

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-18

Report on Corporate Governance pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {hereinafter referred as Listing Regulations}.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Company seeks to apply the core principles of good corporate governance i.e. fairness, accountability, responsibility and transparency.

Company in general has its internal rules and regulations within the framework of various laws and regulations which govern the conduct of all employees of the Company.

Company has set guidelines in the form of Code of Conduct for members of the Board and Senior Management Personnel to enhance ethical and transparent process in managing the affairs of the Company and to sustain the trust and confidence shown in the Management by the shareholders of the Company. Company also ensures timely disclosures to various authorities, as and when required.

Company also believes in Employee Satisfaction, which is reflected in the stability of our Senior Management.

Company has set down various rules, parameters, SOPs & Internal Audit plans to integrate all components of good governance by ensuring proper compliances by the Company. The Board has established five Committees to discharge its responsibilities in an effective manner.

Chairman of the Company also plays a vital role in ensuring good Corporate Governance. Chairman guides in strengthening various systems. He takes a lead role in managing the Board, managing and mitigating the risk, ensuring effectiveness of the Board Committees & provides constructive feedback and advice on performance evaluation to Directors.

The Board critically evaluates the Internal Audit Reports & ensures compliance of various laws applicable on the

Company through Compliance Reports from various departments. Various codes and policies have been adopted by the Company such as Code of Conduct, Code of Conduct for Prohibition of Insider Trading, Vigil Mechanism & Whistle – Blower Policy, Policy on Materiality of Related Party transactions, Corporate Social Responsibility Policy, Policy for determining material subsidiaries, Policy for preservation of documents etc.

All the requests of the shareholders are duly complied with.

2. BOARD OF DIRECTORS

Composition and Category of Directors

Regulation 17 of the Listing Regulations mandates that there shall be an optimum combination of Executive and Non-Executive Directors with at least one Woman Director and not less than 50% of the Board of Directors shall comprise of Non-Executive Directors.

In accordance with Regulation 17 of the Listing Regulations, Board comprised of Six (6) Directors, out of which 50% were Executive and 50% were Non-Executive as on 31st March, 2018.

Also, none of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees, as specified in Regulation 26 of the Listing Regulations across all the Public Companies in which he/she is a Director.

The composition & category of Directors as on 31st March, 2018 are as follows:

Category	Name of Directors
Executive Directors	Mr. Saurabh Kalani Mr. Mahesh Sharma Mr. Anand Khandelwal
Woman Non-Executive Director	Mrs. Alka Sagar
Independent Directors	Mr. Anirudh Sonpal Mr. Bhuwan Modi

Attendance & Membership/Chairmanship of Directors in other Companies

Name of Director	No. of Board Meetings attended	Attendance at last AGM held on 22 nd August, 2017	No. of Directorship in other Companies (excluding private companies)	Membership/Chairmanship of Committees of other Companies (Represents Audit Committee & Stakeholders' Relationship Committee)	
				Member	Chairman
Board of Directors as on 31st March, 2018					
Mr. Anirudh Sonpal (DIN: 03367049)	5	Yes	1	2	1
Mr. Bhuwan Modi (DIN: 02855329)	5	Yes	0	0	0
Mrs. Alka Sagar (DIN: 07138477)	4	No	0	0	0
Mr. Saurabh Kalani (DIN: 00699380)	5	Yes	1	0	0
Mr. Mahesh Sharma (DIN: 07610685)	5	No	0	0	0
Mr. Anand Khandelwal (DIN: 07889346)	3	No	1	0	0

Board of Directors during the financial year 2017-18

Mr. Sharat Anand ¹ (DIN: 00083237)	1	NA	NA	NA	NA
Mr. Parag Gupta ² (DIN: 06423095)	2	No	NA	NA	NA
Mr. Kevan John Upperdine ³ (DIN: 01214264)	0	NA	NA	NA	NA
Mr. Akshay Tanna ⁴ (DIN: 02967021)	3	No	NA	NA	NA
Mr. Vishwarupe Narain ⁵ (DIN: 03394320)	2	No	NA	NA	NA
Mr. Mayank Bajpai ⁶ (DIN: 07713274)	1	NA	NA	NA	NA
Mr. Ankur Thadani ⁶ (DIN: 03566737)	1	NA	NA	NA	NA
Mr. Akhilesh Agnihotri ¹ (DIN: 07637010)	1	NA	NA	NA	NA

NA – Not Applicable

¹Mr. Sharad Anand & Mr. Akhilesh Agnihotri ceased to be Directors w.e.f 30th May, 2017.

²Mr. Parag Gupta was appointed as Director w.e.f 24th July, 2017 & ceased to be Director w.e.f 13th March, 2018.

³Mr. Kevan John Upperdine ceased to be Director w.e.f 13th June, 2017.

⁴Mr. Akshay Tanna was appointed as Director w.e.f 15th April, 2017 & he ceased to be a Director w.e.f 18th October, 2017.

