



WATER & WASTEWATER DIVISION



E-WASTE DIVISION



INDUSTRIAL PIPING DIVISION



CHEMICAL DIVISION

WWW.felixindustries.co

Felix®



CIN: L40103GJ2012PLC072005

06th October, 2018

To,
The National Stock Exchange of India Limited,
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai-400051

SCRIP SYMBOL: FELIX

Dear Sir/ Madam,

Sub: Submission of Annual Report

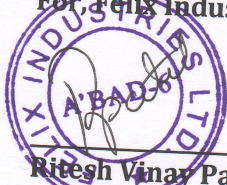
Dear Sir,

With reference to the above captioned subject and pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the soft copy of the Annual Report for the financial year 2017-18 duly approved and adopted by the shareholders of the Company as per the provisions of the Companies Act, 2013, at the 06th Annual general meeting held on 29th September, 2018.

Kindly take the above information on your record.

Thanking You,

Yours Faithfully,
For, Felix Industries Limited



Ritesh Vinay Patel
Managing Director
(DIN- 05350896)

Encl: As stated

FELIX INDUSTRIES LIMITED

REGISTERED / CORPORATE OFFICE :

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

+91 79 2646 3658 / 59

+91 84690 10908

info@felixindustries.co



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FELIX INDUSTRIES LIMITED

Annual Report 2017-18



FELIX INDUSTRIES LIMITED

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

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CORPORATE INFORMATION

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

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. Sagar Samir Shah

Mr. Sagar Samir Shah, Executive Director designated as the Whole-Time Director of the Company, graduated with a Master's of Science in Sustainable Waste Management from University of Central Lancashire, United Kingdom. He is currently a key figure in management and strategic expansion of company through his dedication and commitment resulting in growth of company operations and presence, overseeing important collaborations, strong industry networking, client relations and adding on to the business cycles.

With over 4 years of experience of value adding in the waste, recycling, compliance, high value equipment manufacturing for environmental sectors. He as an individual with a thirst of progress and delivering sustainable solution to industry and public which is underpinned with a solid foundation of educational experience and strategic business ability.

Board of Director's and Key Managerial Personnel:

Name	Designation	Appointment Date	DIN/PAN
Ritesh Vinaybhai Patel	Managing Director	18/09/2012	05350896
Sagar Samir Shah	Wholetime Director	30/08/2016	03082957
Shweta Samir Shah	Director	13/02/2017	03082967
Kashyap Hasmukhlal Shah	Independent Director	10/06/2017	00169746
Janesh Kundanlal Vyas	Independent Director	10/06/2017	03291038
Raxesh Chandravadan Satia	Independent Director	10/06/2017	00577822
Uday Chandulal Shah	Chief Financial Officer	15/05/2017	AFGPS3184L
Vinay Rajnikant Patel	Chief Executive Officer	15/05/2017	ACKPP7907M
Hena Ketan Shah	Company Secretary & Compliance Officer	13/02/2017	EPUPS1507D

Committees:

Audit Committee		Mr. Janesh Kundanlal Vyas(Chairman)
		Mr. Raxesh Chandravadan Satia
		Mr. Sagar Samir Shah
Nomination & Remuneration Committee		Mr. Raxesh Chandravadan Satia (Chairman)
		Mr. Janesh Kundanlal Vyas
		Mrs. Shweta Samir Shah
Stakeholders Relationship Committee		Mr. Kashyap Hasmukhlal Shah (Chairperson)
		Mr. Raxesh Chandravadan Satia
		Mr. Sagar Samir Shah

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 treatment plants
- Drinking water and industrial process water production 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

Felix, along with its techno-alliance partner, GEA Engineering (USA), 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

FRESHTROP FRUITS LIMITED



MEGAFINE SPECIALITY CHEMICALS PRIVATE LIMITED



SHREE SULPHURICS PRIVATE LIMITED



OTHER CORPORATE INFORMATION

REGISTERED OFFICE

208, Devshruti Complex
Opp. Medisurge 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

BANKERS

Bank of Baroda

Contact Details for Investors

HENA SHAH

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

LETTER TO SHAREHOLDERS

Dear Shareholders,

I Ritesh Vinay Patel, Managing Director heartily welcome you all, having joined Felix Industries Limited family with your participation in our maiden public offer. It is my desire and wish that this association of ours, will strengthen our hands in to reach glorious heights.

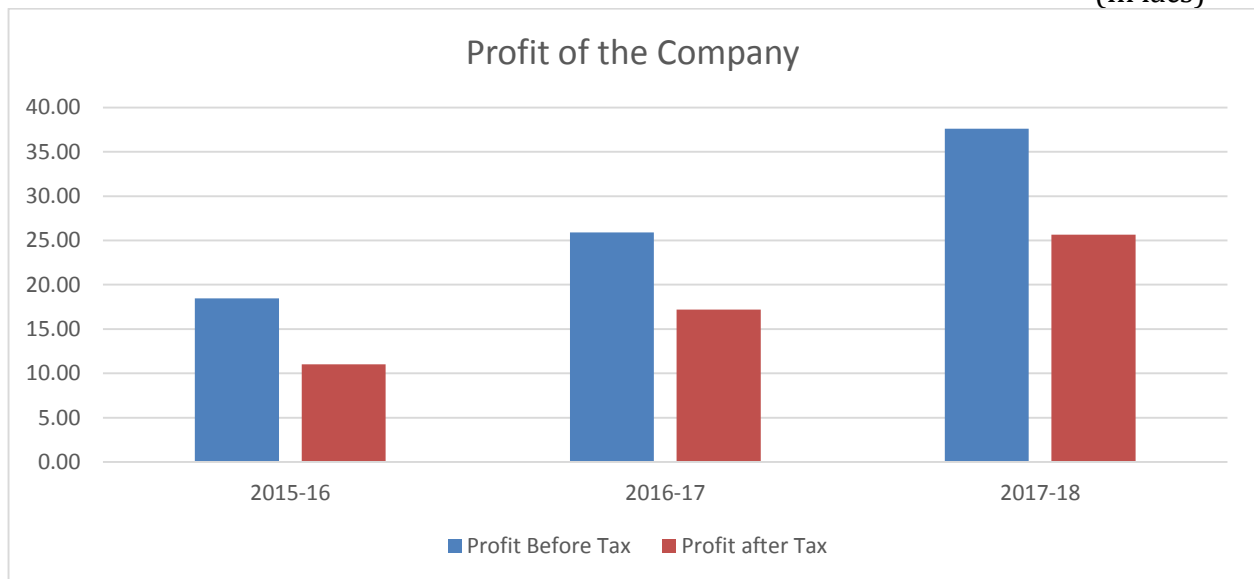
We are fortunate and humbled by the response received for the Initial Public Offer (IPO) of the shares of Felix Industries Limited which was listed in the financial year 2017-18 on 05th December, 2017 on NSE SME Platform.

The support given to the IPO was very heartwarming and I would like to thank all the investors for showing confidence and trust in Management Capabilities of the “ **Felix**” team, our philosophy of fairness and transparency and in our commitment to social initiatives to promote economic and social well-being of the society around us.

FINANCIAL HIGHLIGHTS

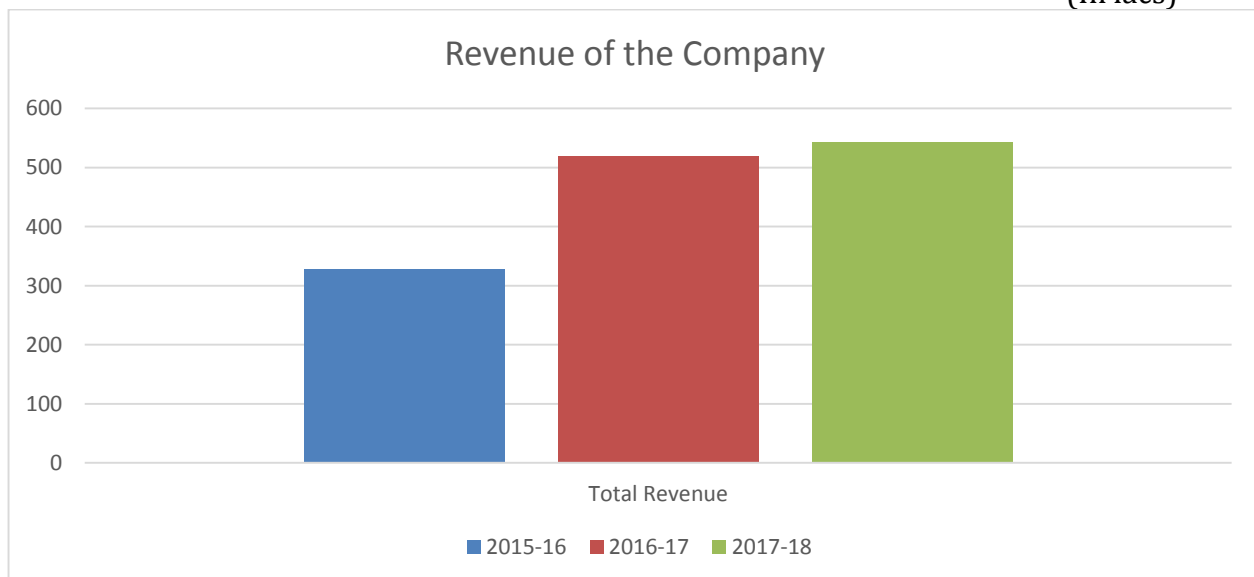
Profit before tax and Profit after Tax

(In lacs)



