

**SABAR****FLEX INDIA LIMITED***A part of our daily life*

Manufacturers of: All Kinds of Printed Flexible Packaging Materials

September 08, 2023

To,  
Department of Corporate Services  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor, Plot No. C/1,  
G Block, Bandra Kurla Complex, Bandra,  
Mumbai – 400051  
Dear Sir,

**Sub: 5<sup>th</sup> Annual Report for the Financial Year 2022-2023.****Ref: Sabar Flex India Limited (Scrip Symbol: SABAR)**

In compliance with Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 5<sup>th</sup> Annual Report of the Company for the financial year 2022-2023 to be approved and adopted by the Members of the Company in the 5<sup>th</sup> Annual General Meeting going to be held on Saturday 30<sup>th</sup> September 2023 at 11:30 a.m. at Hotel Crowne Plaza, Ahmedabad City Centre, Sarkhej, Gandhinagar Highway, Near Shapath-V, Prahlad Nagar, Ahmedabad, Gujarat 380015.

Thanking you,

Yours faithfully,

**FOR, SABAR FLEX INDIA LIMITED**

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**HIKMATBAHADUR KRISHABAHADUR KUNWAR**  
**MANAGING DIRECTOR**  
**DIN: 00024010****Encl: 5<sup>th</sup> Annual Report**

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**Registered Office** B/1/104, Palledium, Nr. Orchid Wood Opp. Divya Bhaskar, Corporate Road, Prahladnagar  
Ahmedabad 380015 Gujarat**Factory:** Survey No. 33, Plot No. 25 to 32, Idar Road, Dhandha, Himmatnagar-383001, Dist. S.K., N. Gujarat,  
India.**Cell No.:** +91 2772 22206, 223041, +919825070452 | **Email:** [info@sabarflex.in](mailto:info@sabarflex.in) | [www.sabarflex.com](http://www.sabarflex.com)**Corporate Identity No.** L25209GJ2018PLC102720

# **SABAR FLEX INDIA LIMITED**

**REG: OFFICE: B/1/104, PALLEDIUM, NR. ORCHID WOOD OPP. DIVYA BHASKAR,  
CORPORATE ROAD, PRAHLADNAGAR AHMEDABAD 380015 GUJARAT.**

## **5<sup>th</sup> ANNUAL REPORT**

**Financial Year: 2022-2023**

**SABAR FLEX INDIA LIMITED**

**(5<sup>th</sup>) Fifth Annual General Meeting of the Company:**

**Date : 30<sup>th</sup> September, 2023**

**Day : Saturday**

**Time : 11:30 A.M.**

**Venue: Hotel Crowne Plaza, Ahmedabad City Centre, Sarkhej, Gandhinagar Highway,  
Near Shapath-V, Prahlad Nagar, Ahmedabad, Gujarat 380015.**

<b>Contents</b>		<b>Page No.</b>
1	General Information	3
2	Notice And Explanatory Statement	5
3	Board's Report	15
3.A	Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo	25
3.B	Secretarial Audit Report	26
3.B	Contracts and Arrangements with Related Parties	30
3.C	Management Discussion and Analysis Report	31
4	Independent Audit Report from Patel Jain & Associates.	36
5	Balance sheet	54
6	Profit and Loss Account	55
7	Cash flow Statement	56
8	Notes to Accounts	57
9	Attendance Slip	69
10	Proxy Form	70
11	Polling Paper	71
12	Route Map	72

**General Information:****❖ Board of Directors & KMP:**

- |                                           |                           |
|-------------------------------------------|---------------------------|
| 1) Mr. Hikmatbahadur Krishabahadur Kunwar | : Managing Director       |
| 2) Mr. Manoj Kumar Agarwal                | : Director                |
| 3) Ms. Bhavna Basantbhai Shah             | : Independent Director    |
| 4) Ms. Sonalbahen Pratik Bhatt            | : Non-Executive Director  |
| 5) Mr. Shubham Jain                       | : Independent Director    |
| 6) Ms. Tinkle Zapatbahadur Rawal          | : Chief Financial Officer |
| 7) Ms. Neha Sharma                        | : CS & Compliance Officer |
| (w.e.f. 01/03/2023)                       |                           |
| 8) Mr. Kushang Surendrakumar Thakkar      | : CS & Compliance Officer |
| (upto 06/12/2022)                         |                           |

**❖ Statutory Auditor:**

M/s. Patel Jain & Associates.  
Chartered Accountants  
Ahmedabad

**❖ Internal Auditor:**

Mr. Amit P Parmar  
Ahmedabad

**❖ Compliance Officer:**

Mr. Neha Sharma  
Company Secretary & Compliance Officer

**❖ Secretarial Auditor:**

Aanal Mehta & Associates,  
Practicing Company Secretary  
Ahmedabad

**❖ Registered Office:**

B/1/104, Palledium,  
Nr. Orchid Wood Opp. Divya Bhaskar,  
Corporate Road, Prahladnagar  
Ahmedabad 380015 Gujarat

**E-mail:** info@yahoo.co.in

**CIN:** L25209GJ2018PLC102720

**Website:** <https://www.sabarflex.com/>

❖ **Listed at:** NSE Emerge -SME

❖ **Bankers:**

Axis Bank

❖ **Registrar & Share Transfer Agent:**

Bigshare Services Private Limited,  
A-802, Samudra Complex, off C G Road,  
Navrangpura, Near Girish Cold Drinks,  
Ahmedabad 380009, Gujarat, India  
E-mail: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
Contact Number: 079-40392571  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

❖ **Committees of Board:**

❖ Audit Committee:

Mr. Shubham Jain

: Chairperson

Ms. Bhavna Shah

: Member

Mr. Hikmat Bahadur Kunwar

: Member

❖ Nomination and Remuneration Committee:

Mr. Shubham Jain

: Chairperson

Ms. Bhavna Shah

: Member

Ms. Sonal Bhatt

: Member

❖ Stakeholder Relationship Committee:

Mr. Shubham Jain

: Chairperson

Ms. Bhavna Shah

: Member

Ms. Sonal Bhatt

: Member

**NOTICE**

Notice is hereby given that the 5<sup>th</sup> Annual General Meeting of the Company will be held on Saturday, 30<sup>th</sup> September, 2023 at 11:30 AM at **Hotel Crowne Plaza, Ahmedabad City Centre, Sarkhej, Gandhinagar Highway, Near Shapath-V, Prahlad Nagar, Ahmedabad, Gujarat 380015** to consider and transact the following business:

**Ordinary Business:**

- 1) To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2023, the Statement of Profit and Loss for the year ended on that date together with the schedules thereon, along with the reports of the Board of Directors and Auditors thereon.
- 2) To re-appoint Ms. Sonalbaben Pratik Bhatt (DIN: 09507674) who retires by rotation and being eligible offers herself for re-appointment.

**Registered Office:**

B/1/104, Palledium  
Nr. Orchid Wood Opp, Divya  
Bhaskar, Corporate Road  
Prahladnagar Ahmedabad  
380015 Gujarat

By order of the Board,  
For, Sabar Flex India Limited

**Date:** September 5, 2023

**Place:** Ahmedabad

**Hikmatbahadur Krishabhadur Kunwar**  
**Managing Director**  
**DIN: 00024010**

Sd/-

**Notes:**

1. The register of members and share transfer books shall remain closed from **September 24, 2023** to **September 30, 2023** (Both days inclusive) for the Annual General Meeting.
2. In view of the outbreak of the COVID- 19 pandemic, Ministry of Home Affairs has from time to time through various circulars and guidelines has clearly indicated the precautions to be taken if there is a social gathering to stop the spread of novel coronavirus. We assure that we have proper arrangements and precautions being taken at the venue of AGM. There is sufficient space so that social distancing of shareholders attending the meeting can be maintained. Further precaution will be taken that none of the attendees will be allowed to the venue without the use of masks and hand sanitizers. In addition to that health checkups will be done of the attendees so as to protect the spread of any kind of disease.
3. 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 the proxy so appointed need not be a member of the company.
4. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, Trusts, etc., must be backed by appropriate resolution / authority

as applicable, issued on behalf of the nominating organization.

5. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
6. Members desiring any information as regards to the accounts are requested to write to the Company 7 days before the meeting so as to enable the management to keep the information ready at the meeting.
7. Relevant documents referred to in the Notice, statutory register and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company during normal business hours (10:00 am to 5:00 pm) on all working days except Saturdays up to the date of the Annual General Meeting.
8. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips to the Meeting.
9. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended **31<sup>st</sup> March, 2023** is uploaded on the Company's website [www.sabarflex.com](http://www.sabarflex.com) and can be accessed by the members from there.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration) Rules, 2014, which allows the companies to send documents including annual reports and other intimation by an email. Therefore, members are requested to register their email IDs with the Registrar and Transfer Agent of the Company. The Company is already having email ID of the members holding their shares in Demat through their respective depository participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise to the company or Registrar and Transfer Agent.
11. All shareholders are requested to dematerialize their shareholding immediately as The Securities and Exchange Board of India (SEBI) has mandated the transfer of shares only in demat mode.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent,  
Bigshare Services Private Limited,  
A-802, Samudra Complex, off C G Road,  
Navrangpura, Near Girish Cold Drinks,  
Ahmedabad 380009, Gujarat, India  
**E-mail: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)**
13. Members are requested to address all correspondence pertaining to their securities mentioning either the Folio Number/Client ID or DP ID numbers, as applicable, including any change of address, e-mail if any, to the Registrar and Transfer Agent of the Company viz.:

**Bigshare Services Private Limited,**  
A-802, Samudra Complex, off C G Road,  
Navrangpura, Near Girish Cold Drinks,  
Ahmedabad 380009, Gujarat, India  
Investor Grievance Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
Contact Number: 079-40392571

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., **Saturday, September 23, 2023**, may cast their vote. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Saturday, September 23**.

14. In terms of the provisions of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to the members facility of voting by electronic means in respect of businesses to be transacted at the Meeting which includes remote e-voting (i.e. voting electronically from a place other than the venue of the Meeting). The Company also proposes to provide the option of voting by means of poll paper at the venue of Meeting in addition to the remote electronic voting mentioned above. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.

The facility for voting through poll paper shall be made available at the venue of the meeting and members attending the meeting shall be able to exercise their right at the meeting. 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. The voting rights of Members shall be in the proportion of their shareholding in the Company as on Cut-off Date.

The Company has appointed **Ms. Aanal Mehta** of **M/s. Aanal Mehta & Associates**, Practicing Company Secretary, as the Scrutinizer, to scrutinize the entire voting process in a fair and transparent manner.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -**

**The remote e-voting period begins on Wednesday, 27<sup>th</sup> September 2023 at 9:00 a.m. and ends on Friday, 29<sup>th</sup> September 2023 at 5:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Saturday September 23<sup>rd</sup>, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday September 23<sup>rd</sup>, 2023.**



**How do I vote electronically using NSDL e-Voting system?**





*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system****A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can</li> </ol>

	<p>see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store          Google Play       </p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting</li> </ol>

	Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

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

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL*

eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [aanalmehtaassociates@gmail.com](mailto:aanalmehtaassociates@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event,

you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Prajakta Pawle at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **info@sabarfex.in**.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **compliance@aimetr.com**. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**General Instructions:**

- a. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
  - b. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sabarfex.com](http://www.sabarfex.com) within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
15. Explanatory Statement as per Section 102 of the Companies Act, 2013 is mentioned below.

Explanatory Statement to the Ordinary Business:

**Item: 2) To re-appoint Ms. Sonalbaben Pratik Bhatt (DIN: 09507674) who retires by rotation and being eligible offers himself for re-appointment**

Information about the directors who are proposed to be appointed/ re-appointed at the 5<sup>th</sup> **Annual General Meeting** as per regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 Secretarial

Standard on general meetings issued by the Institute of Company Secretaries of India forming part of the notice convening the annual general meeting of the company.

<b>Particulars</b>	Sonalbaben Pratik Bhatt
<b>Director Identification Number.</b>	09507674
<b>Date of Birth</b>	01/12/1987
<b>Age</b>	32 years
<b>Educational Qualification.</b>	Law graduate
<b>Experience (No. of Years)</b>	9 years
<b>Business field in which Experience.</b>	Filed of Law
<b>Brief Resume</b>	She is a law graduate from Hemchandracharya North Gujarat University. She is a member of Bar Council of Gujarat. She has experience of around 8 years in practice of law. She is associated with our company since February 17, 2022.
<b>Date of Initial Appointment</b>	17/02/2022
<b>Date of Appointment as Director in the Current Term.</b>	15/09/2022
<b>Terms and conditions of appointment or re- appointment</b>	Retire by Rotation
<b>Directorship held in any other Company.</b>	Nil
<b>Member of any Committees of the Directors in the Company.</b>	02 (Nomination and Remuneration and Stakeholder Relationship Committee)
<b>Member of any committees of the Directors in other Companies with names of the Company.</b>	Nil
<b>Member of any Trade Association/ Charitable Organization/ NGOs etc.</b>	Nil
<b>Shareholding in Company as on September 01, 2023</b>	Nil
<b>Relationship with other Directors/KMPs</b>	NA
<b>No. of meetings attended during the year</b>	07 (Seven)

**Registered Office:**

B/1/104, Palledium  
Nr. Orchid Wood Opp, Divya  
Bhaskar, Corporate Road  
Prahladnagar Ahmedabad  
380015 Gujarat

**By order of the Board,**  
**For, Sabar Flex India Limited**

**Date:** September 5, 2023

**Place:** Ahmedabad

**Sd/-**  
**Hikmatbahadur Krishabhadur Kunwar**  
**Managing Director**  
**DIN: 00024010**

**BOARD REPORT**

To,  
The Members,  
**Sabar Flex India Limited,**  
Ahemdabad

Your directors have pleasure in presenting the 5<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2023.

**1. FINANCIAL RESULTS:**

The Company's financial performance for the year under review along with previous year's figures is given hereunder

(Rounded off in Lakhs.)

<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED ON 31.03.2023</b>	<b>FOR THE YEAR ENDED ON 31.03.2022</b>
Net Income from Business Operations	9527.55	7235.78
Other Income	0.94	1.23
<b>Total Income</b>	<b>9528.49</b>	<b>7237.01</b>
<b>Total Expenses</b>	<b>9325.53</b>	<b>7067.61</b>
Profit / (loss) before tax	202.96	169.40
Prior Period Items	0	0
Profit before Tax	202.96	169.40
Less Tax Expenses:	20.46	9.73
<b>Net Profit after Tax</b>	<b>182.51</b>	<b>159.67</b>

**2. STATE OF AFFAIRS:**

The Company is engaged in the business of packaging products made from plastics which caters to the packaging requirements of various industries. There has been no change in the business of the Company during the financial year ended 31<sup>st</sup> March, 2023.

The highlights of the Company's performance are as under:

- i. Revenue from operations for the year ended on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March, 2022 is Rs. 9527.55 Lakhs and Rs. 7235.78 Lakhs.
- ii. Other incomes for the year ended for the year ended on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March, 2022 is Rs. 0.94 Lakhs and Rs. 1.23 Lakhs.
- iii. Net profit for the year ended for the year ended on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March, 2022 is Rs. 182.51 Lakhs and Rs. 159.67 Lakhs.

**3. SHARE CAPITAL:**

As on 31<sup>st</sup> March, 2023, the paid-up Equity Share capital of the Company is Rs 15,06,95,240/- (Rupees Fifteen Crores Six Lakhs Ninety-Five Thousand Two Hundred and Forty) divided into 1,50,69,524 (One Crore Fifty Lakhs Sixty-Nine Thousand Five Hundred and Twenty-Four) equity shares each having face value of Rs. 10/- (Ten). During the year. the company has issued 40,70,000 equity shares via Initial Public Offer.



**4. DIVIDEND:**

The Board of Directors do not recommend any dividend and the entire amount of profits is transferred to the Reserves of the company.

**5. RESERVES:**

The Company transfers the entire profits of Rs. 182.51/- Lakhs to the Reserves of the Company.

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

During the year, no amount of unclaimed dividend has been transferred to IEPF.