⁵Mr. Vishwarupe Narain ceased to be a Director w.e.f 18th October, 2017.

⁶Mr. Mayank Bajpai & Mr. Ankur Thadani were appointed as Directors w.e.f 18th October, 2017 & ceased to be Directors w.e.f 27th February, 2018.

No. of Board Meetings held during the year

During the year under review, 5 (Five) board meetings were held

The dates on which the said meetings were held:

30th May, 2017; 24th July, 2017; 12th September, 2017; 9th December, 2017 and 13th February, 2018.

The gap between two meetings did not exceed one hundred and twenty days. The Company placed before the Board most of the information specified in Part A of Schedule II to the Listing Regulations from time to time. The Board periodically reviews compliance reports of all laws applicable to the Company. The Company takes effective steps to rectify instances of non-compliance, if any.

There are no relationships between the Directors of the Company, inter-se.

Details of shares/convertible instruments held by Non-Executive Directors

None of our directors were holding shares & convertible instruments of the Company as on 31st March, 2018.

Familiarisation Programmes

The details of familiarisation programmes are available on the website of the Company at the following link:

(http://flexituff.com/wp-content/uploads/2016/11/Policies-and-Programme_Familiarisation-Programme.pdf)

Independent Directors' Meeting

Every Independent Director, at the first meeting of the Board of Directors in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets criteria of independence as provided under the law.

Separate Meeting of Independent Directors was held during the year under review on 13th February, 2018 without the presence of Executive Directors to discuss the matters pertaining to Company's affairs and evaluate the performance of Non-Independent Directors.

Directors' Profile

A brief profile of Directors, their educational qualifications, nature of their expertise in specific functional areas are put up on the Company's website and can be accessed at (<http://flexituff.com/brief-profile-of-the-board-of-directors/>).

3. COMMITTEES OF THE BOARD

Currently, the Board has 5 (Five) committees: Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Management Committee. Meeting of each of these Committees are administered by the respective Chairman of the Committees. The minutes of the Committee meetings are sent to all the Committee Members individually & tabled at the Board Meetings.

AUDIT COMMITTEE

Company's Audit Committee has been constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013.

Composition, Meetings & Attendance

Name of director	Category	No. of meetings during the Financial Year 2017-18		
		Held during the year	Liabile to Attend	Attended
Composition as on 31st March, 2018				
Mr. Anirudh Sonpal	Chairman	6	6	6
Mr. Bhuvan Modi	Member	6	5	5
Mr. Saurabh Kalani	Member	6	6	6
Members who ceased to be Directors during the Financial Year 2017-18				
Mr. Sharat Anand ¹	Chairman	6	1	1
Mr. Kevan John Upperdine ²	Member	6	2	0
Mr. Parag Gupta ³	Member	6	3	3

¹Mr. Sharad Anand ceased to be Director w.e.f 30th May, 2017.

²Mr. Kevan John Upperdine ceased to be Director w.e.f 13th June, 2017.

³Mr. Parag Gupta was appointed as Director w.e.f 24th July, 2017 & ceased to be Director w.e.f 13th March, 2018.

Secretary to the Committee:

Ms. Madhuri Jethani, Company Secretary – upto 13th February, 2018

Ms. Khushboo Kothari, Company Secretary – w.e.f 13th February, 2018

During the year under review, the Audit Committee met 6 (Six) times and the gap between two meetings did not exceed one hundred and twenty days:

30th May, 2017 (2 Meetings); 24th July, 2017; 12th September, 2017; 9th December, 2017 and 13th February, 2018.

Terms of Reference

The terms of reference of the Audit Committee are broadly as per Part C of Schedule II of the Listing Regulations read with Section 177 of the Companies Act, 2013.

The terms of reference of the Committee inter-alia include the following:-

- Oversight of the Company's financial reporting process and the disclosures of its Financial Reporting process.
- Recommendation for appointment, remuneration and terms of appointment of Auditors.
- Reviewing Annual Financial Statements & Auditors' Report thereon.
- Review of Management Discussion & Analysis of Financial condition & results of operations.
- Approval & review of Related-party transactions.
- Review of Internal Audit Reports

NOMINATION AND REMUNERATION COMMITTEE

Company's Nomination and Remuneration Committee has been constituted in accordance with the provisions of Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013.

Composition, Meetings & Attendance

Name of director	Category	No. of meetings during the Financial Year 2017-18		
		Held during the year	Liabile to Attend	Attended
Composition as on 31st March, 2018				
Mr. Bhuvan Modi	Chairman	3	2	2
Mr. Anirudh Sonpal	Member	3	3	3
Members who ceased to be Directors during the Financial Year 2017-18				
Mr. Sharat Anand ¹	Chairman	3	1	1
Mr. Vishwarupe Narain ²	Member	3	2	2
Mr. Mayank Bajpai ³	Member	3	1	0

Note:- Composition of Nomination & Remuneration Committee as on 31st March, 2018 was not as per regulations of SEBI (LODR), 2015 due to resignation of Mr. Mayank Bajpai from his directorship w.e.f 27th February, 2018. However, Board has appointed a new member in its next Board Meeting.