Total Revenues

(In lacs)



NOTICE

NOTICE is hereby given that the **Sixth (06th)** Annual General Meeting of the Members of the Company will be held on **29th September, 2018** 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:

- i. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 and Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2018 and Report of the Board of Directors and Auditors thereon.
- ii. To appoint a Director in place of **Mr. Sagar Samir Shah (DIN: 03082957)** who retires by rotation at this meeting and being eligible, offers herself for re-appointment.

Regd. office:

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

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

Date: 29/08/2018
Place: Ahmedabad

Ritesh Patel
Managing Director
(DIN: 05350896)

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 **Friday, 21st September 2018 to Saturday 29th September, 2018 (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 2017-18 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 2017-18 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. (Subject to ratification every year).

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 06th 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 06th Annual general Meeting are as follows:

Name	Mr. Sagar Samir Shah
DIN	03082957
Designation	Executive Director
Date of Birth	15/03/1991
Date of Appointment	30/08/2016
Qualifications experience in specific functional area	Graduated with Masters degree in Sustainable Waste Management and having 4 years of experience in E-waste recycling.
Directorship held in other companies*	NIL
Membership / Chairmanships of Committee in other Public Companies	NIL
Relationships between directors <i>inter se</i>	Relative (son) of Mrs. Shweta Samir Shah
Number of shares held in the Company	1898000

*Pvt. Companies excluded

DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the **06th Annual Report** of your Company together with the Audited Statements of Accounts for the financial year ended 31st March, 2018.

I. FINANCIAL RESULTS:

The financial performance of the Company for the year ended 31st March, 2018 is summarized below:

(In Rupees)

Particulars	Year ending on 31 st March, 2018	Year ending on 31 st March, 2017
Sales	5,24,29,454	5,17,25,623
Other Income	18,46,472	1,81,723
Total Income	5,42,75,926	5,19,07,346
Less: Expenditure	5,02,07,889	4,90,20,202
Profit/Loss before interest, depreciation and tax	40,68,037	28,87,144
Less: Interest	-	-
Less: Depreciation & Amortization cost	3,04,863	2,98,208
Profit/ (Loss) before Tax	37,63,174	25,88,936
Less: Tax Expense	11,98,699	8,68,651
Profit/ (Loss) after Tax	25,64,475	17,20,285

II. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

Your directors are pleased to inform that for the year under review, your company has been able to achieve a net turnover of Rs.524.29 lacs in the year 2017-18 as compared to Rs. 517.26 lacs in the year 2016-17.

III. DIVIDEND:

No dividend is being recommended by the Directors for the year ending on 31st March, 2018 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. CHANGE IN THE NATURE OF THE BUSINESS:

During the year, the company has altered the name clause i.e. Clause I of its Memorandum of Association in the Extra- Ordinary General Meeting held on 11th April, 2017 by incorporating therein;

1. Conversion of private limited company to public limited company and the name of the company be hereby changed from **“FELIX INDUSTRIES PRIVATE LIMITED”** to **“FELIX INDUSTRIES LIMITED”**.

During the year, the company has altered the object clause i.e. Clause III (A) of its Memorandum of Association in the Extra- Ordinary General Meeting held on 10th June, 2017 by incorporating therein;

1. To manufacture, import, export, deal in, design, erect, commission, operate, act as technical consultants and provide complete water & waste water solutions using membrane separation technology including pre-treatment and post-treatment of Industrial effluents to recycle and reuse the same by providing maximum recovery and thereby reducing the discharge of the waste water, Effluent Treatment Plants, sewage treatment plants, water treatment plants, and drinking water bottling units, recycling plants, environment management, hazardous waste management, and allied products related to water, air and their treatments and distribution, installation and supply of thermo plastic based industrial pipes, valves, fittings and to provide piping solutions.
2. To carry on the business, whether within or outside India, of collection, segregation, transportation, processing, recycling, treatment and disposal of all types of E-waste – (Electronic Waste only), undertake the use, sale, marketing and/or distribution of all Electronic products and any product that might be part of E-waste category that are generated in the process of treatment or disposal.
3. To promote, own, acquire, construct, erect, maintain, improve, manage, operate, alter, carryon, control, take on lease, advise and render assistance in the construction, erection and maintenance, improvement or working of an industry, company, venture and system or scheme in the area of collection, transportation, processing and disposal of electronic waste only and also take advantage of the benefits available under the clean development mechanism.
4. To carry on the business of creation, developing, designing and promoting mobile & web portals and other web based and web enabled products to encourage E-waste recycling and collection and to create and manage an electronic marketplace by providing participating members a framework for logging in and provide buying, selling, need, availability of E-waste and reusable electronic items

and managing their rewards mechanism for carrying out the EPR – Extended producer responsibility on behalf of the Electronic gadgets and products manufacturer.

VI. CHANGE IN THE SHARE CAPITAL OF THE COMPANY:

During the year under review, the company increased the issued, subscribed and paid up share capital from Rs. 3, 72, 50,000 to Rs. 5, 09, 30,000.

VII. 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.

VIII. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

IX. PUBLIC DEPOSITS:

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

X. MATERIAL CHANGES AND COMMITMENT:

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

XI. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

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

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

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

XIII. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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.

XIV. 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.

XV. RELATED PARTY TRANSACTIONS:

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

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

XVI. 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 2016-17.

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

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

[A] Consumption Of Energy & Technology Absorption:

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

[B] Foreign Exchange Earning & Outgo :

Foreign Exchange Earning: Rs. 20, 53,286

Foreign Exchange Outgo : Rs. 91,13,412

XVIII. APPOINTMENT OF M/S BIGSHARE SERVICES PRIVATE LIMITED AS THE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY:

The Company has appointed M/s. Big Share Services Pvt. Ltd. in its meeting held on 10th May, 2017 and passed the following resolution:

“RESOLVED THAT the Company appoints M/s. Bigshare Services Pvt. Ltd as the Registrar & Transfer Agent (RTA) for the Depository upon such terms and conditions as may be approved.”

XIX. 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	11	11
Mr. Sagar Samir Shah	Whole Time Director	Promoter Executive	11	11
Mrs. Shweta Samir Shah	Director	Non- Executive	11	11
Mr. Raxesh Satia ⁽¹⁾	Director	Non-Executive Independent	11	8
Mr. Kashyap Shah ⁽²⁾	Director	Non-Executive Independent	11	8
Mr. Janesh Vyas ⁽³⁾	Director	Non-Executive Independent	11	6

(1) Mr. Raxesh Satia was appointed as on 10th June, 2017.

(2) Mr. Kashyap Shah was appointed as on 10th June, 2017.

(3) Mr. Janesh Vyas was appointed as on 10th June, 2017.

ii. Appointment

During the year the following directors were appointed:

(1) Mr. Raxesh Satia (DIN: 00577822) has been appointed as an Independent Director of the Company w.e.f 10th June, 2017.

(2) Mr. Kashyap Shah (DIN: 00169746) has been appointed as an Independent Director of the Company w.e.f 10th June, 2017.

(3) Mr. Janesh Vyas (DIN: 03291038) has been appointed as an Independent Director of the Company w.e.f 10th June, 2017.