**7. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

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

**8. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report except:

- a) The members of the company have accorded their approval on 03<sup>rd</sup> July, 2023 to increase the Authorized Share Capital of the company from Rs. 16,00,00,000/- (Rupees Sixteen Crore only) divided into 1,60,00,000 (One Crore Sixty Lakh) equity shares of Rs. 10/- (Rupee Ten only) each to Rs. 19,12,00,000/- (Rupees Nineteen Crore twelve lakh only) divided into 1,91,20,000 (One Crore Ninety-One Lakh Twenty Thousand) equity shares of Rs. 10/- (Rupee Ten only) each by creating additional 31,20,000 (Thirty-One Lakh Twenty Thousand) Equity Shares of Rs. 10/- and further to amend the Memorandum of Association of the Company.
- b) The Board of Directors of the company allotted 21,80,683 (Twenty-One Lakhs Eighty Thousand Six Hundred and Eighty-Three) Fully Convertible Warrants each convertible into, or exchangeable within a maximum period of 18 months from the date of allotment of warrants into equivalent number of fully paid-up equity share of the Company of face value of Rs.10/- (Rupee Ten Only) each at a price of Rs. 16.05/- (Rupees Sixteen and Five Paise Only) each payable in cash.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are annexed as Annexure "A".

**10. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy. The Risk Management Policy has been uploaded on the website of the Company at <https://www.sabarflex.com/>.

**11. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of section 135 of the companies act, 2013 are not applicable to the company considering the net worth, turnover and net profit of the company.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

**13. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

The internal auditor of the company Mr. Amit Parmar checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

**14. STATUTORY AUDITORS:**

M/s. Patel Jain & Associates., Chartered Accountants, (FRN: 129797W) is appointed as Statutory Auditor of the Company to hold office from the conclusion of the 1<sup>st</sup> Annual General Meeting of the company till the conclusion of 6<sup>th</sup> AGM of the company i.e., for a term of five years.

Further the observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

**15. STATUTORY AUDITOR'S REPORT & OBSERVATIONS:**

The report of the Statutory Auditors of the Company is annexed herewith.

The auditors have not reported any frauds under sub section 12 of section 143 other than those which are reportable to the Central Government.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditor

**16. AUDIT COMMITTEE AND VIGIL MECHANISM:**

The Audit Committee as on 31.03.2023 comprises of:

Mr. Shubham Jain	: Chairperson
Ms. Bhavna Shah	: Member
Mr. Hikmat Bahadur Kunwar	: Member

During the year (6) Six Audit Committee Meetings were held. In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 18 of SEBI(LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <https://www.sabarflex.com/>

The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee on regular basis.

#### 17. ANNUAL RETURN:

The Annual Return pursuant to the provisions of Section 92 has been placed at website of the Company at <https://www.sabarflex.com/>

#### 18. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Aanal Mehta & Associates, Practicing Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the Company.

#### 19. SECRETARIAL AUDIT REPORT & OBSERVATIONS:

The Secretarial Audit Report of Secretarial Auditor is annexed herewith as Annexure "B".

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor except:

- 1) *The company has appointed an Internal Auditor as per Section 138 of The Companies Act, 2013 during the year under the review however, the company is yet to file E-Form MGT-14 in accordance with Section 117 of the Companies Act, 2013.*

Explanation: The company will shortly file the form with additional fees

- 2) *There were certain instances of delay in filing the E-Forms with Registrar of Companies during the year under the review.*

Explanation: The Company ensures not to repeat such instances from next time.

- 3) *During the year under the review, certain instances of non-compliances of Secretarial Standards were observed.*

Explanation: The Company ensures not to repeat such instances from next time.

#### 20. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

7 (Seven) Board Meetings were held during the financial year ended **31<sup>st</sup> March, 2023** on the following dates:

Sr. No.	Date of meeting	Total Directors	Directors Present
1.	13/04/2022	5	5
2.	16/07/2022	5	5
3.	26/07/2022	5	5
4.	01/09/2022	5	5
5.	16/09/2022	5	5
6.	14/11/2022	5	5
7.	01/03/2023	5	5

#### 21. DIRECTOR RESPOSNSIBILITY STATEMENT:

Your directors wish to inform that the Audited Accounts containing financial statements for the financial year **2022-23** are in full conformity with the requirements of the Companies Act, 2013. They believe that the financial statement reflects fairly, the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations.

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility statement:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had 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 the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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; and
- 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 systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **22. DEPOSITS:**

The company has not invited, accepted or renewed any deposit within the meaning of Chapter V other than exempted deposit as prescribed under the provisions of the Company Act, 2013 and the rules framed thereunder, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

## **23. DIRECTORS / KEY MANAGERIAL PERSONNEL:**

### **a. RETIREMENT BY ROTATION:**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Ms. Sonalbaben Pratik Bhatt (DIN: 09507674), Non-Executive Director shall retire by rotation in the ensuing Annual General Meeting and being eligible for re-appointment has offered his candidature for director.

### **b. CHANGES IN BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

Following changes were occurred during the year in the composition of board of directors and Key Managerial Personnel:

Sr .	Name of Director& KMP	Designation	Effective date of change	Nature of change
1	Shubham Jain	Independent Director	15/09/2022	Change in Designation
2	Bhavna Basantbhai Shah	Independent Director	15/09/2022	Change in Designation
3	Sonalbahen Pratik Bhatt	Non-Executive Director	15/09/2022	Change in Designation
4	Kushang Surendrakumar Thakkar	Company Secretary	06/12/2022	Resignation
5	Neha Sharma	Company Secretary	01/03/2023	Appointment

**c. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, had adopted a formal mechanism for evaluating its own performance and as well as that of its committee and individual Directors, including the chairperson of the Board. The Exercise was carried out through a structured evaluation process covering the various aspects of the Board's functioning such as composition of board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the independent Directors was carried out by Board, except the independent Director being evaluated and the chairperson and the non-independent Directors were carried out by the independent Directors.

**d. REMUNERATION POLICY:**

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining, qualifications, positive attributes and independence of a director and also a policy for remuneration of directors, key managerial personnel and senior management. The policy is available at the website of company at <https://www.sabarflex.com/>

**e. DECLARATION BY INDEPENDENT DIRECTORS:**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**24. PARTICULARS OF CONTRACTS WITH RELATED PARTIES:**

All related party transactions that were entered into during the financial year ended **31st March, 2023** were on an arm's length basis and were in the ordinary course of business. The details of the related party transactions as per **The Companies Act, 2013** are disclosed under Annexure- "C" which is annexed to this Boards Report. There are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large.

Further, the transactions related party transactions other the those considered in The Companies Act, 2013 are disclosed in the Audited Financial Statements.

**25. CORPORATE GOVERNANCE:**

Provisions relating to Corporate Governance Report under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to SME listed Company pursuant to Regulation 15 under Chapter IV of SEBI (LODR) Regulations, 2015 hence the same has not been annexed to the Board's Report.

**26. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report is appended as Annexure "D" to this Report.

**27. PARTICULARS OF EMPLOYEES:**

Disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.

1	Mr. Hikmatbahadur Krishabhadur Kunwar	20:1
2	Mr. Manoj Kumar Agarwal	6.66:1
3	Ms. Bhavna Basantbhai Shah	0.33:1
4	Ms. Sonalbahen Pratik Bhatt	0
5	Mr. Shubham Jain	0.33:1

b) The percentage increase in the remuneration of each director, Chief Executive Officer, Chief Financial Officer and Company Secretary, if any in the financial year.

Sr.	Name	Designation	% Increase
1	Mr. Hikmatbahadur Krishabhadur Kunwar	Managing Director	0%
2	Mr. Manoj Kumar Agarwal	Executive Director	0%
3	Ms. Bhavna Basantbhai Shah	Independent Director	0%
4	Ms. Sonalbahen Pratik Bhatt	Non-Executive Director	0%
5	Mr. Shubham Jain	Independent Director	0%
6	Ms. Neha Sharma	CS	0%
7	Ms. Tinkle Zapatbahadur Rawal	CFO	0%

c) The percentage increase in the median remuneration of employees in the financial year.  
- Median Remuneration of employees is increased by 28.21 % during the F.Y. 2022-23.

d) The number of permanent employees on the rolls of the Company as on 31.03.2023.  
- 60 (Sixty)

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase

in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

- Average percentile of 28.21 % has been increased in the employees of the company other than Director and KMPs however, no increase has been made in the remuneration of Directors and KMPs.

f) Affirmation that the remuneration is as per the remuneration policy of the company.