¹Mr. Sharad Anand ceased to be Director w.e.f 30th May, 2017.

²Mr. Vishwarupe Narain ceased to be Director w.e.f 18th October, 2017.

³Mr. Mayank Bajpai was appointed as Director w.e.f 18th October, 2017 & ceased to be Director w.e.f 27th February, 2018.

Secretary to the Committee:

Ms. Madhuri Jethani, Company Secretary – upto 13th February, 2018

Ms. Khushboo Kothari, Company Secretary – w.e.f 13th February, 2018

During the year under review, 3 (Three) Nomination & Remuneration Committee Meetings were held and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held are as follows:

30th May, 2017; 24th July, 2017 and 13th February, 2018.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are broadly as per Part D of Schedule II of the Listing Regulations & Section 178 of Companies Act, 2013.

The terms of reference of the Committee inter-alia include the following:-

- Formulation of the criteria for determining independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, KMP and other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Identifying persons who are qualified to become Directors and who may be appointed as Director and recommend to the Board their appointment/removal
- Specifying the manner for effective evaluation of performance of Board, its Committees and Individual Directors and review its implementation & compliance

Performance Evaluation

Pursuant to the applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, its Committees, the Chairman of the Company and the Directors, on the basis of the feedback received from all the Directors of the Company.

Structured performance evaluation questionnaire were circulated to the Directors for:

- Directors' – Self & Peer Level Evaluation;
- Board's Evaluation;
- Board Committees' Evaluation; and
- Chairman's Evaluation.

The evaluation questionnaires broadly cover parameters such as their participation in board meeting/other committee

meeting, relationship management, knowledge & skill, adherence to the applicable code of conduct for independent directors and maintenance of confidentiality etc

The summary of rating given by all the directors on the structured performance evaluation was placed before the Board of Directors.

REMUNERATION

Relation & transactions of Non-Executive Directors

During the year under review, no pecuniary transaction was undertaken between Company & its Non-Executive Directors.

Criteria of making payments to Non-Executive Directors

Criteria for making payment to Non-Executive Directors have been put up on the website of the Company under below link:

http://flexituff.com/wp-content/uploads/2016/11/Policies-and-Programme_Nomination-and-Remuneration-Policy.pdf

Details of Remuneration/Sitting Fees

The details of remuneration/Sitting Fees paid to the Directors during the year under review are as under:

(Rs. In Millions)

Name of Director	Salary, Allowance & benefit	Reimbursement	Bonus	Pension	Provident Fund	Stock Options	Sitting Fees	Total
Mr. Saurabh Kalani	1.07	0.58	0.007	0.80	0.13	-	-	2.58
Mr. Mahesh Sharma	10.09	-	0.007	-	1.18	-	-	11.28
Mr. Anand Khandelwal	0.61	-	0.005	-	0.05	-	-	0.67
Mr. Akhilesh Agnihotri	0.32	-	0.001	-	0.03	-	-	0.35
Mr. Anirudh Sonpal	-	-	-	-	-	-	0.05	0.05
Mrs. Alka Sagar	-	0.12	-	-	-	-	0.05	0.17
Mr. Bhuvan Modi	-	-	-	-	-	-	0.04	0.04
Mr. Parag Gupta	-	-	-	-	-	-	0.03	0.03

Service Contracts, Severance Fees and Notice Period

The Whole-Time Director's appointed can be terminated by two months' notice in writing on either side, and no severance fees or performance linked incentives were paid to Directors of the Company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Company's Stakeholders' Relationship Committee has been constituted in accordance with the provisions of Regulation 20 of the Listing Regulations and Section 178 of the Companies Act, 2013.

Composition, Meetings & Attendance

Name of director	Category	No. of meetings during the Financial Year 2017-18		
		Held during the year	Liable to Attend	Attended
Composition as on 31st March, 2018				
Mr. Bhuvan Modi	Chairman	4	4	4
Mr. Anirudh Sonpal	Member	4	4	4
Member who ceased to be Director during the Financial Year 2017-18				
Mr. Parag Gupta ¹	Member	4	3	2

¹Mr. Parag Gupta was appointed as Director w.e.f 24th July, 2017 & ceased to be Director w.e.f 13th March, 2018.

Secretary to the Committee:

Ms. Madhuri Jethani, Company Secretary – upto 13th February, 2018

Ms. Khushboo Kothari, Company Secretary – w.e.f 13th February, 2018

During the year under review, 4 (Four) Stakeholders' Relationship Committee Meetings were held.

The dates on which the said meetings were held are as follows:

24th July, 2017; 12th September, 2017; 9th December, 2017 and 13th February, 2018.

