



TRANSCRIPT OF THE 30TH ANNUAL GENERAL MEETING OF FLEX FOODS LIMITED HELD ON FRIDAY, 25TH DAY OF SEPTEMBER, 2020 AT 11:30 AM (but could be commenced at 11:42 AM due to technical snag) THROUGH VIDEO CONFERENCING

Mr. Rajesh Dheer - Good morning, Ladies and Gentlemen, We are being late on account of some technical problem.

I am Rajesh Dheer, Company Secretary of your Company. On behalf of the directors, I welcome all the members and stakeholders to the 30th Annual General Meeting of Flex Foods Limited being held today September 25, 2020.

Due to COVID-19 this Annual General Meeting is being held through Video Conferencing / other audio visual means in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. We hope that you and your dear ones are safe and healthy during this health emergency.

Now let me introduce our Board Members, Executives and other members on the penal, who have joined us for the meeting:

Mrs. Indu Liberhan, an Independent Director and Chairperson of Audit Committee Meeting and has joined from her residence in Delhi.

Mr. Madan Mohan Varshney, Whole Time Director, he joins from his office of the company at Dehradun.

Mr. PN Sharma, Independent Director and Chairperson of Stakeholders Relationship Committee and Nomination and Remuneration Committee, he joins from his residence in Noida.

Mr. Rajeev Sharma, Non-Executive Director joins the meeting from his residence in Greater Noida.

Mr. Rajendra Kumar Mishra, Independent Director, he joins us from his residence in Faridabad.

Mr. Naval Duseja, CFO of the Company, he joins from his office in Dehradun.

Mrs. Megha Jain, the Statutory Auditors of the Company and Mr. Mahesh Kumar Gupta, the Secretarial Auditors of the Company joins us.

Mr. S. P. Gupta is joining from his office as a host for this Annual General Meeting.

Welcome all the Board Members and other panelists for being with us today.

Mr. Ashok Chaturvedi, Chairman of the Company, could not join the meeting due to certain exigencies and therefore, directors have proposed Mrs. Indu Liberhan to be the chairperson for this meeting in accordance with Article 53 of Article of Association.

The participation of members through Video Conference is being reckoned for the purpose of quorum as per circular of Ministry of Corporate Affairs.



Quorum for the meeting being present, I request the Chair to call the meeting to order.
Thank you, Mam- Mrs. Indu Liberhan

Mrs. Indu Liberhan- Sorry, Sorry one minute.

Mr. S.P. Gupta- I have done it, Sorry your mic is on now.

Mrs. Indu Liberhan - Quorum for the meeting being present, I call the meeting to order.

Dear Shareholders,

It gives me immense pleasure to share with you our performance for the year and prospects on the way forward. I appreciate your support and confidence in us, which enthuse us to work harder towards creating greater value in the Food Processing Industry.

COVID-19 pandemic has caused great deal of uncertainty across all sectors worldwide and has led to dramatic changes. However, the company alongwith employees had worked very hard to sustain the business of the company and protect interest of the stakeholders during these tiring times. While future remains uncertain, we are pleased to inform the shareholders that company has done reasonably well during this time.

An Economic Review- the Global economy has grown at slowest pace in 2019, the world economy expanded at its slowest pace and India's growth in 2019-20 moderated to 4.2 percent with lockdown related to COVID- 19 impairing economy in the last quarter of Financial Year 2019-20.

The Global economic recession had less impact on Food processing industry due to rising demand for pre-packed food. Food processing has become integral part of food supply chain in global economy and India is witnessing growth in the sector. Food processing market is expected to reach estimated \$4.1 trillion by 2024. One of the main driving forces behind food industry is technological innovation which focuses on satisfying consumer demand for taste preservation and easy-to-prepare food. Global mushroom cultivation market itself is projected to witness significant growth due to factors such as multiple health benefits, cost-effective production and rising demand for vegan and natural food for increasingly health conscious population.

India is world's fourth agricultural power and its food processing market was worth INR 27,452 billion in 2019 and is expected to grow to INR 50,571 billion by 2024. Urbanization, increasing income levels



and changing life styles of individuals are driving factors of food processing sector in India. Also India has great export potential for exports in agricultural products and you will be happy to know that food processing sector in India has emerged as high growth and high profit sector due to its immense potential for value addition.

Despite growth potential, food processing sector in India continues to face challenges of low availability of good raw-material, lack of infrastructure for storage, lack of adequate connectivity, non-availability of latest technology etc.

Now look at the performance of the Company- During the year under review your company has achieved Revenue of Rs. 83.4 Crores, EBIDTA of Rs. 13.61 Crores and Net Profit of Rs.6.79 Crores.

Taking into performance and future fund requirements of the Company, your Board of Directors has recommended a dividend at Rs.0.75/- (i.e. 7.5 percent) per share for Financial Year 2019-20.

Food processing sector is indispensable for overall development of economy as it provides vital linkage and synergy between agriculture and industry. It helps to diversify and commercialize farming; enhance income of farmers; create markets for exports of agro foods as well as generate greater employment opportunities. Economic growth, urbanization, increasing labor force, participation of women and associated changes in life styles have contributed to significant growth of food processing sector.

In the backdrop of the above your company is in the process of developing new products for domestic and international markets. We hope to have better results in the coming years.