- The Company's remuneration policy is driven by the success of the Company during the year under review. The Company affirms that the remuneration is as per remuneration policy of the Company.

g) The names of the top ten employees in terms of remuneration drawn:

- Mr. Hikmatbahadur Krishabhadur Kunwar
- Mr. Manoj Kumar Agarwal
- Mr. Anmol Anil Chaudhary
- Mr. Avinash Mane
- Mr. Hafizurrahman
- Mr. Kalaji Chauhan
- Mr. Lahu Omkar Rathod
- Mr. Navalsingh P Sisodiya
- Mr. Anand Singh
- Mr. Kishorbhai Prajapati

h) The name of every employee, who:

1.) Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Two Lakh Rupees: 0

2.) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh and Fifty Thousand Rupees per month: 0

3.) Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: 0

## 28. COST AUDITORS:

The section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 are not applicable to the Company Hence, the Board of Directors of your company had not appointed Cost Auditor for obtaining Cost Compliance Report of the company for the financial year **2022-23**.

## 29. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

a. aggregate number of shareholders and the outstanding shares in the suspense account lying

at the beginning of the year: Nil

b. number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil

c. number of shareholders to whom share were transferred from suspense account during the year: Nil

d. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

e. voting rights on shares which remain frozen till the rightful owner of such shares claims the shares: Nil

### **30. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:**

The Company has complied with the provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

### **31. PREVENTION OF INSIDER TRADING:**

Your company has adopted the "Code of Conduct on Prohibition of insider trading" and "Code of Conduct for Directors and Senior Management Personnel" for regulating the dissemination of Unpublished Price Sensitive Information and trading in security by insiders.

### **32. INDUSTRIAL RELATIONS (HUMAN RESOURCES):**

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

### **33. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company is committed to provide a safe and conducive work environment to its employees during the year under review. The company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013.

Your directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **34. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

There were no applications which are made by or against the company under The Insolvency and Bankruptcy Code, 2016 during the year.

### **35. ACKNOWLEDGEMENTS**

Your directors place on records their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your



Companies activities during the year under review. Your directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

**Date: September 05, 2023**

**Place: Ahmedabad**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
Hikmatbahadur Kunwar  
Managing Director  
DIN: 00024010**

**Sd/-  
Manoj Kumar Agarwal  
Director  
DIN: 08108458**

**“Annexure A”**

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Particulars pursuant to the Companies (Accounts) Rules, 2014)

**CONSERVATION OF ENERGY**

- We continue to strengthen our energy conservation efforts. Inter alia the following steps have been taken to reduce energy consumption:
- Use of energy efficient devices/motors for running of machineries.
- Standardization of utility pipelines leading to optimum utilization.
- The process is ongoing and the Engineering team is working on various measures to conserve this scarce resource.

**RESEARCH & DEVELOPMENT**

- The Company continued its efforts in the area of improvement of quality/process cycle/product design.
- We continue to focus on product and process improvement and collaborate with product vendors to co-create business solutions on customer specific themes.

**TECHNOLOGY ABSORPTION**

- Continuous efforts are made with an Objective to achieve productivity, reduction in production cost, reduction in down time for maintenance and curtailment of maintenance cost.
- Various Efforts are made towards technology absorption, adaptation and innovation.

**FOREIGN EXCHANGE EARNING AND OUTGO**

- Not applicable as no foreign currency transaction is occurred during the year under review.

**Date: September 05, 2023**

**Place: Ahmedabad**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
Hikmatbahadur Kunwar  
Managing Director  
DIN: 00024010**

**Sd/-  
Manoj Kumar Agarwal  
Director  
DIN: 08108458**

**Annexure-B**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**

**[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,  
**Sabar Flex India Limited**  
B-1/104, Palladium,  
Corporate Road, Prahaladnagar,  
Ahmedabad 380015 Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sabar Flex India Limited (CIN: L25209GJ2018PLC102720) (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023** 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 Borrowings;
- (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, 2018; (**The company has issued 40,70,000 equity shares through Initial Public Offer**)

- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(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, 2021; **(Not Applicable to the Company during the Audit Period);** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
- (v) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.
- (vi) As declared by the Management, at present there is no law which is specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with 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 except:

- ***The company has appointed an Internal Auditor as per Section 138 of The Companies Act, 2013 during the year under the review however, the company is yet to file E-Form MGT-14 in accordance with Section 117 of the Companies Act, 2013.***
- ***There were certain instances of delay in filing the E-Forms with Registrar of Companies during the year under the review.***
- ***During the year under the review, certain instances of non-compliances of Secretarial Standards were observed.***

**We further report that:**

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 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.

All decisions in the Board are carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We 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.

**We further report that** during the Audit period the Company has no specific events/actions having a major bearing on the Companies Affairs in pursuant of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

**Place:** Ahmedabad

**Date:** September 05, 2023

**For, Aanal Mehta & Associates**

**Company Secretaries**

**Sd/-**

**Aanal Mehta**

**Proprietor**

**ACS No.: 61893**

**C.P. No.: 23096**

**Peer Review No.: 2664/2022**

**UDIN: A061893E000947349**

To,  
The Members,  
**Sabar Flex India Limited**  
B-1/104, Palladium,  
Corporate Road, Prahaladnagar,  
Ahmedabad 380015 Gujarat

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

- 1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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 efficiency or effectiveness with which the management has conducted the affairs of the company.

**Place:** Ahmedabad  
**Date:** September 05, 2023

**For, Aanal Mehta & Associates**  
**Company Secretaries**  
**Sd/-**  
**Aanal Mehta**  
**Proprietor**  
**ACS No.: 61893**  
**C.P. No.: 23096**  
**Peer Review No.: 2664/2022**  
**UDIN: A061893E000947349**

FORM NO. AOC.2							
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto							
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)							
<b>1. Details of contracts or arrangements or transactions not at arm's length basis</b>							
Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting
Not Applicable							
<b>2. Details of contracts or arrangement or transactions at arm's length basis</b>							
Name(s) of the related party	Nature of Relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:
Rahi Tradelink	Firm of Relative of Director	Purchase	N.A.	1530.59	day to day Business	13-04-2022	No
Rahi Polymers	Firm of Relative of Director	Purchase	N.A.	562.91	day to day Business	13-04-2022	No
Jagdamba Trading Co.	Firm of Relative of Director	Sale	N.A.	1938.08	day to day Business	13-04-2022	No
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>Date: 05/09/2023</b> <b>Place: Ahmedabad</b></p> </div> <div style="width: 50%; text-align: center;"> <p><b>FOR AND ON BEHALF OF THE BOARD OF DIRECTORS</b> <b>SABAR FLEX INDIA LIMITED</b></p> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: left; width: 45%;"> <p><b>Sd/-</b> <b>Hikmatbahadur Kunwar</b> <b>Managing Director</b> <b>DIN: 00024010</b></p> </div> <div style="text-align: left; width: 45%;"> <p><b>Sd/-</b> <b>Manoj Kumar Agarwal</b> <b>Executive Director</b> <b>DIN: 08108458</b></p> </div> </div> </div> </div>							

**Annexure -D**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**1. INDUSTRY STRUCTURE AND DEVELOPEMENT:**

In India's case, packaging is the fifth largest sector in its economy and is one of the highest growth sectors in the country. According to the Packaging Industry Association of India (PIAI), the sector is growing at CAGR 22% to 25%. Over the last few years, packaging industry has been an important sector driving technology and innovation growth in the country and adding value to the various manufacturing sectors including agriculture and FMCG segments. According to the Indian Institute of Packaging (IIP), the packaging consumption in India has increased 200% in the past decade, rising from 4.3 kg per person per annum (pppa) to 8.6 kg pppa as on FY20. Even with this steep rise in the last decade, there is significant headroom for growth in this sector when compared to other developed regions across the globe.