Terms of Reference

The terms of reference of the Stakeholders' Relationship Committee are broadly as per Part D of Schedule II of the Listing Regulations & Section 178 of Companies Act, 2013.

The terms of reference of the Committee inter-alia include the following:-

- Review matters connected to transfer of securities.
- Consider, resolve and monitor redressal of stakeholders' grievances/requests related to transfer of securities, non-receipt of annual reports, etc.

Name & Designation of Compliance Officer

Ms. Madhuri Jethani, Company Secretary acts as Compliance Officer upto 13th February, 2018.

Ms. Khushboo Kothari, Company Secretary acts as the Compliance Officer w.e.f 13th February, 2018.

Details of shareholders' complaints during the year 2017-18*:-

No. of complaints as on 01.04.2017	Received during the year	Resolved during the year	No. of complaints as on 31.03.2018
NIL	NIL	NIL	NIL

* The above data is based on report downloaded from SEBI Complaints Redress System (SCORES) & certificate received from Link Intime India Private Limited (Registrar & Share Transfer Agent).

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Company's Corporate Social Responsibility (CSR) Committee has been constituted in accordance with the provisions of Section 135 of Companies Act, 2013.

Composition, Meetings & Attendance

Name of director	Category	No. of meetings during the Financial Year 2017-18		
		Held during the year	Liable to Attend	Attended

Composition as on 31st March, 2018

Mr. Bhuwan Modi	Chairman	3	2	2
Mrs. Alka Sagar	Member	3	3	3
Mr. Saurabh Kalani	Member	3	3	3

Member who ceased to be Director during the Financial Year 2017-18

Mr. Sharat Anand ¹	Member	3	1	1
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¹Mr. Sharad Anand ceased to be Director w.e.f 30th May, 2017.

Secretary to the Committee:

Ms. Madhuri Jethani, Company Secretary – upto 13th February, 2018

Ms. Khushboo Kothari, Company Secretary – w.e.f 13th February, 2018

During the year under review, 3 (Three) Corporate Social Responsibility Committee Meetings were held. The dates on which the said meetings were held are as follows:

30th May, 2017; 24th July, 2017 and 13th February, 2018.

The Terms of Reference and its composition are as under:

Terms of Reference

The terms of reference of Corporate Social Responsibility Committee are in accordance with Section 135 read with Schedule VII of the Companies Act, 2013.

The terms of reference of the Committee inter-alia include the following:-

- Formulate & recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. Recommend the amount of expenditure to be incurred on the CSR activities.
- Monitor CSR Policy of the Company from time to time.
- Monitor the CSR activities undertaken by the Company.
- Review of Annual Report on CSR.

MANAGEMENT COMMITTEE

Board has constituted Management Committee in accordance with the provisions of the Companies Act. The terms of reference are those which can be delegated to Committees of Board of Directors.

Composition, Meetings & Attendance

Name of director	Category	No. of meetings during the Financial Year 2017-18		
		Held during the year	Liable to Attend	Attended

Composition as on 31st March, 2018

Mr. Saurabh Kalani	Chairman	18	18	18
Mr. Mahesh Sharma	Member	18	18	18
Mr. Anand Khandelwal	Member	18	13	13

Member who ceased to be Director during the Financial year 2017-18

Mr. Akhilesh Agnihotri ¹	Member	18	2	2
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¹Mr. Akhilesh Agnihotri ceased to be Director w.e.f 30th May, 2017.

Secretary to the Committee:

Ms. Madhuri Jethani, Company Secretary – upto 13th February, 2018

Ms. Khushboo Kothari, Company Secretary – w.e.f 13th February, 2018

During the year under review, 18 (Eighteen) Management Committee Meetings were held. The dates on which the said meetings were held are as follows:

1st April 2017; 21st April, 2017; 3rd June, 2017; 12th June, 2017; 17th July, 2017; 4th August, 2017; 12th August, 2017; 4th October, 2017; 11th October, 2017; 3rd November, 2017; 18th November, 2017; 11th December, 2017; 29th December, 2017; 23rd January, 2018; 19th February, 2018; 7th March, 2018 and 28th March, 2018.

Terms of Reference

The terms of reference of the Committee inter-alia include the following:-

- Procurement & management of funds for existing & future projects of the Company.
- Approval & execution of deeds, documents, undertakings & declarations as may be required by the lenders banks/

institutions in connection with the debts financing of the Company.

- To carry any other functions as may be mandated by the Board from time to time.

4. GENERAL BODY MEETINGS

Annual General Meeting

AGM	Financial Year	Date	Time	Venue
22 nd	2014-15	30 th September, 2015	10:00 A.M.	C41-50, SEZ, Sector-3, Pithampur, Dist. Dhar (M.P.) – 454775
23 rd	2015-16	30 th July, 2016	11:00 A.M.	C41-50, SEZ, Sector-3, Pithampur, Dist. Dhar (M.P.) – 454775
24 th	2016-17	22 nd August, 2017	12:30 P.M.	C41-50, SEZ, Sector-3, Pithampur, Dist. Dhar (M.P.) – 454775

Extraordinary General Meeting

During the year under review, no extraordinary general meeting was held.