During the year following KMP were appointed:

- (1)** Mr. Vinay Patel has been appointed as a Chief Executive Officer of the company w.e.f 15th May, 2017.
- (2)** Mr. Uday Shah has been appointed as a Chief Financial Officer of the company w.e.f 15th May, 2017.

iii. Change in Designation

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

- (1)** Mrs. Shweta Samir Shah (DIN: 03082967) has been appointed as a Director of the company w.e.f 11th April, 2017.

iv. Retirement by rotation and subsequent re-appointment:

Mr. Sagar Samir Shah (DIN: 03082957) 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 the re-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 06th AGM of your Company.

v. 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).

Mr. Janesh Vyas (DIN: 03291038) 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).

vi. Evaluation of Board's Performance:

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

XX. NUMBER OF MEETINGS OF THE BOARD

The Company had conduct 11 (Eleven) Board meetings during the financial year 2017-18 under review on:

- 10th May, 2017, 15th May 2017, 30th May, 2017, 27th June 2017, 11th July, 2017, 24th August 2017, 25th October, 2017, 16th November 2017, 30th November 2017, 02nd February 2018 and 20th February, 2018.

XXI. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2018, 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 31st March, 2018 and of the profit and loss of the Company for the financial year ended 31st March, 2018;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;

- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

XXII. EXTRACT OF ANNUAL RETURN:

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

XXIII. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:

[A] AUDIT COMMITTEE:

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

The audit committee was constituted in the board meeting held on 27th June, 2017. 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. Janesh Vyas	Independent Director	Chairman	01	01
2.	Mr. Raxesh Satia	Independent Director	Member	01	01
3.	Mr. Sagar Shah	Executive Director	Member	01	01

The Audit Committee had 01 meetings -30th March, 2018 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 meeting held on 27th June, 2017. The composition of the 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
1.	Mr. Raxesh Chandravadan Satia	Independent Director	Chairman
2.	Mr. Janesh Kundanlal	Independent Director	Member

	Vyas		
3.	Mrs. Shweta Samir Shah	Non-Executive Director	Member

➤ **Terms of reference:**

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

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

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

[C] STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

The Stakeholders Relationship Committee was constituted in the meeting held on 27th June, 2017. The composition of the Committee is in conformity with the provisions of the said section

➤ **Composition:**

The details of composition of Stakeholders Relationship Committee shall comprise;

Sr. No.	Name	Designation	Position In Committee
1.	Mr. Kashyap Hasmukhlal Shah	Independent Director	Chairperson

2.	Mr. Raxesh Chandravadan Satia	Independent Director	Member
3.	Mr. Sagar Samir Shah	Executive Director	Member

➤ **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, 2017 are NIL.

➤ **Compliance Officer :**

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

XXIV. AUDITORS:

[A] Statutory Auditors:

M/s. S.N Shah & Associates, Chartered Accountants, Ahmedabad were appointed as Statutory Auditors at the Extra Ordinary General Meeting held on 11th April, 2017 to hold office till the conclusion of 05th Annual General Meeting and further was re-appointed 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 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, 2018 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-E**”.

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.

XXV. CORPORATE GOVERNANCE

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

XXVI. 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.

XXVII. 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.

XXVIII. 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-F" to this report.

XXIX. 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.

XXX. LISTING:

Your Directors are pleased to inform you that in the financial year 2017-18 the company had issued and allotted 13,68,000 Equity Shares of Rs. 10/- each at a price of Rs. 35/- per share (including premium of Rs. 25/- per share) to public through Initial Public Offer (IPO) and its equity shares were listed on SME platform of NSE (EMERGE) on 05/12/2017.

As on date of this report, the shares of the company are listed on SME platform of NSE (NSE EMERGE) and the company has paid annual listing fees for the year 2018-19.

XXXI. 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.

XXXII. 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.

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

Date: 29/08/2018
Place: Ahmedabad

Ritesh Patel
Managing Director
(DIN: 05350896)

“Annexure A”

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

Sr. No.	Requirements	Disclosure	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD	4.00 times
		WTD	4.00 times
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD	0 %
		WTD	100%
		CS	38.89 %
III.	The percentage increase in the median remuneration of employees in the financial year	No Increase	
IV.	The number of permanent employees on the rolls of the Company as on 31 st March, 2018	31	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

“ANNEXURE - B”

CONSERVATION OF ENERGY

The information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 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 and better use of natural lighting,
 - (ii) Reduction of energy loss, and
 - (iii) Replacement of outdated energy intensive equipment.
- d) The Company has not specific Research and Development Department. However, the Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.

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

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

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

Capital Investment made in the year towards energy conservation: NIL

TECHNOLOGY ABSORPTION:

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

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

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

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

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

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

b) The year of import: N.A

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

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

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

“Annexure-C”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018
[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 1 st 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	17%

3.	Non-Specialized Wholesale Trade (trading of Pipes)	46909	32%
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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 (01/04/2017)				No. of Shares held at the end of the year (31/03/2018)				% 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	100	3725000	-	3725000	73.13	(26.87)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI									
f) Any other...									
Sub-total (A) (1):-	-	3725000	3725000	100	3725000	-	3725000	73.13	(26.87)
(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	100	3725000	-	3725000	73.13	(26.87)
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	3.06
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	632000	-	632000	12.41	12.40
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	456000	-	456000	8.95	8.95
c) Others (specify)									
i) Non Resident Repatriates	-	-	-	-	-	-	-	-	-

ii) Non Resident Non Repatriates	-	-	-	-	-	-	-	-	-
iii) Clearing Members	-	-	-	-	124000	-	124000	2.43	2.43
Sub-total (B)(2):-	-	-	-	-	1368000	-	1368000	26.85	26.85
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	1368000	-	136800	26.85	26.85
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	3725000	3725000	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	
1	Ritesh Vinay Patel	1738000	46.66	-	1738000	34.12	-	(12.54)
2	Sagar Samir Shah	1898000	50.95	-	1898000	37.26	-	(13.69)
3	Mayuri Vinay Patel	85000	2.27	-	85000	1.67	-	(0.6)
4	Vinay Rajnikant Patel	1000	0.03	-	1000	0.02	-	(0.01)
5	Samir R. Shah	1000	0.03	-	1000	0.02	-	(0.01)
6	Shweta Samir Shah	1000	0.03	-	1000	0.02	-	(0.01)
7	Charmi Praful Ramani	1000	0.03	-	1000	0.02	-	(0.01)
	Total	3725000	100.00	-	3725000	73.13	-	(26.87)

*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	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
	For Each Of the Promoters'						
	At the beginning of the year	3725000	100			3725000	100
	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

* Due to increase in Subscribed and paid up share capital of the company brought out an IPO in the financial year 2017-18.

(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	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
1.	Jayanti Dayabhai Patel						
	At the beginning of the year	-	-			-	-
	Increase as on 08/12/2017			32000	Transfer	32000	0.63
	Increase as on 05/01/2018			16000	Transfer	48000	0.94
	Increase as on 12/01/2018			44000	Transfer	92000	1.81
	Increase as on 26/01/2018			8000	Transfer	100000	1.96
	At the end of the year	100000	1.96			100000	1.96
2.	Monarch Network Capital Limited						

	At the beginning of the year	-	-				
	Increase as on 29/11/2017			72000	Transfer	72000	1.41
	Increase as on 08/12/2017			12000	Transfer	84000	1.65
	Decrease as on 15/12/2017			(12000)	Transfer	72000	1.41
	Increase as on 26/01/2018			4000	Transfer	76000	1.49
	Increase as on 02/02/2018			4000	Transfer	80000	1.57
	Increase as on 09/02/2018			8000	Transfer	88000	1.73
	Decrease as on 16/02/2018			(4000)	Transfer	84000	1.65
	Increase as on 09/03/2018			12000	Transfer	96000	1.88
	Increase as on 16/03/2018			4000	Transfer	100000	1.96
	At the end of the year	100000	1.96			100000	1.96
3.	Ans Pvt Limited						
	At the beginning of the year	-	-				
	Increase as on 05/01/2018			4000	Transfer	4000	0.08
	Decrease as on 12/01/2018			(4000)	Transfer	0	0.00
	Increase as on 09/02/2018			28000	Transfer	28000	0.55
	Increase as on 16/02/2018			4000	Transfer	32000	0.63
	Increase as on 23/02/2018			4000	Transfer	36000	0.71
	Increase as on 02/03/2018			4000	Transfer	40000	0.79
	Decrease as on 09/03/2018			(4000)	Transfer	36000	0.71
	Increase as on 16/03/2018			16000	Transfer	52000	1.02
	Increase as on 23/03/2018			16000	Transfer	68000	1.34
	Increase as on 30/03/2018			12000	Transfer	80000	1.57
	At the end of the year	80000	1.57			80000	1.57
4.	Indravadan J Mehta						
	At the beginning of the year	-	-				
	Increase as on 15/12/2017			28000	Transfer	28000	0.55
	Increase as on 22/12/2017			4000	Transfer	32000	0.63
	Increase as on 26/01/2018			6232	Transfer	38232	0.75
	Increase as on 02/02/2018			2205	Transfer	40437	0.79
	Increase as on 02/03/2018			7563	Transfer	48000	0.94
	At the end of the year	48000	0.94			48000	0.94
5.	Heena Vipul Vora						
	At the beginning of the year	-	-				
	Increase as on 29/11/2017			56000	Transfer	56000	1.10
	Decrease as on 01/12/2017			(56000)	Transfer	0	0.00
	Increase as on 08/12/2017			56000	Transfer	56000	1.10
	Decrease as on 15/12/2017			(20000)	Transfer	36000	0.71
	At the end of the year	36000	0.71			36000	0.71