The India Packaging Market was valued at USD 50.5 billion in 2019, and it is expected to reach USD 204.81 billion by 2025, registering a CAGR of 26.7% during the period of 2020-2025. Packaging is among the high growth industries in India and developing at 22-25% per annum and becoming a preferred hub for packaging industry. Currently the 5th largest sector of India's economy, the industry has reported steady growth over past several years and shows high potential for much expansion, particularly in the export market. Costs of processing and packaging food can be up to 40% lower than parts of Europe which, combined with India's resources of skilled labour, make it an attractive venue for investment. A high degree of potential exists for almost all user segments which are expanding appreciably - processed foods, hard and soft drinks, fruit and marine products.

**2. OPPORTUNITIES AND OUTLOOK:**

The Indian packaging industry has made a mark with its exports that comprise flattened cans, printed sheets and components, crown cork, lug caps, plastic film laminates, craft paper, paper board and packaging machinery, while the imports include tinsplate, coating and lining compounds and others. In India, the fastest growing packaging segments are laminates and flexible packaging, especially PET and woven sacks. Over the last few years Packaging Industry is an important sector driving technology and innovation growth in the country and adding value to the various manufacturing sectors including agriculture and FMCG segments. The global packaging industry is developing and expanding day by day and Indian packaging industry is also growing rapidly. This growth is primarily driven by factors like growing pharmaceutical, food processing, manufacturing industry, FMCG, healthcare sector and ancillary in the emerging economies like China, India, Brazil, Russia and few other East European countries.

As plastics possess versatile properties it can help us do more with less. One such property is light weight. As plastics are light in weight, they have a high product to package ratio which results in lighter weighed end product. For eg: Only 1.5 pounds of flexible plastics can deliver ~60 pounds of beverage; compared to three pounds of aluminium or 50 pounds of glass. Thus, plastic packaging enables in shipping more products with less packaging material. And also brings down the fuel



consumption and the overall transportation cost. Besides this, plastics can be reused and recycled. They have low energy requirements during production, hence considered to be energy efficient. They consume ~25% less energy in production compared to other alternatives. They result in lower emission of CO<sub>2</sub> gas. Thus when compared to glass or aluminium plastics results in lighter environmental footprint.

### **3. RISK, CONCERNS AND THREATS:**

Our success depends on the supply and transport of the various raw materials required for our manufacturing facilities and of our finished products from our manufacturing facilities to our customers and distributors, which are subject to various uncertainties and risks. We use third-party for the delivery of our products and transportation restrictions, if any, could have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of raw materials and delivery of such materials to us is delayed, we may be unable to meet our purchase orders in a timely manner or at all, which may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or thirdparty transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers and distributors. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

#### **Inadequate Availability of Skilled Workforce**

The retail industry faces a shortage of proficient workforce, leading to a high turnover rate. However, we have managed to maintain lower attrition rates than the industry standard through our talent management programme. This programme has enabled us to develop a pool of managers and leaders who will steer our future growth. Additionally, we have strengthened our management team by hiring experts in crucial domains such as e-commerce, marketing, and supply chain.

### **4. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:**

The Company ensures the safety and protection of its assets by having implemented well defined policies and their implementation in a well efficient manner. The board of the Company is always well informed regarding the operations of the company. The company always ensures the dissemination of information through proper channels in a professional manner. The management

takes regular recommendations and advises from the reliable professionals having experience in their fields, in order to efficiently discharge responsibilities by giving hands on facts, details and recommendations concerning the activities covered for audit and reviewed by it during the year. The conclusions of internal audit reports and effectiveness of internal control measures is reviewed by top management and audit committee of the Company.

## **5. FINANCIAL PERFORMANCE:**

### **A. Standalone Financial Performance:**

#### **(i) Revenue from Operations and Other Income:**

Revenue from operations for the year ended on 31st March 2023 and 31st March, 2022 is Rs. 9527.55 Lakhs and Rs. 7235.78 Lakhs.

#### **(ii) Expenditure:**

The total expenditure in for the year ended on 31st March 2023 and 31st March, 2022 is Rs. 9325.53 Lakhs and Rs. 7067.61 Lakhs.

### **B. Profit before Tax:**

The profit before tax of the company for the year ended on 31st March 2023 and 31st March, 2022 is Rs. 202.96 lakhs and 169.40 lakhs.

#### **(iii) Profit after tax:**

The profit after tax/net profit of the company in for the year ended on 31st March 2023 and 31st March, 2022 is Rs. 182.51 Lakhs and Rs. 159.67 Lakhs.

## **6. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:**

Our Company is in the business of packaging products made from plastics which caters to the packaging requirements of various industries. Most of our Company's existing products are industrial in nature. Therefore, its performance pertaining to the said segment is mentioned above in the Para 5 as Financial Performance.

## **7. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

<b>Sr. No.</b>	<b>Ratios</b>	<b>Is change any significant change compared to last year</b>	<b>Justification</b>
1	Debtors Turnover Ratio	Yes	The sales has been significantly increased in the current year however, the Trade Receivable has increased disproportionately with the sales.
2	Inventory Turnover	Yes	Due to significant increase in

	Ratio		average inventory during the year 2022-2023.
3	Interest Coverage Ratio	Yes	The PBIT of the company has been significantly increased and the interest expenses of the company has not been significantly increased, therefore the ratio is improved.
4	Current Ratio	No	Not required as the change is within the limits
5	Debt Equity Ratio	Yes	The variation is due to significant increase the owners fund in the company and in gradual increase in the debt structure of the company.
6	Operating Profit Margin	No	Not required as the change is within the limits
7	Net Profit Margin	No	Not required as the change is within the limits

**8. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:**

The return on networth of the company for the current year is approximately 8.44% and 10.42% in the previous financial year. The change total change is equivalent to around 19% which is not a significant change. Further, the return on networth is decreased due to the increased owners' fund pursuant to Initial Public Offer of the equity shares of the company.

**9. DEVELOPMENT IN HUMAN RESOURCES**

The Company considers its employees as its main assets. The management believes in the philosophy of the development of the Company with the development of its employees. Proper environment of work, all necessities and their safety is looked after. The well-being of its employees is always a priority to the company. The employees are given proper guidance and training to execute their tasks. Hence, higher degree of work satisfaction is enjoyed by the employees of the company.

**10. ENVIRONMENT, HEALTH & SAFETY (EHS)**

The Company commits to ethical and sustainable operation in all business activities. Company maintains and implements an Environmental Management System (EMS) for meeting the purpose of organization's policy and objectives regarding environment. The aims of the system is use of

processes, practices, techniques, materials, products, services or energy to avoid, reduce or control the creation, emission or discharge of any type of pollutant or waste, in order to reduce adverse environmental impacts. Adequate Occupational Health & Safety Management System is adopted by the Company for ensuring the conformance to the Occupational Health & Safety Management System, legal & statutory requirements, continual improvement and satisfaction of interested parties (i.e. customers, suppliers, employees and public).

**11. CAUTIONARY STATEMENT:**

No reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions, predictions etc. may constitute “forward looking statements” contained herein. Certain statements contained in this document may be statements of future expectations, forecasts and other forward-looking statements that are based on management’s current view and assumptions. Such statements are by their nature subject to significant uncertainties and contingencies and the actual results, performance or events may differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on any forward-looking statement.

**Date: September 05, 2023**

**Place: Ahmedabad**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
Hikmatbahadur Kunwar  
Managing Director  
DIN: 00024010**

**Sd/-  
Manoj Kumar Agarwal  
Director  
DIN: 08108458**

## **Independent Auditor's Report**

To the Members of Sabar Flex India Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Sabar Flex India Limited ("the company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and notes to the Financial Statements which comprises of a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Information Other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the company and operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - a) As informed to us, the Company does not have any pending litigations which would impact its financial position;
    - b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - d)
      - i. The Management has represented that, to the best of its knowledge and belief, as disclosed in --to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on



behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- ii. The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 41 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- e) The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

- 3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company being a Public company, section 197 of the Act related to the managerial remuneration is applicable.

