEDABAD
DATE: 30TH MAY, 2019

FELIX INDUSTRIES LIMITED, AHMEDABAD. (2018-19)

(FOREMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Conventions :

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

b) Use of Estimates

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

c) Property, Plant & Equipment and Intangible Assets:

The Fixed Assets except land are stated at cost of acquisition/construction (less Accumulated Depreciation, if any). The cost of Fixed Assets 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 Fixed Assets at a value net of GST received/receivable during the year in respect of eligible Capital Goods. Subsequent expenditures on Fixed Assets have been capitalised only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance.

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

The Intangible Assets of Website Design & Development has been recognised at its cost of acquisition less accumulated amortization. On the basis of the availability of the asset for its intended use, relevant contractual agreements and technological changes that may affect the usefulness of the asset, the useful life of the asset had been assumed to be of five years from the date of its acquisition

d)	**Depreciation**
	The Depreciation on Fixed Assets is provided on straight line method for the period of acquisition/construction i.e. from the period from which such assets were available for their intended use on pro-rata basis on the basis of useful life of each of the fixed assets as per Schedule II of the Companies Act, 2013. The intangible assets are amortized on straight line basis over the estimated useful economic life.
e)	**Inventories**
	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.
f)	**Revenue Recognition**
	All income and expenses are accounted on accrual basis. The Company recognised Sale of Goods when it had transferred the property in Goods to the buyer for a price or all significant risks and rewards of ownership had been transferred to the buyer and no significant uncertainty existed as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. The revenue in respect of service contract is recognized based on order/contract with the parties. Interest income is taken into revenue in full on accrual basis and tax deducted at source thereon is treated as advance tax
g)	**Borrowing Costs**
	The borrowing costs incurred during the year have been debited to the Statement of Profit and Loss of the current year.
h)	**Taxes On Income:**
	Taxes on income comprises of deferred tax. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liability has been worked out using the tax rate and tax laws that were in force as on the date of balance sheet.
i)	**Impairment of Assets**
	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.
j)	**Provisions, Contingent Liabilities and Contingent Assets**
	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 resources. As a measure of prudence, the contingent assets are not recognised.
k)	**Cash and Cash Equivalents-For the Purpose of Cash Flow Statements:**
	For the purpose of Cash Flow Statements, cash and cash equivalents include Cash on Hand and Balances with Banks in the Current Account as well as Fixed Deposits account.
l)	**Operating Cycle:**
	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.
m)	**Foreign Currency Transactions**
	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.
n)	**Government Grant/Subsidy:**
	Government Grants/Subsidy available to the Company are accounted on the basis: i) Where there is reasonable assurance that the company will comply with the Conditions attached to them, and ii) where such benefits have been earned by the Enterprise and it is reasonably certain that the ultimate collection will be made. iii) nature of the grant i.e. whether in the nature of capital contribution or in the form of revenue.
o)	**Insurance Claims:**
	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.

p)	**Research and Development:**
	Expenditures on research phase is recognized as an expense when they are incurred. Expenditures on development phase are recognized as an intangible asset if they are likely to generate probable future economic benefits and the cost of the same can be measured reasonably and can be attributed the intangible assets.
q)	**Current/Non-Current Classifications:**
	The Company presents assets and liabilities in the balance sheet 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.

NOTE 29: OTHER NOTES

a) Earings Per Share:

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.

Particulars		For the year ended			
		31st March, 2019		31st March, 2018	
Net Profit After Tax for the period (A)			**(1,13,06,726)**		**25,64,475**
Weighted Average Number of Shares (B)					
I. Opening Balance of Share Outstanding		50,93,000		37,25,000	
No. of Months/Days for which Shares Outstanding		12		12	
Weighted Average			**50,93,000**		**37,25,000**
II. Shares Issued on 05.12.2017		-		13,68,000	
No. of Months/Days for which Shares Outstanding		-		117	
Weighted Average			-		**4,38,510**
Total No. of Weighted Average Shares			**50,93,000**		**41,63,510**
Basic and Diluted Earnings per Share (C) (A/B)			**(2.22)**		**0.62**

b) Related Party Disclosures:

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:

A. List of Related Parties

Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence:

i. Swetsam Stock Holding Private Limited-(Ceased to be related party with effect from 28/02/2019 as the Director who was Director in the Company has resigned with effect from 28/02/2019)