6.	Jayshree Rajesh Shah						
	At the beginning of the year	-	-				
	Increase as on 15/12/2017			8000	Transfer	8000	0.16
	Increase as on 05/01/2018			24000	Transfer	32000	0.63
	At the end of the year	32000	0.63			32000	0.63
7.	Mansi Munjal Patel						
	At the beginning of the year	-	-				
	Increase as on 29/11/2017			4000	Transfer	4000	0.08
	Decrease as on 01/12/2017			(4000)	Transfer	0	0.00
	Increase as on 08/12/2017			24000	Transfer	24000	0.47
	At the end of the year	24000	0.47			24000	0.47
8.	Nidhi Mahendrabhai Patel						
	At the beginning of the year	-	-				
	Increase as on 29/11/2017			4000	Transfer	4000	0.08
	Decrease as on 01/12/2017			(4000)	Transfer	0	0.00
	Increase as on 08/12/2017			24000	Transfer	24000	0.47
	At the end of the year	24000	0.47			24000	0.47
9.	Kailashben Mahendrabhai						
	At the beginning of the year	-	-				
	Increase as on 29/11/2017			4000	Transfer	4000	0.08
	Decrease as on 01/12/2017			(4000)	Transfer	0	0.00
	Increase as on 08/12/2017			24000	Transfer	24000	0.47
	At the end of the year	24000	0.47			24000	0.47
10.	Mahendrabhai Gulabdas Patel						
	At the beginning of the year	-	-				
	Increase as on 29/11/2017			4000	Transfer	4000	0.08
	Decrease as on 01/12/2017			(4000)	Transfer	0	0.00
	Increase as on 08/12/2017			4000	Transfer	4000	0.08
	Increase as on 15/12/2017			2000	Transfer	24000	0.47
	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	
		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	46.66			1738000	34.12

	No changes during the year						
	At the end of the Year	1738000	46.66			1738000	34.12
2.	Sagar Samir Shah						
	At the beginning of the year	1898000	50.95			1898000	37.26
	No changes during the year						
	At the end of the Year	1898000	50.95			1898000	37.26
3.	Shweta Samir Shah						
	At the beginning of the year	-	-			-	-
	Increase as on 13/02/2017			1000	Transfer		
	At the end of the Year	-	-			1000	0.03

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	10820900	72333	-	10893233
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10820900	72333	-	10893233
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	5938701	18905	-	5957606
Net Change	5938701	18905	-	5957606
Indebtedness at the end 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

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	540000	1260000
	(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			Nil
	- as % of profit	-		
	- Others, specify...	-		
5.	Others, please specify	-		Nil
	Total (A)	720000	540000	1260000
	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	
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 Non-Executive Directors	✓	-	-	-	-

	Fee for attending board committee meetings	NIL	-	-	-	-
	Commission	NIL	-	-	-	NIL
	Others, please specify (Salary)	NIL	-	-	-	NIL
	Total (2)	NIL	-	-	-	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	100000/- per meeting	100000/- per meeting	100000/- per meeting	100000/- per meeting	-

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CFO	CEO	CS	
		Uday Shah	Vinay Patel	Hena Shah	
1.	Gross salary (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			NIL		
Punishment					
Compounding					
C.OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Regd. office:

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

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

Date: 29/08/2018

Place: Ahmedabad

Ritesh Patel
Managing Director
(DIN: 05350896)

“Annexure D”

Nomination and Remuneration Policy

INTRODUCTION

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

CONSTITUTION OF COMMITTEE

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

OBJECTIVE

The key objectives of the Committee would be:

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

DEFINITIONS

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

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means

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

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

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

A. Appointment criteria and qualifications

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

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

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

B. Term / Tenure

➤ Managing Director/Whole-time Director:

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

➤ Independent Director:

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

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent

Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

C. Evaluation

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

D. Removal

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

RETIREMENT

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

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

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

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

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

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

The Non-Executive Directors shall not be eligible to receive any remuneration/ salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be

decided by the Board/Shareholders from time to time, presently the Company is not paying any sitting fee. They shall also be eligible for reimbursement of out of pocket expenses for attending Board/ Committee Meetings.

DUTIES IN RELATION TO NOMINATION MATTERS

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

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

DUTIES IN RELATION TO REMUNERATION MATTERS:

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

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

REVIEW AND AMENDMENTS:

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

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

Regd. office:

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

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

Date: 29/08/2018
Place: Ahmedabad

Ritesh Patel
Managing Director
(DIN: 05350896)

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2018
[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, 2018** ('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, 2018** 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.
- 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 during the audit period the Company has issued 13,68,000 equity share of Rs.10/- each at a price of Rs.35/- per share (including premium of Rs. 25/- per share) through

Initial Public Offer (IPO) and listed its equity shares on SME platform of National Stock Exchange (NSE Emerge) on 05th December, 2017.

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: 29/08/2018
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: 29/08/2018
Place: Ahmedabad

“ANNEXURE-F”

MANAGEMENT DISCUSSION & ANALYSIS REPORT

i) **Industry Structure and Development**

The Management team comprising one of the Managing Director is looking after day to day management of the company. The waste-water recycling sector is good in comparison to last year and the management sees the development of this sector. The central as well as State Government is taking adequate steps for the development of waste-water and e-waste industry and such steps will generate positive business growth for this sector.

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 put all efforts to increase the business of the company.

iii) **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.

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

The Financial performance of the Company for the year **2017-18** is described in the Directors' Report under the head overview of Company's financial performance.

v) **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.

vi) **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
For, **Felix Industries Limited**

Ritesh Patel
Managing Director
(DIN: 05350896)

Date: 29/09/2018
Place: Ahmedabad

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
FELIX INDUSTRIES LIMITED
(Formerly Known As Felix Industries Private Limited)
AHMEDABAD.

REPORT ON THE FINANCIAL STATEMENTS:

We have audited the accompanying financial statements of FELIX INDUSTRIES LIMITED, which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION:

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. In the case of the Balance Sheet of the state of the affairs of the company as at 31st March 2018;

- ii. In the case of Statement of Profit & Loss of PROFIT for the year ended on that date
AND
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on
that date.

EMPHASIS OF MATTER:

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

- I. Notes No.30(e) relating to the non-provision for doubtful debts amounting to Rs.
2,13,15,923 /-

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, 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, Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss & Cash Flow Statement comply with the Accounting Standards specified under section of 133 of The Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;
 - 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, 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, 2018 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**

**PLACE: AHMEDABAD
DATED: 30th MAY, 2018**

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

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to 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, 2018:

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 has maintained proper 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 asset. 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.

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/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 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., VAT/CST, Service Tax, GST, Employee Provident Fund, ESIC and other material statutory dues applicable to it. There has been no outstanding as at 31st March, 2018 of undisputed liabilities outstanding for more than six months except TDS of Rs. 70,000/-.
 - 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, 2018 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. The company has raised moneys by way of initial public offer of Equity Shares during the year. In our opinion and according to the information and explanations given to us, the moneys raised through initial public offer of Equity

Shares have been applied by the Company for the purpose for which they were raised.

In our opinion and according to the information and explanations given to us, the company has not taken any term loan from banks or financial institutions during the year.