For, Patel Jain & Associates  
Chartered Accountants  
(Registration No.129797W)

Sd/-  
(CA Vivek A. Bhatt)  
Partner  
Membership No. 193504  
UDIN: **23193504BGVJOA4213**

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

## **Annexure “A” to Independent Auditors’ Report**

Referred to in Paragraph 1 under the heading of “report on other legal and regulatory requirements” of our report of even date of Sabar Flex India Limited for the year ended March 31,2023

- (i) In respect of its Property, Plant & Equipment & Intangible Assets:
  - a) (A) The Company has maintained proper records showing full particulars including, quantitative details and situation of the Property, Plant & Equipment.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - c) There have immovable properties are held in the name of the company as at the balance sheet date.
  - d) The Company has not revalued any of its Property, Plant & Equipment (including right of use of assets) and Intangible Assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) In respect of its inventories:
  - a) The Company is doing activity as Manufacturing , therefore company have maintain Inventory as per Accounting Method.
  - b) According to the information and explanations given to us, the Company has been sanctioned any working capital loan, at points of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, this clause is not applicable.
- (iii) According to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security, granted any loans or advances, secured or unsecured to any Companies, Firms, Limited Liability Partnerships or other parties during the year. Accordingly, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to persons covered under the provisions of section 185 or granted securities under section 186 of the Act. Hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of article of plastic and polymers and other textile and fabric product, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) According to the information and explanations given to us in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed statutory dues including goods and services tax (GST), other material statutory dues with the appropriate authorities. There were no undisputed statutory dues in arrears as on 31st March 2023 for a period of more than six months from the date they became payable.
  - b) There are no amounts payables in respect statutory dues referred to in sub clause (a) which have not been deposited on account of disputes.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)
  - a) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - b) The Company has not taken any term loan from any Bank during the year.
  - c) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - d) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, an associate or a joint venture.
  - e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x)

- a) During the year, the company has raised money by way of initial public offer through SME Platform on NSE Emerge.
- b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)

- a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and up to the date of this audit report)

(xii) The company is not a Nidhi Company hence the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

(xiii) Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act.

(xiv)

- a) In our opinion the Company has not applicable an adequate internal audit system commensurate with the size and the nature of the entity.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with him. Hence, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b), (c) and (d) of the order is not applicable.

(xvii) There has been no resignation of the statutory auditors of the Company during the year.

- (xviii) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities (Asset Liability Maturity (ALM) pattern), other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xix) According to the information and explanations given to us, the provisions of Corporate Social Responsibility are not applicable to the Company as per section 135(1) of the Act.

For, Patel Jain & Associates  
Chartered Accountants  
(Registration No.129797W)

Sd/-  
(CA Vivek A. Bhatt)  
Partner  
Membership No. 193504  
UDIN: **23193504BGVJOA4213**

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

## **Annexure – B to Independent Auditors’ Report**

Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date on the Standalone Financial Statements of Sabar Flex India Limited

### **Report on the Internal Financial Controls with reference to financial statements under section 143(3)(i) of the Companies Act, 2013("the Act")**

We have audited the internal financial controls over financial reporting of Sabar Flex India Limited (the “Compnay”) as of March 31, 2023 in conjunction with our audit of standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 (the “Guidance Note”), 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 the 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 Act.

#### **Auditors Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Financial Statement based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to and audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain evidence about the adequacy of the internal financial controls system with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining and understanding of internal financial statements, 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 judgement, 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 with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial controls with reference to Financial Statement 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 with reference to financial statements includes those policies and procedures that,

- (1) Pertain to the maintenance of records that, in reasonable details, 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 authorization of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the 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 operating effectively as at 31<sup>st</sup> March, 2023, 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, Patel Jain & Associates  
Chartered Accountants  
(Registration No.129797W)

Sd/-  
(CA Vivek A. Bhatt)  
Partner  
Membership No. 193504  
UDIN: **23193504BGVJOA4213**

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023



# **SABAR FLEX INDIA LIMITED**

## **NOTES TO FINANCIAL STATEMENTS**

For the year ended 31 March 2023

### **Note 1: Significant Accounting Policy**

#### **1 Corporate Information**

Sabar Flex India Limited is limited company, incorporated in the year 2018 under the provision of the companies act,2013. The company is primarily engaged in the business of doing Manufacturing and Trading acitivity of Flexible Packaging.

#### **2 Significant Accounting Policies**

##### **(i) Statement of compliance**

The standalone financial statements have been prepared in accordance with AS notified under the Companies (Accounting Standards) Rules,2006.

##### **(ii) Basis of Preparation and presentation**

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

##### **(iii) Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumption that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Examples of such estimates include esimates of future obligation under employee retirement benefit plans, provision for bad debts, estimated useful life of fixed assets and warranty provision. Actual results could differ from these estimates. Estimates and underlying assumptions reviewed on an ongoing basis.Any revision to accounting estimates is recognized prospectively in current and future periods.

##### **(iv) Current and not current classification**

All assets and liabilities are classified into current and not current.

##### **Assets**

An assets is classified as current when it satisfies any of the following criteria:  
It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating Cycle;

- a. It is held primarily for the purpose of being traded;
- b. It is expected to be realised within 12 months after the reporting date; or  
It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.  
All other assets are classified as non-current.

### **Liability**

A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

### **Operating cycle:**

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash and cash equivalents for project period.

#### **(v) Tangible fixed assets**

Fixed assets are stated at cost of acquisition or construction (including directly attributable expenses thereto) or at revalued amounts, net of impairment loss if any, less depreciation/amortization. Cost includes financing costs of borrowed funds attributable to acquisition or construction of qualifying fixed assets, up to the date the assets are put to use.

#### **(v) Intangible fixed assets**

Intangible fixed assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at cost less accumulated amortization and any accumulated impairment loss.

#### **(vii) Depreciation and amortization**

Consequent to the enactment of the Companies Act, 2013 (The Act) and its applicability for accounting periods commencing after 01-04-2017, the company provided depreciation with reference to the estimated useful lives of Fixed Assets as per prescribed by Schedule II of the Act. Depreciation on additions is provided on a pro-rata basis from the date of capitalization. Depreciation on deletion during the year is provided up to the date on which the asset is sold/discarded.

Intangible assets are amortised over their estimated useful life.

#### **(viii) Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### **(ix) Foreign exchange transactions**

Foreign currency transaction are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/losses arising on account of realisation /settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the statement of profit and loss.

#### **(x) Borrowing costs**

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a period of one year or more to get ready for intended use. All other borrowing costs are charged to revenue.

#### **(xi) Revenue recognition**

Revenue from sale of goods and services is measured at the fair value of the consideration received or receivable, net of estimated customer returns, rebates and other similar allowances.

##### **Sale of goods**

Revenue from the sale of goods is recognised the significant risks and rewards ownership of the goods have passed to the buyer, usually on delivery of the goods and it is probable that the economic benefits associated with the transaction will flow to the Company.

##### **Interest Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

##### **Other Income**

Other income is recognized on accrual basis.

#### **(xii) Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating lease. Lease rents under operating lease are recognized in the statement of profit and loss on a straight line basis over the lease term.

**(xiii) Earnings per share**

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for the effects of dividend interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

**(xiv) Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantially enacted by end of reporting periods.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### **(xv) Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

#### **(xvi) Employee benefits**

The company's obligation towards various employee benefits has been recognised as follows:

##### **Short term employee benefits:**

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognised in the period in which the employee renders the related service.

##### **Defined contribution plans**

Contribution to provident fund is defined contribution plan. Contribution to provident fund is deposited with the Regional Provident Fund Commissioner and charged to the Statement of profit and loss.

##### **Defined benefit plans**

The Company's liabilities towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the Statement of profit and loss. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

**(xviii) Investments**

Long term investments are stated at cost, less any provision for diminution (other than temporary) in value, current investments are stated at lower of cost and fair value.