Special resolutions

AGM	Financial Year	Special Resolution Passed
22 nd	2014-15	NIL
23 rd	2015-16	Issue of Secured or Unsecured Non-Convertible Debentures/Bonds
		Approval for payment of remuneration to Mr. Saurabh Kalani, Whole-time Director of the Company in case of inadequate profits for the financial year 2015-16
		Approval for payment of remuneration to Mr. Saurabh Kalani, Whole-time Director of the Company in case of inadequate profits from 1 st April, 2016 to 30 th May, 2017
24 th	2016-17	Appointment of Mr. Mahesh Sharma as Whole-Time Director of the Company
		Re-appointment of Mr. Saurabh Kalani as Whole-Time Director of the Company
		Appointment of Mr. Anand Khandelwal as Whole-Time Director of the Company
		Ratification of remuneration paid to Mr. Akhilesh Agnihotri as Whole-Time Director
		Approval of Strategic Debt Restructuring Scheme

Postal Ballot

During the year under review, special resolution as set out in the below table was passed by requisite majority by way of Postal Ballot, including e-voting.

Procedure for Postal Ballot:-

- At the Board Meeting held on 24th July, 2017, the Board has approved Postal Ballot Notice to be sent to shareholders of the Company for passing resolution by Postal Ballot in respect of items stated in the Postal Ballot Notice.
- Board has appointed M/s Ritesh Gupta & Co., Practicing Company Secretary to act as Scrutinizer for conducting the Postal Ballot Voting (including remote E-Voting) in accordance with The Companies Act, 2013 and in a fair &

transparent manner.

- The information pursuant to Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 was submitted to Stock Exchanges on 24th July, 2017.
- Postal Ballot Notice was sent by electronic mode to the Members of the Company, whose e-mail Id was registered with the Company and Postal Ballot Notice alongwith the Ballot Paper and self-addressed postage prepaid envelopes were sent by registered post to all shareholders whose E-mail was not registered with the Company. The record date for determining the members who are entitled to be sent Postal Ballot Notice and Vote was fixed as 24th July, 2017 (i.e. Cut off date).
- The voting period commenced on Sunday, 6th August, 2017 at 10:00 AM IST & ended on Monday, 25th September, 2017 at 5:00 PM IST.
- Mr. Ritesh Gupta Proprietor of M/s Ritesh Gupta & Co., Practicing Company Secretary, Scrutinizer handed over the Combined Scrutinizer's Report (Postal Ballot & E-Voting) dated 5th September, 2017 to Mr. Saurabh Kalani enabling him for declaring the consolidated results. The resolution was passed on Monday, 5th September, 2017.

Details of Voting Pattern:-

Special Resolution passed through Postal Ballot	Votes in favour of resolution (%)	Votes against the resolution (%)
Approval to sell, transfer and/or otherwise dispose of FIBC division of the company including assets, liabilities/obligations of whatsoever nature & employees which are specific to the FIBC division, by way of slump sale, on a going concern basis, to a wholly owned subsidiary company	99.99	00.01

There is no immediate proposal for passing any resolution through Postal Ballot.

5. DISCLOSURES

Details of Director seeking appointment / re-appointment at the Annual General Meeting

Details of the Directors seeking appointment/re-appointment have been provided in the Notice of the Annual General Meeting.

Disclosures on materially significant Related – Party transactions that may have potential conflict with the interests of listed entity at large

During the year under review, all the transactions were entered into by the Company with Related-Parties with approval of Audit Committee, Board or Shareholders, as need be.

Company's major related party transactions are with its subsidiaries, LLPs & JVs.

None of the transactions with any of the related parties were in conflict with the Company's interest.

The policy on dealing Related Party Transactions has been posted on the website of the Company under below link:

(<http://flexituff.com/wp-content/uploads/2016/11/Policy-on-Related-Party-Transactions.pdf>)

Details on non-compliance by the Company, penalties imposed by Stock Exchanges or any other Statutory Authority

- (a) Company has received Letter from National Stock Exchange of India Limited (NSE) for non-compliance observed in Corporate Governance Report submitted by the Company to the Exchange for the quarter and year ended 31st March, 2018 with respect to composition of Nomination & Remuneration Committee (Regulation 19 of the Listing Regulations).

The Company has replied appropriately to the above-mentioned letter stating that this situation has arisen due to resignation of Mr. Mayank Bajpai, TPG Nominee Director from his directorship w.e.f 27th February, 2018.

Further, Company has appointed a new member in Nomination & Remuneration Committee in its next Board Meeting.

- (b) No penalties, strictures were imposed on the Company by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to capital markets during last three years.