- x. According to the information and explanations given to us, no material fraud by the company or on the company by its Officers or Employees has been noticed or reported to us by the management during the year.
- xi. In our opinion and according to the information and explanations given to us, the company had paid/provided managerial remuneration in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.
- xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it.
- xiii. According to the information and explanations given to us, the company is in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013, where applicable, for related party transactions and the details of related party transactions have been disclosed in the Notes to the Financial Statements in accordance with the applicable Accounting Standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, clause (xiv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.
- xv. According to the information and explanations given to us, the company has not entered into any non cash transaction with directors or persons connected with them and hence clause (xv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.

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

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

**PLACE: AHMEDABAD
DATED: 30th MAY, 2018**

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

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

[REFERRED TO IN PARAGRAPH 1(f) UNDER “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS SECTION OF OUR REPORT OF EVEN DATE]

FINANCIAL YEAR ENDED 31ST MARCH 2018

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, 2018 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 management 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, 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**PLACE: AHMEDABAD
DATED: 30th MAY, 2018**

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

FELIX INDUSTRIES LIMITED
(FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)
BALANCE SHEET AS AT 31ST MARCH 2018

SR. NO.	PARTICULARS	Note No	AS AT		AS AT	
			31-Mar-18		31-Mar-17	
I.	EQUITY AND LIABILITIES					
1	SHAREHOLDER'S FUND					
	(a) Share Capital	2	50,930,000		37,250,000	
	(b) Reserves and Surplus	3	38,653,986		1,886,678	
				89,583,986		39,136,678
2	NON-CURRENT LIABILITIES					
	(a) Long-Term Borrowings	4	507,868		785,718	
	(b) Deferred Tax Liabilities (Net)	5	61,918		-	
				569,786		785,718
3	CURRENT LIABILITIES					
	(a) Short-Term Borrowings	6	4,427,759		10,107,516	
	(b) Trade Payables	7	6,418,274		9,835,969	
	(c) Other Current Liabilities	8	803,373		1,490,630	
	(d) Short-Term Provisions	9	1,049,264		903,321	
				12,698,670		22,337,436
	TOTAL			102,852,442		62,259,832
II.	ASSETS					
1	NON CURRENT ASSETS					
	(a) FIXED ASSETS	10				
	(i) Tangible Assets		15,696,022		8,827,178	
	(ii) Intangible Assets		-		-	

			15,696,022		8,827,178	
	(b) Deferred Tax Assets (Net)	11	-		87,517	
	(c) Long Term Loans and Advances	12	518,800		40,000	
	(d) Other Non-Current Assets	13	2,637,376		568,445	
				18,852,198		9,523,140
2	CURRENT ASSETS					
	(a) Inventories	14	8,239,073		9,377,469	
	(b) Trade Receivables	15	48,483,419		38,335,639	
	(c) Cash and Cash Equivalents	16	18,020,726		1,869,317	
	(d) Short-Term Loans and Advances	17	8,989,377		3,154,268	
	(e) Other Current Assets	18	267,650		-	
				84,000,245		52,736,692
	TOTAL			102,852,442		62,259,832
				(0)		0
III.	OTHER NOTES ON FINANCIAL STATEMENTS	27 to 30				
III.	SIGNIFICANT ACCOUNTING POLICIES	1				

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

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

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

**EXECUTIVE DIRECTOR
[SAGAR SHAH]
[DIN: 03082957]**

**UDAY CHANDULAL SHAH
[CHIEF FINANCIAL OFFICER]
PLACE: AHMEDABAD
DATE: 30TH MAY, 2018**

**HENA KETAN SHAH
[COMPANY SECRETARY]**

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

FELIX INDUSTRIES LIMITED
(FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)
STATEMENT OF PROFIT & LOSS AS ON 31ST MARCH, 2018

SR. NO.	PARTICULARS	Note No	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
I.	REVENUE FROM OPERATIONS	19	52,429,454		51,725,623
II.	OTHER INCOME	20	1,846,472		181,723
III.	TOTAL REVENUE (I +II)			54,275,926	51,907,346
IV.	EXPENSES				
1	Purchase of Stock-in-Trade	21	31,408,537		38,944,742
2	Changes in inventories of Finished Goods	22	1,138,396		(3,297,643)
3	Employee Benefit Expense	23	8,850,501		6,422,441
4	Financial Costs	24	1,668,365		1,775,043
5	Depreciation and Amortization Expense	25	304,863		298,208
6	Other Expenses	26			
	Manufacturing Expenses		2,730,554		2,139,532
	Administrative, Selling & Other Expenses		4,411,536		3,036,087
			7,142,090		5,175,619
	TOTAL EXPENSES			50,512,752	49,318,410
V.	PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS & TAX (III - IV)			3,763,174	2,588,936
VI.	EXCEPTIONAL ITEMS			-	-
VII.	PROFIT BEFORE TAX (V-VI)			3,763,174	2,588,936
VIII.	TAX EXPENSES:				
	(1) Current Tax		(1,049,264)		(847,871)
	(2) Deferred Tax		(149,435)		(20,780)
				(1,198,699)	(868,651)

IX.	PROFIT(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS (VII-VIII)			2,564,475	1,720,285
X.	EARNING PER EQUITY SHARE				
	(1) Basic			0.62	1.18
	(2) Diluted			0.62	1.18
XI.	OTHER NOTES ON FINANCIAL STATEMENTS	27 to 30			
XII.	SIGNIFICANT ACCOUNTING POLICIES	1			

FOR AND ON BEHALF OF THE BOARD
FELIX INDUSTRIES LIMITED

MANAGING DIRECTOR
[RITESH PATEL]
[DIN: 05350896]

EXECUTIVE DIRECTOR
[SAGAR SHAH]
[DIN: 03082957]

UDAY CHANDULAL SHAH
[CHIEF FINANCIAL OFFICER]
PLACE: AHMEDABAD
DATE: 30TH MAY, 2018

HENA KETAN SHAH
[COMPANY SECRETARY]

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

FIROJ G. BODLA
PARTNER
M. NO. 126770

FELIX INDUSTRIES LIMITED
(FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

	Indirect Method	(Amount in Rs.)	
SR.		Year Ended	Year Ended
NO.	Particulars	31-Mar-18	31-Mar-17
A	CASH FLOW FROM OPERATING ACTIVITIES		
I	Net Profit before Taxation and Extraordinary Items	3,763,174	2,588,936
	Adjustments for :		
	Add : Depreciation	304,863	298,208
	Finance Costs	1,668,365	1,586,083
	Preliminary Expenses Written off	693,719	141,189
	Fixed Assets Written off	-	539
	Prior Period Income (Net)	2,833	
	Less : Interest Income	(295,316)	-
II	Operating Profit before Working Capital Changes	6,137,638	4,614,955
	Adjustments for :		
	Less:		
	Increase in Trade Receivables	(10,147,780)	(13,451,074)
	Increase in Inventories	-	(3,297,643)
	Increase in Short Term Loans & Advances	(5,915,990)	(1,438,131)
	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	(687,256)	(1,965,013)
	Decrease in Provisions	(754,051)	(1,780,055)
	Add:		
	Decrease in Inventories	1,138,396	-
	Increase in Trade Payables		

		-	845,249
	Decrease in Other Current Assets	-	15,057
	Increase in Other Current Liabilities	-	-
III	Cash Generated from Operations	(14,393,188)	(16,456,655)
	Less : Income Taxes Paid	(68,392)	(135,068)
IV	Cash Flow before extraordinary items	(14,461,580)	(16,591,723)
	Less: Extraordinary Items	-	-
V	Net Cash from Operating Activities (A)	(14,461,580)	(16,591,723)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(7,173,706)	(7,238,948)
	Proceeds of Sale/Reversal of Fixed Assets	-	100,000
	Interest Income	295,316	-
	Net Cash from/(Used In) Investing Activities (B)	(6,878,390)	(7,138,948)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Issue of Share Capital Face Value	13,680,000	33,000,000
	Proceeds from Issue of Securities Premium	34,200,000	
	Payment of Share Issue Expenses	(2,762,650)	(687,500)
	Proceeds from Long Term Borrowings	-	-
	Repayment of Long Term Bank Borrowings	(277,850)	(252,042)
	Repayment of Long Term Unsecured Loans	-	(4,279,754)
	Repayment of Short Term Bank Borrowings	(5,679,756)	(1,003,211)
	Finance Costs	(1,668,365)	(1,586,083)
	Net Cash from/(Used In) Financing Activities (C)	37,491,379	25,191,410
	Net Increase/(Decrease) in Cash and Cash Equivalents	16,151,409	1,460,739

	Cash and Cash Equivalents at the Beginning of the Period	1,869,317	408,578
	Cash and Cash Equivalents at the End of the Period	18,020,726	1,869,317