For, Patel Jain & Associates  
Chartered Accountants  
(Registration No.129797W)

Sd/-  
(CA Vivek A. Bhatt)  
Partner  
Membership No. 193504  
UDIN: **23193504BGVJOA4213**

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

<b>SABAR FLEX INDIA LIMITED</b> <b>AUDITED BALANCE SHEET AS ON 31ST MARCH 2023</b>			
Particulars	Note No.	As at Mar 2023	As at Mar 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	150,695,240	109,995,240
(b) Reserves and Surplus	4	65,540,627	43,219,844
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	85,613,175	75,368,271
(b) Long Term Provision	6	2,793,249	2,468,944
(c) Deferred tax liabilities (Net)		5,337,802	3,292,169
<b>(4) Current Liabilities</b>			
(a) Trade payables	7	37,353,983	85,466,540
(b) Short-term provisions	8	14,250,073	14,910,074
(c) Short-term borrowings	9	153,510,197	151,076,066
(d) Other Short-term liabilities	10	22,620,901	28,496,558
<b>Total</b>		<b>537,715,244</b>	<b>514,293,706</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipments			
(i) Tangible assets	11	134,040,516	97,668,988
<b>(2) Current assets</b>			
(a) Current investments	12	2,440	2,440
(b) Inventories	13	196,435,578	262,071,225
(c) Trade receivables	14	180,739,363	135,611,988
(d) Cash and cash equivalents	15	2,806,463	1,864,465
(e) Other current assets	16	23,690,882	17,074,590
<b>Total</b>		<b>537,715,244</b>	<b>514,293,703</b>
<b>The accompanying notes are integral part of standalone financial statements.</b>			
<b>As per our report of even date attached</b>		<b>For and behalf of the Board of Directors of</b>	
<b>For, Patel Jain &amp; Associates</b>		<b>Sabar Flex India Limited</b>	
Firm Registration No. 129797W			
Chartered Accountants			
<b>Sd/-</b>		<b>Sd/-</b>	<b>Sd/-</b>
<b>Vivek A. Bhatt</b>		<b>Hikmatbahadur Kunwar</b>	<b>Manoj Agarwal</b>
Partner		Managing Director	Executive Director
Membership No.: 193504		DIN: 00024010	DIN: 08108458
UDIN: 23193504BGVJOA4213			
		<b>Sd/-</b>	<b>Sd/-</b>
		<b>Tinkle Rawal</b>	<b>Neha Sharma</b>
		CFO	Company Secretary
<b>Place: Ahmedabad</b>		<b>Place: Himmatnagar</b>	
<b>Date: 30/05/2023</b>		<b>Date: 30/05/2023</b>	

**SABAR FLEX INDIA LIMITED**
**AUDITED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2023**

Particulars	Note No	For the Period March 2023	For the Period March 2022
II. Revenue from operations	17	952,755,273	723,577,779
III. Other Income	18	94,075	122,813
IV. Total Income (I + II)		<b>952,849,348</b>	<b>723,700,591</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	19	813,209,069	662,989,359
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	43,660,144	(17,826,146)
Employee benefit expense	21	27,525,707	26,708,845
Financial costs	22	25,452,184	25,050,884
Depreciation and amortization expense	23	8,402,837	6,978,071
Other expenses	24	14,302,990	2,859,498
<b>Total Expenses</b>		<b>932,552,931</b>	<b>706,760,510</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	20,296,416	16,940,081
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		20,296,416	16,940,081
IX. Profit before tax		<b>20,296,416</b>	<b>16,940,081</b>
X. Tax expense:			
(1) Current tax		3,407,238	2,826,938
(2) Mat tax		(3,407,238)	(2,826,938)
(3) Deferred tax		2,045,634	972,901
XI. Profit(Loss) from the period from continuing operations	(VII-VIII)	<b>18,250,782</b>	<b>15,967,180</b>
XV. Profit/(Loss) for the period		<b>18,250,782</b>	<b>15,967,180</b>
XVI. Earning per equity share:			
(1) Basic		<b>1.36</b>	<b>1.45</b>
(2) Diluted			

The accompanying notes are integral part of financial statements.

As per our report of even date attached

For, Patel Jain & Associates

Firm Registration No. 129797W

Chartered Accountants

For and behalf of the Board of Directors of

Sabar Flex India Limited

Sd/-

**Vivek A. Bhatt**

Partner

Membership No.: 193504

UDIN: 23193504BGVJOA4213

Sd/-

**Hikmatbahadur Kunwar**

Managing Director

DIN: 00024010

Sd/-

**Manoj Agarwal**

Executive Director

DIN: 08108458

Sd/-

**Tinkle Rawal**

CFO

Sd/-

**Neha Sharma**

Company Secretary



<b>SABAR FLEX INDIA LIMITED</b>		
<b>Audited Statement of cash flow for year ended 31 March, 2023</b>		
	<b>31-03-23</b>	<b>31-03-22</b>
<b>Cash Flow from Operating Activities</b>		
Profit after tax	18,250,782	15,967,180
Depreciation and amortisation	8,402,837	6,978,071
Interest and finance charges	24,630,689	24,387,716
Donation	138,900	60,100
<b>Operating Profit Before Working Capital Changes :</b>	<b>51,423,209</b>	<b>47,393,067</b>
Movement in working capital :		
(Decrease) / increase in trade payables	(48,112,557)	16,211,452
Increase / (Decrease) in other current liabilities	(3,830,024)	-1,225,380
Increase / (Decrease) in short term provisions	(660,001)	13,817,787
Increase in Long Term Provision	324,305	265,169
(Increase) in inventories	65,635,647	-41,318,143
Increase / (decrease) in trade receivables	(45,127,375)	4,142,352
(Increase) in other current assets	(6,616,292)	-4,897,762
<b>Cash Generated from Operations</b>	<b>13,036,912</b>	<b>34,388,542</b>
Direct taxes paid (net of refunds)		0
<b>Net Operating Cash Flow from Operating Activities (A) :</b>	<b>13,036,912</b>	<b>34,388,542</b>
<b>Cash Flow from Investing Activities :</b>		
Acquisition of fixed assets	-44774357	-2,960,885
Acquisition of Intangible Assets	0	-19,866,247
<b>Net Operating Cash Flow used in Investing Activities (B) :</b>	<b>-44,774,357</b>	<b>-22,827,132</b>
<b>Cash Flow from Financing Activities :</b>		
Proceeds from long term borrowings	10,244,904	5,876,212
Proceeds from Intital Public Offer	44,770,000	-
Proceeds from short term borrowings	2,434,131	5,915,109
Interest and finance charges paid	(24,630,689)	-24,387,716
Donation paid	(138,900)	-60,100
<b>Net Operating Cash Flow from Financing Activities (C) :</b>	<b>32,679,446</b>	<b>-12,656,495</b>
<b>Net Increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>942,001</b>	<b>-1,095,085</b>
Cash and cash equivalents at the beginning of the year	1,864,472	2,959,558
<b>Cash and cash equivalents at the end of the year</b>	<b>2,806,473</b>	<b>1,864,472</b>
<b>Components of cash and cash equivalents:</b>		
Cash on hand	2,805,894	1,864,472
With Banks - On current account	569	0
<b>Total cash and cash equivalents (note 3.15)</b>	<b>2,806,473</b>	<b>1,864,472</b>
<b>Note:</b>		
1. The Cash Flow Statement has been prepared under the Indirect method as per Accounting Standard-3 "Cash Flow Statement" specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.		
2. Figures in brackets represent outflow.		
Summary of significant accounting policies. 1		
The accompanying notes are integral part of these standalone financial statements.		
<b>As per our report of even date attached</b> <b>For, Patel Jain &amp; Associates</b> Firm Registration No. 129797W Chartered Accountants		
<b>For and behalf of the Board of Directors of</b> <b>Sabar Flex India Limited</b>		
<b>Sd/-</b> <b>Vivek A. Bhatt</b> Partner Membership No.: 193504 UDIN: 23193504BGVJOA4213		
<b>Sd/-</b> <b>Hikmatbahadur Ku Manoj Agarwal</b> Managing Director DIN: 00024010		
<b>Sd/-</b> <b>Neha Sharma</b> Company Secretary		
<b>Sd/-</b> <b>Tinkle Rawal</b> CFO		
<b>Place: Ahmedabad</b> <b>Date: 30/05/2023</b>		
<b>Place: Himmatnagar</b> <b>Date: 30/05/2023</b>		