Look at the Human Resource Development- the Company has a team of experienced and qualified personnel to support its operations. The company strongly believes that Human Resources are key drivers for the change and critical to drive the growth of any organization. The company is thankful to all its employees who have worked relentlessly during COVID -19 pandemic situations to protect interest of stakeholders of the company.

On behalf of the Company, I extend sincere gratitude to all the Shareholders, Vendors, Customers, Dealers and Business Associates and other stakeholders namely Central and State Governments, Banks, Government Agencies and Non-Government Institutions for providing help to the Company. I also express my sincere appreciation to my colleagues on the Board and the Management Team for their invaluable contribution.



I thank you all for being with us today.

Now I request Mr. Rajesh Dheer, Company Secretary to continue with the proceedings of AGM.

Mr. Rajesh Dheer – Thank you.

With the permission of Chair, let me just quickly take you through the general instructions to members for participation in this meeting.

The facility of Joining this Meeting through VC is made available to One thousand (1000) members of the company on First Come First Serve Basis. In addition large Shareholders, Directors, KMPs and Institutional Investors can also join the meeting.

Registered Office of the company at Dehradun will be deemed venue for this meeting and all the proceedings of AGM shall be deemed to be made thereat.

Register of Directors and Key Managerial Personnel and the Register of Contracts are available electronically at the website of the Company, for inspection of the members during the AGM.

Pursuant to MCA circulars, the facility for appointment of proxy by the members is not applicable and therefore, the proxy register is not available for inspection. Similarly facility for voting by show of hand is not available.

The Company had provided the facility to cast votes electronically via remote e-voting on all resolutions set forth in the notice from 22nd September (9:00 AM) to 24th September (5:00 PM)

The Members who have not casted their votes via remote e-voting and who are participating in this meeting will now have an opportunity to cast their votes today through the e-voting system provided by CDSL.

E-voting facility is already open for Members to cast their vote and shall be available for thirty minutes after this meeting.

The Board of Directors has appointed Mr. Mahesh Kumar Gupta, Practicing Company Secretary, as Scrutinizer for this meeting to supervise the e-voting process. He is also present on the panel.

The resolutions set forth in the notice shall be deemed to be passed today, subject to receipt of requisite majority votes. The results of this AGM will be posted on website of the company, sent to stock exchange and also given to service provider.

Notice of AGM alongwith Directors Report, Statutory Auditors & Secretarial Auditors Report and Annual Accounts for year 2019-20 have been sent to you within statutory prescribed time. Also, in accordance with circulars of MCA company has given mandatory pre & post-dispatch advertisements regarding the AGM.



On account of paucity of time, we take the notice dated 17th August, 2020 of AGM as read. Also, there are no qualification, observations, adverse remarks in their reports of Statutory Auditors and Secretarial Auditors for Financial Year 2019-20. These reports being unqualified are being taken as read.

Businesses of the AGM:-

To consider and adopt Annual Audited Financial Statements as at 31st March, 2020, the reports of the Board of Directors and the Auditors thereon;

To declare dividend for the year 2019-2020.

To appoint a Director in place of Mr. Ashok Chaturvedi, who retires by rotation and being eligible offers himself for re-appointment.

To appoint Mr. Madan Mohan Varshney as a Director of the Company.

To appoint Mr. Madan Mohan Varshney as Whole-time Director of the Company for three years.

To appoint Mrs. Indu Liberhan as Independent Director of the Company.

To appoint Mr. Rajeev Sharma as Non-executive Director of the Company.

A gentle reminder to all the shareholders who have not casted their votes yet that e-voting facility is already open and will remain open for thirty minutes after the close of meeting.

We now take up the questions from the shareholders, I understand there are a few shareholders, who have written to the Company and are desirous to ask some questions. In future too, if you have any query please send your queries on email of the Company and we try to address them suitably. Now, I request Mr. S.P. Gupta to have speakers unmuted one by one.

Mr. Verender Kapoor

Mr. S.P. Gupta- Mr. Kapoor, You are on the line, please put your mic on.

Mr. Verender Kapoor- Am I audible?

I have two questions from Management

First, if we compare cost of raw material it has increased from the last year. What is the reason behind this? Second question is what are the plans of the Company to increase the profitability in future?

Mr. Rajesh Dheer - Mr. Naval, Please reply the questions.

Mr. Naval Duseja - Hello.



Mr. S.P. Gupta - Are you listening me?

Mr. Naval Duseja – Yes I am listening.

Mr. Rajesh Dheer - Mr. Naval, Please answer.

Mr. Naval Duseja –Due to fluctuations in foreign earnings previous year, our profitability shown a downward curve & secondly sales of low marginal products has increased and we are expecting our export will again increase in current Financial Year and this will better.

Mr. S.P. Gupta - Any other speaker.

Mr. Rajesh Dheer- No

While thanking all the Shareholders/Directors and other stakeholders who have taken their time to attend this meeting through Video Conferencing, I propose, a Vote of thanks to the Chair.

With wish you all to stay healthy and safe, thank you.

Mr. Naval Duseja - Thank you

Mr. Rajesh Dheer - Thank you , Thank you Indu Ji, Thank you Sharma Ji, Thank you Mishra Ji, Thank you Madan Mohan Varshney Ji.

Mrs. Indu Liberhan -Stay safe everyone, Thank you.