Details of establishment of vigil mechanism & whistle blower policy

The Whistle Blower Policy/vigil mechanism has been posted on the website of the Company on link given below & affirming that no personnel have been denied access to the Audit Committee.

(<http://flexituff.com/wp-content/uploads/2016/11/Vigil-Mechanism-Policy.pdf>)

Details of compliance with mandatory requirements & adoption of non-mandatory requirements

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

The status of Compliance with non – mandatory (discretionary requirements) listed in Part E of Schedule II of the Listing Regulations is as under:

- The Non-Executive Chairman maintains a separate office for which the Company is not required to reimburse expenses.
- No half yearly declaration of financial performance is sent to shareholders separately.
- The financial statements of the Company are with unmodified audit opinion.
- The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Whole-time Director and Chief Executive Officer.
- The Internal Auditor reports to the Audit Committee.

Web-link for policies

Code of Conduct

The Company has adopted Code of Conduct for members of the Board and Senior Management personnel. The code has been circulated to all the members of the Board and Senior Management and the same has been put on the Company's website at the following link:

(http://flexituff.com/wp-content/uploads/2016/11/Policies-and-Programme_Director-and-Senior-Management.pdf)

The Board Members and Senior Management have affirmed their compliance with the code and a declaration signed by Mr. Saurabh Kalani, Whole-Time Director of the Company is annexed to this report.

Determining Material Subsidiaries

The policy for determining material subsidiaries has been put up on the website of the Company under below link:

(http://flexituff.com/wp-content/uploads/2016/11/Policies-and-Programme_Determining-Material-Subsidiary.pdf)

Compliance of Corporate Governance Requirements

Company confirms the compliances with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b to i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as on 31st March, 2018 except Regulation 19(1)(a) viz. constitution of Nomination & Remuneration Committee. Reason for the non-compliance is mentioned in this Report. However, it has been complied with, in the next Board Meeting.

Disclosures with respect to Unpaid/Unclaimed Dividend

Company has not declared dividend during the year under review. However, details of unpaid/ unclaimed dividend for previous years are contained in below-mentioned table.

Dividend for the year	Total Amount of Dividend (Rs. In Lakhs)	Amount of Unpaid Dividend as on 31.03.2018 (Amount in Rs.)	% of Dividend Unpaid	Due date of transfer to IEPF
2014-15	248.83	928	0.004	06-11-2022
2013-14	248.82	4794	0.020	06-11-2021
2012-13	229.02	2264	0.010	06-11-2020
2011-12	217.53	2664	0.010	06-11-2019

6. MEANS OF COMMUNICATION

Quarterly Results

The quarterly results duly approved by the Board of Directors are sent immediately after the Board Meeting to both the Stock Exchanges where the Company's shares are listed. The same are published in "Times of India" and "Swadesh" in terms of the Listing Regulations and Secretarial Standards in the format as prescribed by the Stock Exchange. The Company also posts its financial results on its website i.e. www.flexituff.com.

Website

The Company's website www.flexituff.com contains a separate section "Investor Relations" where shareholders' information is available.

NEAPS & BSE Corporate Compliance & Listing Centre

All periodical filings like shareholding pattern, corporate governance, statement of investor complaints, among others are filed electronically to NSE through NEAPS (NSE Electronic Application Processing System) & to BSE through BSE Corporate Compliance & Listing Centre.

Mail

The Company has designated investors@flexituff.com for investor servicing.

7. GENERAL SHAREHOLDER INFORMATION**Annual General Meeting**

Date : 19th September, 2018

Day : Wednesday

Time : 12 Noon

Venue : C 41-50, SEZ, Sector-III, Pithampur, Distt. Dhar (M.P.) 454775

Financial Year

Year ending : 31st March, 2018

Dividend payment : Nil

Listing on stock exchanges

Name & address of the Stock Exchange	Stock Code / Scrip Code	ISIN Number for NSDL/ CDSL (Dematerialized shares)
The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	FLEXITUFF	INE060J01017
BSE Limited 25 th Floor, P.J. Towers, Dalal Street, Mumbai 400 001	533638	

Company has made payment of listing fees to both the Stock Exchanges on time.

Corporate Identification Number (CIN):