	ii. Felix Nano Synthesis Private Limited			
	iii. Felix Colourant Private Limited			
	iv. Seltron Resources LLP-(Ceased to be related party with effect from 28/02/2019 as the Director who was partner in the firm has resigned with effect from 28/02/2019)			
	Key Management Personnel			
	i. Ritesh V. Patel-Managing Director			
	ii. Sagar S. Shah-Wholetime Director (Resigned With Effect from 28/02/2019)			
	iii. Sweta S. Shah-Director (Resigned With Effect from 28/02/2019)			
	iv. Kashyap S. Shah-Independent Director			
	v. Janesh K. Vyas-Director (Resigned With Effect from 10/06/2018)			
	vi. Mayuri V. Patel-Director			
	vii. Uday C. Shah-CFO			
	viii. Vinay R. Patel-CEO			
	ix. Raxeshbhai Chandravadan Satia- Independent Director			
	x. Hena K. Shah-Company Secretary			
	B. Transaction with Related Parties			
	Nature of Transaction	**Name of the Party**	**2018-19**	**2017-18**
	Loans Taken	Ritesh V. Patel	NIL	45,20,000
		Sagar S. Shah	NIL	6,50,000
	Director/Key Managerial Personnel Remuneration	Ritesh V. Patel	7,20,000	7,20,000
		Sagar S. Shah	5,40,000	5,40,000
		Uday C. Shah	3,60,000	3,60,000
		Hena K. Shah	3,02,500	2,40,685
	Purchase of Fixed Assets	Ritesh V. Patel	95,00,000	NIL
	Outstanding Balances as at the year end-On Account of Remuneration & Others	Ritesh V. Patel	1,10,000 (Cr.)	56,800 (Cr.)
		Uday C. Shah	89,400 (Cr.)	29,800 (Cr.)
		Hena K. Shah	61,152 (Cr.)	22,227 (Cr.)
c)	**Operating Segment**			

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) Intangible Assets Under Development:

The company has designed Waste Water Recycling Process-PEA Effluent during the year being in the form of improved business process which in the opinion of the management of the company will be available for use in the production process or supply of goods or provision of services and from which future economic benefits are expected to flow to the company in the form of revenue generation.

The company had incurred following expenditures for designing and development of Waste Water Recycling Process-PEA Effluent which has been treated as "Intangible Assets Under Development" in the financial statements.

Sr. No.	Particulars	Amount (Rs.)
1.	Technical Personnel and Support Staff Salaries	16,32,000
2.	Materials used in Development Process	1,25,193
3.	Laboratory Charges	58,105
TOTAL …. …. ….		**18,15,298**

e) Debtors From Operating Activities

The company has initiated legal proceedings for recovery against the doubtful debtors amounting to Rs. 2,03,15,705 /- (Previous Year 2,13,15,923/-). 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. 2,03,15,705/- (Previous Year Rs. 2,13,15,923/-).

f) The company was listed on SME Platform of NSE in the financial year 2017-18 and raised funds

	through Initial Public Offer (IPO). The company had applied to office of Industry Commissioner, Gandhinagar for availing financial assistance which is being granted to company's raising capital through SME Exchange. The office of the of Industry Commissioner, Gandhinagar had granted financial assistance of Rs. 5,00,000/- during the year. The amount being in the nature of financial assistance has been reflected as Subsidy Income of the year.
g)	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 Balances Sheet 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).
h)	In the opinion of the Board of Directors, Current Assets & Loans and Advances have a value on realisation in the ordinary course of business equal to the amount at which they are stated in the balance sheet. In the opinion of the Board of Directors, claims receivable against property/goods are realizable as per the terms of the agreement and/or other applicable relevant factors and have been stated in the financial statements at the value which is most probably expected to be realized.
i)	All the balances of debtors and creditors, loans and advances and unsecured loans are subject to confirmation and subsequent reconciliation, if any.
j)	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

(MANAGING DIRECTOR)
(RITESH PATEL)
(DIN:0350896)

(DIRECTOR)
(VINAY PATEL)
(DIN: 08377751)

HENA SHAH
(COMPANY SECRETARY)

UDAY C. SHAH
(CFO)

FOR, S. N. SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO.: 109782W

FIROJ G. BODLA
PARTNER
M. NO. 126770
PLACE : AHMEDABAD
DATE : 30th MAY, 2019

FELIX INDUSTRIES LIMITED

CIN :L40103GJ2012PLC072005

Reg office:208, Devshruti Complex, Opp. Medisurge Hospital Nr. Mithakhali Cross Road, Ellisbridge A'bad -06

Contact No.-079-26463658/59 E-mail-hena.shah@felixindustries.co web: www.felixindustries.co

Form MGT-11 PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

07th Annual General Meeting- Tuesday 24th September, 2019 at 12.30 P.M

CIN	**:**	L40103GJ2012PLC072005
Name of the Company	**:**	FELIX INDUSTRIES LIMITED
Registered office	**:**	208, Devshruti Complex, Opp. Medisurge Hospital Nr. Mithakhali Cross Road, Ellisbridge A'bad -06
Name of the Member(s)	**:**	
Registered Address	**:**	
Email	**:**	
DP ID	**:**	
Folio No,/ Client ID No.	**:**	

I/We, being the member(s) of_____shares of the above named Company, hereby appoint:

Name : _____ Address : _____

_____ E-mail Id : _____

Signature: _____Or falling him/her

Name : _____ Address : _____

_____ E-mail Id : _____

Signature: _____Or falling him/her

Name : _____ Address : _____

_____ E-mail Id : _____

Signature: _____Or falling him/her

(P.T.O)