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

FOR AND ON BEHALF OF THE BOARD
FELIX INDUSTRIES LIMITED

MANAGING DIRECTOR
[RITESH PATEL]
[DIN: 05350896]

EXECUTIVE DIRECTOR
[SAGAR SHAH]
[DIN: 03082957]

FIROJ G. BODLA
PARTNER
M. NO. 126770
PLACE: AHMEDABAD
DATE: 30TH MAY, 2018

UDAY CHANDULAL SHAH
[CHIEF FINANCIAL OFFICER]
PLACE: AHMEDABAD
DATE: 30TH MAY, 2018

HENA KETAN SHAH
[COMPANY SECRETARY]

FELIX INDUSTRIES LIMITED
(FORMERLY KNOWN AS FELIX INDUSTRIES PRIVATE LIMITED)
Notes "1" to "30" on Financial Statements for the Year Ended 31st March, 2018

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

a)	<p>Accounting Conventions :</p> <p>The Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 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.</p>
b)	<p>Use of Estimates</p> <p>The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relates.</p>
c)	<p>Fixed Assets :</p> <p>The Fixed Assets 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 CENVAT/VAT/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.</p>
d)	<p>Depreciation</p> <p>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.</p>

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 CENVAT/VAT/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.
g)	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.
h)	Borrowing Costs
	The borrowing costs incurred during the year have been debited to the Statement of Profit and Loss of the current year.
i)	Taxes On Income:
	Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. 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.
j)	Impairment of Assets
	As at each balance sheet date, the carrying values of assets are reviewed for impairment if any indication of impairment exists.

k)	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.
l)	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.
m)	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.

NOTE 2: SHARE CAPITAL

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
	EQUITY SHARES				
2.1	AUTHORISED				
	Authorised Capital 52,00,000 Shares of Rs. 10/- each at par		52,000,000		52,000,000
	(Previous Year 52,00,000 Shares of Rs. 10/- each at par)				
2.2	Issued, Subscribed and Paid Up Capital				
	50,93,000 Shares of Rs. 10/= each fully paid up		50,930,000		37,250,000
	(Previous Year 37,25,000 Shares of Rs. 10/= each fully paid up)				
	TOTAL		50,930,000		37,250,000
2.3	Reconciliation of Number Shares Outstanding at the beginning and at the end of the period				
	Outstanding As At The Beginning Of The				

	Year		3,725,000		250,000
	Add: Equity Share Allotted as Bonus Shares on 31.08.2016 by Capitalisation of Carried Forward Balance of Profit & Loss		-		175,000
	Add: Equity Shares Allotted As Fully Paid Up For Consideration Received In Cash (IPO)		1,368,000		3,300,000
	Outstanding As At The End Of The Year		5,093,000		3,725,000
2.4	Details of Shareholder Holding 5% or More Shares in the Company				
	Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017	
		No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
	Ritesh V. Patel	1,738,000	34.13%	1,738,000	46.66%
	Sagar Samir Shah	1,898,000	37.27%	1,898,000	50.95%
	TOTAL	3,636,000	71.39%	3,721,000	99.89%

NOTE 3: RESERVE & SURPLUS

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
3.1	Securities Premium				
	Balance as at the beginning of the year				
	Add: Additions during the year	34,200,000		-	
	Less: Withdrawals/Deductions during year	-		-	
	Balance as at the end of the year		34,200,000		-
3.2	Profit & Loss Statement Surplus				
	Balance as at the beginning of the year	1,886,678		1,916,393	
	Add: Profit/(Loss) During The Year	2,564,475		1,720,285	

	Add/(Less) Prior Period Items	2,833		-	
	Less: Approtioned For Issue of Bonus Shares	-		(1,750,000)	
	Balance Carried to Balance Sheet		4,453,986		1,886,678
	TOTAL		38,653,986		1,886,678

NOTE 4 : LONG TERM BORROWINGS

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
I.	SECURED				
	Vehicle Loan				
	ICICI Bank Limited		507,868		785,718
	(Secured By Hypothecation of Vehicles)				
	TOTAL		507,868		785,718

NOTE 5 : DEFERRED TAX LIABILITIES

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
	Opening Balance		(87,517)		-
	Add: Deferred Tax Liabilities-Relating to Fixed Assets		149,435		-
	TOTAL		61,918		-

NOTE 6 : SHORT TERM BORROWINGS

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
I.	SECURED				
	Working Capital Loan:				
	From Bank of Baroda C.C. A/c. No. 297650500000027		4,374,331		10,035,182

	(Nature of Security)*				
	(Guaranteed by Directors & Others)**				
	(Terms of Repayment)***				
	(Period of default)****				
II.	UNSECURED				
	From Directors /Shareholders & Their Associates	-		18,905	
	Inter Corporate Loans	53,428		53,428	
			53,428		72,333
	TOTAL		4,427,759		10,107,516

*	Nature of Security				
-	Secured by Hypothecation of Stock and Book Debts of the Company.				
-	Secured by Mortgage of Office No. 208, Dev Shruti Complex, Opp. Medisurge Hospital, Near Mithakhali Cross Road, Ellisbridge, Ahmedabad.				
**	Outstanding balances of working capital secured by personal/corporate guarantees of the following:				
-	Directors				
	Mr. Ritesh V. Patel				
	Mr. Sagar Shah				
-	Others				
	Mrs. Mayuri V. Patel				
**	Terms of Repayment				
	To be Repaid on Demand				
**					
*	Nature of Default, If Any				
	No Default as on the Balance Sheet Date.				

NOTE 7: TRADE PAYABLES

SR. NO.	PARTICULARS		AS AT 31-Mar- 18		AS AT 31-Mar- 17
1	Sundry Creditors for Goods				
	-Others *	5,106,440		6,072,094	
	*(Refer to Note No. 30(d)		5,106,440		6,072,094
2	Sundry Creditors for Other Expenses/Capital Goods				
	-Others*	1,311,834		3,763,875	
	*(Refer to Note No. 30(d)		1,311,834		3,763,875
	TOTAL		6,418,274		9,835,969

NOTE 8: OTHER CURRENT LIABILITIES

SR. NO.	PARTICULARS		AS AT 31-Mar- 18		AS AT 31-Mar- 17
I	Current Maturities of Long Term Debts				
	Vehicle Loan:				
	From ICICI Bank	252,042		252,042	
			252,042		252,042
II	Advances from Customers		183,957		1,127,414
III	Other Payables-Statutory Liabilities				
	- TDS Payable	278,094		106,624	
	- PF Payable	71,138		-	
	- ESIC Payable	11,702		-	
	- Employee Professional Tax	6,440		4,550	
			367,374		111,174
	TOTAL		803,373		1,490,630

NOTE 9: SHORT TERM PROVISIONS

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
1	Provision for Income Tax		1,049,264		847,871
2	Provision for Expenses		-		55,450
	TOTAL		1,049,264		903,321

NOTE "10" : FIXED ASSETS

Sr. No	Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01 st April, 2017	Addition during the year	Sold/Adj't during the year	As at 01 st March, 2018	Upto 31 st March, 2017	For the year	Adjustment during the year	Upto 31 st March, 2018	As At 31 st March, 2018	As at 31 st March, 2017
I.	TANGIBLE ASSETS										
	OWNED										
1	Freehold Land At Lambha	7,172,650		-	7,172,650	-	-		-	7,172,650	7,172,650
2	Factory Building	-	6,078,431		6,078,431	-	11,541		11,541	6,066,890	-
3	Plant & Machinery	536,915	1,038,687	-	1,575,602	284,192	24,587		308,779	1,266,823	252,723
4	Office Equipment's	242,961	24,288	-	267,249	177,668	29,375		207,043	60,205	65,293
5	Furniture & Fixtures	176,206		-	176,206	77,881	10,799		88,680	87,526	98,325
6	Vehicles	1,847,800		-	1,847,800	707,127	166,344		873,471	974,329	1,140,673
7	Computer	624,633	32,300	-	656,933	527,118	62,216		589,334	67,599	97,515
	TOTAL	10,601,165	7,173,706	-	17,774,871	1,773,987	304,863	-	2,078,849	15,696,022	8,827,178
	Previous Year	3,462,756	7,238,948	(100,539)	10,601,165	1,475,779	298,208	-	1,773,987	8,827,178	1,986,977