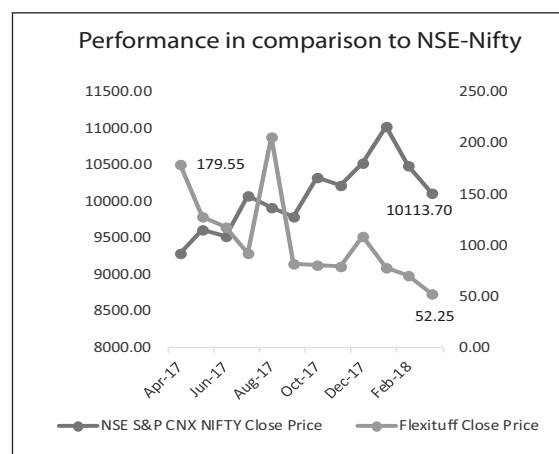
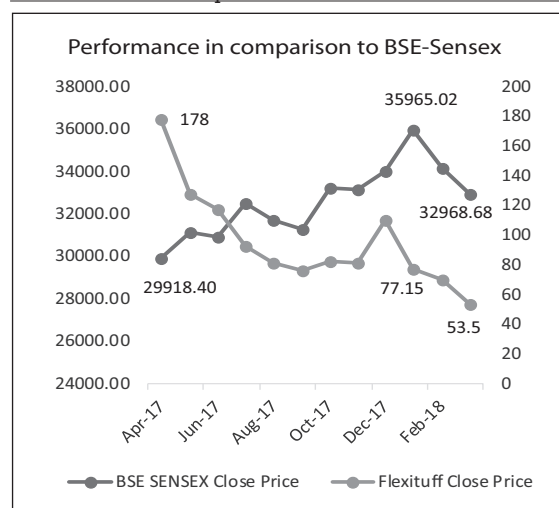
L25202MP1993PLC034616

Market Price Data

High, low (based on monthly closing prices) and number of equity shares traded during each month in the year 2017-18 on BSE Ltd. and National Stock Exchange of India Limited:-

Month and Year	BSE			NSE		
	High (Rs.)	Low (Rs.)	Traded Quantity	High (Rs.)	Low (Rs.)	Traded Quantity
Apr-17	220.00	166.00	64931	220.00	170.60	415067
May-17	188.90	123.55	10185	183.80	127.25	78748
Jun-17	140.00	116.10	8351	137.00	117.10	78470

Month and Year	BSE			NSE		
	High (Rs.)	Low (Rs.)	Traded Quantity	High (Rs.)	Low (Rs.)	Traded Quantity
Jul-17	124.90	76.00	308619	124.80	81.00	894727
Aug-17	94.95	79.00	113237	96.00	75.00	425747
Sep-17	98.00	74.30	229135	95.00	75.00	635159
Oct-17	94.05	74.00	262088	93.85	71.80	781863
Nov-17	91.95	79.25	202472	89.50	79.20	568644
Dec-17	119.05	73.00	466609	119.25	77.80	2456647
Jan-18	115.80	76.75	223125	112.75	76.25	689071
Feb-18	78.00	68.00	44041	79.00	68.90	149994
Mar-18	71.95	51.30	139345	73.75	51.60	488253

Performance in comparison to BSE-Sensex and NSE-Nifty**Registrar and Share Transfer Agent****Link Intime India Private Limited**

C-101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai - 400083
Tel.: +91 22 49186000, Fax: +91 22 49186060
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

Share Transfer system

The transfer system of the Company is with the registrar & transfer agent. As on 31st March 2018, 95.47% of the equity shares were in the electronic form and transfer of these shares is done through the depository without involvement of the Company.

As regards to the transfer of shares in the physical form, if the documents are complete in all respects, transfer is normally processed within stipulated time period.

Distribution of equity shareholding as on 31st March, 2018

Nominal Value of Each Equity Share is Rs. 10/-

No. of equity shares held	No. of share holders	% of shareholders	No. of share held	% of total shares held	Amount (In Rs.)
1 to 500	2552	82.5089	299727	1.2046	2997270
501 to 1000	248	8.0181	194396	0.7812	1943960
1001 to 2000	121	3.9121	172978	0.6952	1729780
2001 to 3000	36	1.1639	88601	0.3561	886010
3001 to 4000	10	0.3233	35026	0.1408	350260
4001 to 5000	9	0.2910	42051	0.1690	420510
5001 to 10000	30	0.9699	238999	0.9605	2389990
10001 and above	87	2.8128	23811028	95.6927	238110280
Total	3093	100.00	24882806	100.00	248828060

Categories of equity shareholders as on 31st March, 2018

Category	No. of Equity Shares held	Percentage of holding (%)
Indian Promoters (Corporates)	8181603	32.88
Banks, FIs, Insurance Companies	1993388	8.01
Foreign Portfolio Investors (Corporate)	231110	0.93
Other Bodies Corporate	7590064	30.50
Foreign Companies	5065021	20.35
Non Resident	14911	0.06
Clearing Members	177587	0.71
Hindu Undivided Family	132013	0.54
Public	1489509	5.99
Relatives of Director	7600	0.03
Grand Total	24882806	100.00

Dematerialization of Shares and Liquidity

The equity shares of your Company are available for dematerialization with both NSDL and CDSL under ISIN INE060J01017. As on 31st March 2018, 95.47% equity shares are in Demat form and remaining 4.53 % equity shares are in physical form.