_____TEAR HERE _____

FELIX INDUSTRIES LIMITED

CIN:L40103GJ2012PLC072005

Reg office:208, Devshruti Complex, Opp. Medisurge Hospital Nr. Mithakhali Cross Road, Ellisbridge A'bad -06

Contact No.-079-26463658/59 E-mail-hena.shah@felixindustries.co web: www.felixindustries.co

ATTENDANCE SLIP

Full name of the Member attending**:**_____

Name of Proxy : _____

I hereby record my presence at the Annual General Meeting being held on **Tuesday 24th day of September, 2019 at 12.30 PM** at the registered office of the Company situated at 208, Devshruti Complex, Opp. Medisurge Hospital Nr. Mithakhali Cross Road, Ellisbridge A'bad -06

Regd. Folio No. _____

DP Id* _____

Client Id* _____ **Member's/Proxy's Signature**

No. of Share held_____ **(To be signed at the time of handling over the slip)**

* Applicable for members holding shares in dematerialised form.

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 06th Annual general meeting of the company, to be held on the **Tuesday 24th day of September, 2019 at 12.30 PM** at the registered office of the Company situated at 208, Devshruti Complex, Opp. Medisurge Hospital Nr. Mithakhali Cross Road, Ellisbridge A'bad -06 Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. Particulars

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2019 and Report of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mrs. Mayuri Vinay Patel (DIN: 05350901) who retires by rotation at this meeting and being eligible, offers herself for re-appointment.

3. To appoint Mr. Vinay Rajnikant Patel (DIN: 08377751) as a Whole Time Director of the company designated as Executive Director of the company and in this regard pass the following resolution as an Ordinary Resolution:

Affix Revenue Stamp

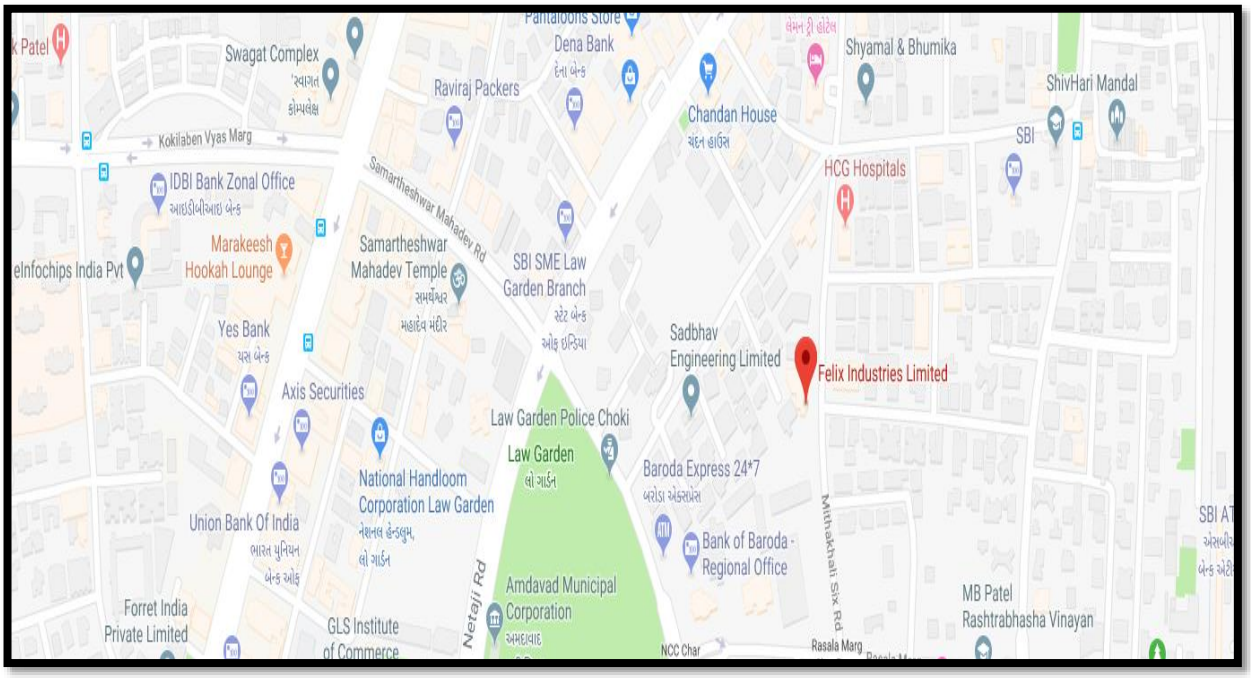
Signed this____day of_____2019

Signature of Member _____

Signature of Proxy holder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

ROUTE MAP FOR AGM
SS-2



FELIX INDUSTRIES LIMITED
208, Devshruti Complex, Opp. Medisurge Hospital Nr. Mithakhali Cross Road, Ellisbridge A'bad -06