NOTE 11: DEFERRED TAX ASSETS

SR. NO.	P A R T I C U L A R S		AS AT 31-Mar-18		AS AT
					31-Mar-17
	Opening Balance				108,297
	Add: Deferred Tax Assets-Relating to Fixed Assets		-		(20,780)
	TOTAL		-		87,517

NOTE 12: LONG TERM LOANS & ADVANCES

SR. NO.	P A R T I C U L A R S		AS AT 31-Mar-18		AS AT 31-Mar-17
I.	Unsecured and Considered Good				
1	SECURITY DEPOSITS				
	CST Deposit	10,000		10,000	
	VAT Deposit	10,000		10,000	
	National Stock Exchange	478,800		-	
	EMD For Post Office Ludhiana	20,000		20,000	
			518,800		40,000
	TOTAL		518,800		40,000

NOTE 13: OTHER NON-CURRENT ASSETS

SR. NO.	P A R T I C U L A R S		AS AT 31-Mar-18		AS AT 31-Mar-17
I.	Miscellaneous Expenses (Assets)		2,637,376		568,445
	TOTAL		2,637,376		568,445

NOTE 14: INVENTORIES

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
I	-Inventories taken as Physically verified, valued and certified by the management of the company				
1	Stock In Trade	8,239,073		9,377,469	
			8,239,073		9,377,469
	(Refer No. 1(e) on Significant Accounting Policies for Method and Basis for Valuation of Inventories)				
II	Details of Stock in Trade				
	Water Plant/Equipments/System	4,872,987		3,219,804	
	Membrane	45,484		1,049,359	
	Pipes	3,188,936		2,678,865	
	E-Waste/Others	131,666		2,429,440	
			8,239,073		9,377,468
	Imported	45,484		1,049,359	
	Indigenous	8,193,589		8,328,109	
			8,239,073		9,377,468
	TOTAL		8,239,073		9,377,469

NOTE 15: TRADE RECEIVABLES

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
1	Unsecured But Considered Good				
	-Outstanding for a period Exceeding Six Months	22,825,021		22,106,095	
	(From the date from which they became due for payment)				
	-Others	4,342,475		16,229,544	
	Less: Allowance for Bad and Doubtful Debts	-		-	
			27,167,496		38,335,639
2	Doubtful				
	Outstanding for a period Exceeding Six Months	21,315,923		-	
	Less: Allowance for Bad and Doubtful Debts	-		-	
			21,315,923		-
	TOTAL		48,483,419		38,335,639

NOTE 16: CASH & CASH EQUIVALENT

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
1	Balance with Banks				
	In Current Accounts	3,606,854		1,356,161	
	In Fixed Deposits	12,770,000		-	
			16,376,854		1,356,161
2	Cash on Hand		1,643,873		513,156
	TOTAL		18,020,726		1,869,317

NOTE 17: SHORT TERM LOANS & ADVANCES

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
I.	Unsecured But Considered Good-Government				
	Advance Tax, T.D.S & Self Assessment Tax	105,987		186,868	
	VAT Receivable	531,061		433,592	
			637,048		620,460
II.	Unsecured But Considered Good-Others				
	Advances to Suppliers/Creditors/Capital Goods	7,828,692		2,187,215	
	Advances to Employees	357,082		161,237	
	Pre- Paid & Other Advances for Expenses	166,555		185,356	
			8,352,329		2,533,808
	TOTAL		8,989,377		3,154,268

NOTE 18: OTHER CURRENT ASSETS

SR. NO.	PARTICULARS		AS AT 31-Mar-18		AS AT 31-Mar-17
1	Interest Accrued of FD		267,650		-
	TOTAL		267,650		-

NOTE 19: REVENUE FROM OPERATIONS

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
A.	SALE OF PRODUCTS				
	Sale of Goods	48,245,195		49,382,824	
			48,245,195		49,382,824
B.	Sale of Services		4,184,259		2,342,799
	TOTAL		52,429,454		51,725,623

NOTE 20: OTHER INCOME

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
I	INTEREST INCOME				
	Bank Interest	838		-	
	Interest on Fixed Deposits With Banks	294,478		-	
			295,316		-
II	Freight & Transportation on Sales		28,917		147,520
III	Vatav/Kasar		1,519,984		-
IV	Other Income		2,256		34,203
	TOTAL		1,846,472		181,723

NOTE 21: PURCHASE OF GOODS

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
I.	PURCHASE OF GOODS				
	Purchase of Stock-in-Trade	31,408,537		38,944,742	
			31,408,537		38,944,742
	Details of Imported & Indigenous Goods	Amount	%	Amount	%
	Imported	9,203,272	29.30%	4,446,114	11.42%
	Indigenous	22,205,265	70.70%	34,498,628	88.58%
		31,408,537	100.00%	38,944,742	100.00%
	TOTAL		31,408,537		38,944,742

NOTE 22: VARIATION IN INVENTORIES OF STOCK-IN-TRADE GOODS

SR. NO.	PARTICULARS		CLOSING STOCK	OPENING STOCK	INCREASE/ (DECREASE)
	- Traded Goods		8,239,073	9,377,469	(1,138,396)
	TOTAL		8,239,073	9,377,469	(1,138,396)
	Previous Year....		9,377,469	6,079,826	3,297,643

NOTE 23: EMPLOYEE BENEFIT EXPENSES

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
1	Salaries, Wages & Labour Charges				
	-Director Remuneration	1,260,000		1,200,000	
	-Salary	6,545,350		5,049,026	
			7,805,349.64		6,249,026

2	Leave Salary		94,680		-
3	Employer Contribution to Provident Fund		315,317		-
4	Employer Contribution to ESIC		72,121		-
5	Staff Welfare Expenses		563,033		173,415
	TOTAL		8,850,501		6,422,441

NOTE 24: FINANCE COST

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
1	Bank Charges		161,462		188,960
2	Interest Expenses				
	Bank-Working Capital	1,210,032		1,206,049	
	Vehicle Loan Interest	92,607		117,714	
	Interest on GST	82,958		-	
	Interest on CST	-		18,132	
	Interest on Provident Fund	4,352		-	
	Interest on Income Tax	112,501		22,760	
	Interest on Professional Tax	763		6,019	
	Interest on Service Tax	80		76,916	
	Interest on TDS	3,610		138,493	
			1,506,903		1,586,083
	TOTAL		1,668,365		1,775,043

NOTE 25: DEPRECIATION AND AMORTISATION EXPENSES

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
1	Depreciation on Fixed Assets	304,863		298,208	
			304,863		298,208
	TOTAL		304,863		298,208

NOTE 26: OTHER EXPENSES

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
I.	DIRECT EXPENSES				
	Labour Charges		266,638		49,347
	Engineering Consulting Fees		170,289		703,937
	Custom Duty, Inward Freight & Transportation Charges		1,871,284		904,343
	Laboratory Expenses		138,440		321,484
	Input Tax Credit Reduction		19,661		42,793
	Plant Design Work		3,300		-
	Miscellaneous Material Expenses		260,942		117,628
			2,730,554		2,139,532
II.	ADMINISTRATIVE, SELLING AND OTHER EXPENSES				
	Postage, Telephone & Communication Expenses		236,789		319,853
	Stationery & Printing		72,045		31,158
	Travelling, Conveyance & Vehicle Expenses		1,629,064		610,010
	Legal & Professional Charges		374,751		425,894
	Rent, Rates & Taxes		92,409		425,216
	Electricity Expenses		153,355		139,224

	Auditor's Remuneration				
	- Statutory Audit Fees	25,000		28,750	
	- Tax Audit Fees	10,000		11,500	
			35,000		40,250
	Insurance Expenses		208,589		82,302
	Selling & Distribution Expenses				
	Advertisement Expenses	269,530		190,046	
	Sales Promotion Expenses	-		46,820	
	Marketing Expenses	80,182		57,991	
			349,712		294,857
	Tender Fees		10,000		33,122
	Security Expenses		28,000		-
	Vatav/Kasar		-		55,035
	Sundry Balances Written Off		136,622		-
	Preliminary Expenses Written Off		693,719		141,189
	Bad Debts		-		16,311
	Other Expenses		391,481		421,666
			4,411,536		3,036,087
	TOTAL		7,142,090		5,175,619

NOTE 27: VALUE OF IMPORTS CALCULATED ON CIF BASIS

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
1	Trading Goods		9,203,272		4,446,114
	TOTAL		9,203,272		4,446,114