Our registrar for electronic connectivity with the National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) is Link Intime India Private Limited, Mumbai.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments

5.44% Foreign Currency Convertible Bonds (the "FCCBs") of USD 25 Million issued to TPG Growth SF II Pte. Ltd. (TPG), convertible at the option of Bondholder into fully paid up equity shares of the Company at a price of Rs. 218/- per equity share were due on 26th April, 2018.

On the request of the Company, TPG extended the said repayment to 30th June, 2018 and thereafter for a period of Forty-Eight (48) Months from 30th June, 2018 on revised terms & conditions as mutually agreed between Company & TPG subject to due approval from RBI. Authorized Dealer has approved the same & approval from RBI is underway.

5.34% Foreign Currency Convertible Bonds (the "FCCBs") of USD 9 Million issued to International Finance Corporation are convertible at the option of Bondholder into fully paid up equity shares of the Company at a price of Rs. 230/- per equity share on or before 30th January, 2019.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its laid down policies. Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all. Further, Company also hedges its commodity price risk through fixed price swaps.

Plant locations**SEZ Unit**

C-41 – 50, Special Economic Zone, Sector – III, Industrial Area, Pithampur
Dist. Dhar – 454775,
Madhya Pradesh

DTA Unit

94, Industrial Area, Sector – I, Pithampur
Dist. Dhar – 454775
Madhya Pradesh

Kashipur Unit

Khasra No. 672-728, Village – Mahuakhera, Aliganj Road,
Kashipur,
Dist. Udham Singh Nagar – 244713
Uttarakhand

Barwaha Unit

58/1, Jaimalpura, Maheshwar Road, Barwaha
Dist. Khargone – 451115
Madhya Pradesh

Address for Correspondence

Shareholder's correspondence should be addressed to the Company's RTA at the Address mentioned below:

Link Intime India Private Limited

C-101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai - 400083
Tel.: +91 22 49186000, Fax: +91 22 49186060
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

For any further assistance, the shareholder's may Contact:

Registered Office:

Flexituff International Limited.
C-41-50, SEZ, Sector -3,
Pithampur- 454775, Dist. Dhar (M.P.)
Tel. +91 7292 420200, Fax : 07292-401684
Email: investors@flexituff.com
Website: www.flexituff.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

Email ID for redressal of Investor Grievances i.e. investors@flexituff.com.

8. PCS CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from the Practicing Company Secretary, Mr. Ritesh Gupta, Proprietor of M/s Ritesh Gupta & Co., confirming compliance with conditions of Corporate Governance, as stipulate under Regulation 34 of the Listing Regulations is annexed to this Report.

9. DECLARATION BY CHIEF EXECUTIVE OFFICER

As required by the Listing Regulations, declaration signed by Mr. Saurabh Kalani, Whole-Time Director stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is annexed to this report.

10. CEO AND CFO CERTIFICATION

The annual certificate given by the Executive Director and the Chief Financial Officer is published in this report.

11. SERVICE OF DOCUMENTS IN ELECTRONIC FORM

In order to conserve paper and environment, the Ministry of Corporate Affairs (MCA), Government of India, has allowed and envisaged the companies to send Notices of General Meetings/other Notices, Audited Financial Statements, Board's Report, Auditors' Report, etc., henceforth to their shareholders electronically as a part of its Green Initiative.

Keeping in view the aforesaid green initiative of MCA, Company has sent the Annual Report to its shareholders in electronic form, at the e-mail address provided by them and made available to it by the Depositories. In case of any change in your e-mail address, you are requested to please inform the same to your Depository (in case you hold the shares in dematerialised form) or to the Company (in case you hold the shares in physical form).

The said documents are also available on Company's website www.flexituff.com. Please note that physical copies of the above documents shall also be made available for inspection, during office hours, at the Registered Office of the Company at Pithampur, Dhar-454775 (M.P.).

For and On Behalf of The Board of Directors of
Flexituff International Limited

Saurabh Kalani
Whole-Time Director
(DIN: 00699380)

Anand Khandelwal
Whole-Time Director
(DIN: 07889346)

Date: 14.08.2018
Place: Pithampur

ED/CFO CERTIFICATION

We here by certify that:

- a) We have reviewed the Financial Statement and Cash Flow statement for the year ended on 31st March, 2018 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transaction entered into by the company during the year ended on 31st March, 2018 are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee, and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the period under reference;
 - ii) There has not been any significant change in accounting policies during the period; and
 - iii) We are not aware of any instance during the period of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Saurabh Kalani
Whole-Time Director

Ajay Mundra
Chief Financial Officer

Date: 14.08.2018
Place: Pithampur

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

{Under Regulation 34(3) and Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

To,

The Members

Flexituff International Limited

We have examined the compliance of conditions of Corporate Governance by Flexituff International Limited (The Company), for the year ended March 31, 2018, as stipulated in Regulation 34 (3) read with Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the company has complied with conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ritesh Gupta & Co.
Company Secretaries

Place: Indore
Date: 14.08.2018

Ritesh Gupta
CP:3764, FCS:5200