NOTE 28: EXPENDITURE IN FOREIGN CURRENCY

SR. NO.	PARTICULARS		AMOUNT RS.		PREVIOUS YEAR
-	Consultancy Fees		170,289		703,937
-	Travelling Expenses		28,689		-
	TOTAL		198,978		703,937

NOTE 29: EARNINGS IN FOREIGN CURRENCY

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

NOTE 30: OTHER NOTES

a)	Earnings 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, 2018		31st March, 2017
	Net Profit After Tax for the period (A)			25,64,475	17,20,285
	Weighted Average Number of Shares (B)				
	I. Opening Balance of Share Outstanding		37,25,000		2,50,000
	No. of Months/Days for which		12		12

	Shares Outstanding				
	Weighted Average			37,25,000	2,50,000
	II. Bonus Shares Issued on 31.08.2017		-	1,75,000	
	No. of Months/Days for which Shares Outstanding		-	12	
	Weighted Average			-	1,75,000
	III. Shares Issued on 01.10.2016		-	20,00,000	
	No. of Months/Days for which Shares Outstanding		-	178	
	Weighted Average			-	9,75,340
	IV. Shares Issued on 01.03.2017		-	13,00,000	
	No. of Months/Days for which Shares Outstanding		-	15	
	Weighted Average			-	53,420
	V. 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			41,63,510	14,53,760
	Basic and Diluted Earnings per Share (C) (A/B)			0.62	1.18
b)	Initial Public Issue (IPO) of Shares:				
	During the year ended 31st March, 2018 the company completed Initial Public Offer (IPO) of 13,68,000 Equity Shares of Rs. 10 each at a price of Rs. 35 each. The equity shares of the company are listed on National Stock Exchange (NSE) as SME on 5th December, 2017.				
c)	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			
ii. Felix Nano Synthesis Private Limited			
iii. Felix Colourant Private Limited			
iv. Seltron Resources LLP			
Key Management Personnel			
i. Ritesh V. Patel-Managing Director			
ii. Sagar S. Shah-Wholetime Director			
iii. Shweta S. Shah-Director			
iv. Kashyap S. Shah-Independent Director			
v. Janesh K. Vyas-Independent Director			
vi. Raxesh Satia- Independent Director			
vii. Uday C. Shah-CFO			
viii. Vinay R. Patel-CEO			
ix. Hena K. Shah-Company Secretary			
Relatives of Key Management Personnel			
i. Mayuri V. Patel			
ii. Shweta S. Shah			
B. Transaction with Related Parties			
Nature of Transaction	Name of the Party	2017-18	2016-17
Loans Taken	Ritesh V. Patel	45,20,000	31,91,623
	Sagar S. Shah	6,50,000	85,00,000
Director/Key Managerial Personnel Remuneration	Ritesh V. Patel	7,20,000	7,20,000
	Sagar S. Shah	5,40,000	4,80,000
	Uday C. Shah	3,60,000	NIL
	Hena K. Shah	2,40,685	NIL
Loans/Advances Given	Swetsam Stock Holding Private	NIL	10,00,000

		Limited		
	Outstanding Balances as at the year end-Loans Taken	Ritesh V. Patel	NIL	NIL
		Sagar S. Shah	NIL	NIL
	Outstanding Balances as at the year end-On Account of Remuneration & Others	Ritesh V. Patel	56,800 (Cr.)	65,200(Cr.)
		Sagar S. Shah	NIL	65,200 (Cr.)
		Uday C. Shah	29,800 (Cr.)	NIL
		Hena K. Shah	22,227 (Cr.)	NIL
d)	Operating Segment			
	<p>The Company identifies operating segments on the basis of dominant source, nature of risks and returns and the internal organization. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director/Chief Executive Officer who is Company’s chief operating maker in deciding how to allocate resources and in assessing performance.</p> <p>The dominant source of income of the company from its activities do not materially differ in respect of risk perception and the return realized/to be realized. Even the geographical/regulatory environment in which the company operates does not materially differ considering the political and economic environment, the type of customers, assets employed and the risk and return associated in respect of each of the geographical area. So, the disclosure requirements pursuant to “Segment Reporting” are not applicable.</p>			
e)	Debtors From Operating Activities			
	<p>The company has initiated legal proceedings for recovery against the doubtful debtors amounting to Rs. 2,13,15,923/- (Previous Year NIL/-). 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. 2,13,15,923/- (Previous Year Rs. NIL/-).</p>			
f)	<p>The company has initiated the process of obtaining confirmations from suppliers 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). In absence of the relevant information as to the status of the suppliers, the balance due to Micro, Small and Medium Enterprises and interest due to them if any as per the provision of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006) could not be disclosed or provided.</p>			
g)	<p>In the opinion of the Board of Directors, Current Assets & Loans and Advances have a value on</p>			

	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.
h)	All the balances of debtors and creditors, loans and advances and unsecured loans are subject to confirmation and subsequent reconciliation, if any.

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

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

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

**EXECUTIVE DIRECTOR
[SAGAR SHAH]
[DIN: 03082957]**

**FIROJ G. BODLA
PARTNER
M. NO. 126770
PLACE: AHMEDABAD
DATE: 30TH MAY, 2018**

**UDAY CHANDULAL SHAH
[CHIEF FINANCIAL OFFICER]
PLACE: AHMEDABAD
DATE: 30TH MAY, 2018**

**HENA KETAN SHAH
[COMPANY SECRETARY]**

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]
06th Annual General Meeting- Saturday 29th September, 2018 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 **Saturday 29th day of September, 2018 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* _____

Signature

No. of Share held _____

Member's/Proxy's

(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 **Saturday 29th day of September, 2018 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, 2018 Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2018 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sagar Samir Shah (DIN: 03082957) who retires by rotation and being eligible, offers himself for re-appointment.

Signed this ____ day of _____ 2018

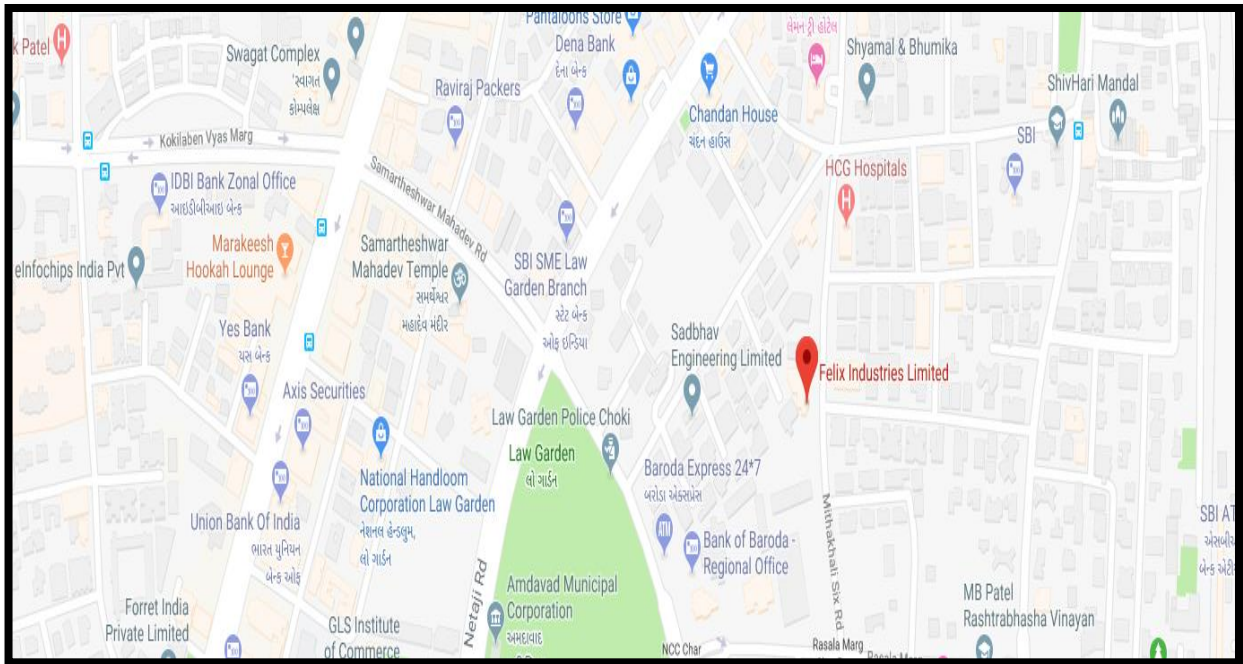
Signature of Member _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

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



FELIX INDUSTRIES LIMITED

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