**SABAR FLEX INDIA LIMITED**  
**SCHEDULE FORMING PART OF BALANCE SHEET**

<b>NOTE-4 RESERVES &amp; SURPLUS</b>		
<b><u>Particulars</u></b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
<b>Surplus</b>		
Opening balance	43,219,845	27,252,665
(+) Net Profit/(Net Loss) For the current year	18,250,782	15,967,180
Closing Balance	<b>61,470,627</b>	<b>43,219,845</b>
Securities Premium	4,070,000	
<b>Total</b>	<b>65,540,627</b>	<b>43,219,845</b>

<b>NOTE-5 LONG TERM BORROWINGS</b>		
<b><u>Particulars</u></b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
<b><u>Secured</u></b>		
(a) Loans from Banks & other		
ECL Finance Limited - Machinery Loan	-	1,233,550
GECL Loan	17,825,359	32,453,110
HDFC Car Loan TATA Ace CNG	512,695	-
	<b>18,338,054</b>	<b>33,686,660</b>
<b><u>Unsecured</u></b>		
(a) From Directors & their Family	40,683,449	12,412,220
(b) From Others	26,591,672	29,269,392
	<b>67,275,121</b>	<b>41,681,611</b>
<b>Total</b>	<b>85,613,175</b>	<b>75,368,271</b>

<b>NOTE-6 LONG TERM PROVISION</b>		
<b><u>Particulars</u></b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Provision For Gratuity	2,793,249	2,468,944
<b>Total</b>	<b>2,793,249</b>	<b>2,468,944</b>

<b>NOTE-7 TRADE PAYABLE</b>		
<b><u>Particulars</u></b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
<b><u>Sundry Creditors</u></b>		
Total outstanding dues of Small & Micro Enterprise (SMEs)	-	0
Total outstanding other than Small & Micro Enterprise (SMEs) {Refer Note No.29}	37,353,983	85,466,540
<b>Total</b>	<b>37,353,983</b>	<b>85,466,540</b>

NOTE-8 SHORT TERM PROVISIONS		
<u>Particulars</u>	As at 31 March 2023	As at 31 March 2022
<b><u>(a) Provision for Expenses</u></b>		
Unpaid Salary & Wages	5,806,000	6,990,306
Provision for Audit Fees	2,025,000	1,350,000
Provision for Gratuity	273,880	210,503
<b><u>(b) Duties &amp; Taxes</u></b>		
Income tax provision	5,929,029	6,151,756
PF Payable	216,164	207,509
<b>Total</b>	<b>14,250,073</b>	<b>14,910,074</b>

NOTE-9 SHORT TERM BORROWINGS		
<u>Particulars</u>	As at 31 March 2023	As at 31 March 2022
<b><u>Secured</u></b>		
(a) Loans from Bank		
Axis Bank CC	153,510,197	150,582,213
- Secured against Stock and Book Debts		
<b><u>Overdraft</u></b>		
(a) Axis Bank Current A/c	-	493,853
<b>Total</b>	<b>153,510,197</b>	<b>151,076,066</b>

NOTE-10 OTHER CURRENT LIABILITIES		
<u>Particulars</u>	As at 31 March 2023	As at 31 March 2022
Current Maturity on Long Term Debt	16,734,181	19,317,588
GST Payable	2,717,312	6,090,837
TDS Payable	2,772,231	2,690,956
Advance From Customer	397,177	397,177
<b>Total</b>	<b>22,620,901</b>	<b>28,496,558</b>

NOTE-12 CURRENT INVESTMENT		
<u>Particulars</u>	As at 31 March 2023	As at 31 March 2022
Investment in Shares	2,440	2,440
<b>Total</b>	<b>2,440</b>	<b>2,440</b>

NOTE-13 INVENTORIES		
<u>Particulars</u>	As at 31 March 2023	As at 31 March 2022
Raw Material	83,564,410	105,539,913
Semi Finish Goods	56,735,788	72,284,986
Finish Goods	56,135,380	84,246,326
<b>Total</b>	<b>196,435,578</b>	<b>262,071,225</b>

**SCHEDULE FORMING PART OF BALANCE SHEET**

NOTE-14 Debtors		
<u>Particulars</u>	As at 31 March 2023	As at 31 March 2022
<b><u>Sundry Debtors</u></b> <b>(Unsecured, Considered Good)</b> Outstanding for a period exceeding six months from the date they are due for payment		-
Others receivables	180,739,363	135,611,988
<b>Total</b>	<b>180,739,363</b>	<b>135,611,988</b>

NOTE-15 CASH & CASH EQUIVALENT		
<u>Particulars</u>	As at 31 March 2023	As at 31 March 2022
<b><u>a. Balances with banks</u></b>		
Axis Bank Current Account	569	0
	569	0
<b><u>b. Cash on hand</u></b>	2,805,894	1,864,465
<b>Total</b>	<b>2,806,463</b>	<b>1,864,465</b>

<b>NOTE-16 OTHERS CURRENT ASSET</b>		
<b><u>Particulars</u></b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Rent Deposit	165,000	165,000
UGVCL Security Deposit	1,281,618	1,281,619
UGVCL Security Deposit New	578,471	578,471
TCS on Purchase Receivable	154,024	278,753
T.D.S. Receivable	65,012	39,352
MAT entitlement credit	7,359,683	3,952,445
Other Current Assets	12,887,074	9,369,041
Advance paid to suppliers	1,200,000	1,200,000
Prepaid Insurance	-	209,909
<b>Total</b>	<b>23,690,882</b>	<b>17,074,590</b>

**SABAR FLEX INDIA LIMITED**  
**SCHEDULE FORMING PART OF BALANCE SHEET**

**A/C YEAR: 2021-22**  
**ASST. YEAR: 2022-23**

**NOTE-3 SHARE CAPITAL**

PARTICULARS	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
<b>Authorised share:</b> 1,10,00,000 Equity Shares of Rs.10/- each	16,000,000	160,000,000	1,10,00,000	11,00,00,000
<b>Issued, subscribed and fully paid up shares:</b> 1,09,99,524 Equity Shares of Rs.10/- each	15,069,524	150,695,240	1,09,99,524	109,995,240
<b>Total Issued, subscribed and fully paid up shares capital</b>	<b>15,069,524</b>	<b>150,695,240</b>	<b>1,09,99,524</b>	<b>109,995,240</b>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

PARTICULARS	EQUITY SHARES			
	As at 31 March 2023		As at 31 March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,09,99,524	109,995,240	1,09,99,524	109995240
Shares Issued during the year	4,070,000	40,700,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	15,069,524	150,695,240	1,09,99,524	109,995,240

(b) Terms / Rights attached to equity shares:

The Company has only one class of equity shares having a face value of 10/- per equity share each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholder.

(C) Details of shareholders holding more than 5% equity shares in the company :

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% holding in class	No. of shares	% holding in class
<b>Equity shares of Rs. 10/- each- fully paid up</b>				
Hikmat Bahadur Kunwar	5,857,388	38.87%	5,857,388	53.25%
Nayanben Thakor	1,781,973	11.83%	-	-
ManojKumar Agarwal Agarwal	1,240,854	8.23%	1,240,854	11.28%
Nanduba Bhati	1,030,655	6.84%	1,030,655	9.37%
Sourabh Agarwal	788,654	5.23%	788,654	7.55%
Sourabh Agarwal	100,000	0.66%	830,681	7.17%
Bharat Kumar Patel	100,000	0.66%	654,471	5.95%
Manish bhai G Chaudhary	100,000	0.66%	596,821	5.43%
Public Share Holding	4,070,000	27.01%	-	-
	<b>15,069,524</b>	<b>100%</b>	<b>10,999,524</b>	<b>100%</b>

As per records of the company, including its register of shareholders/ members and other declarations received from

**Note:11 Fixed Assets**

SR. NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 1-Apr-22	Additions	Deductions	Year Ended 31-Mar-23	Upto Previous year	Depreciation during the year	Recouped	Total Depreciation up to 31-mar-2023	Year Ended 31-Mar-23	Year Ended 31-Mar-22
1	Building	7,426,201	-	-	7,426,201	992,140	248,035	-	1,240,175	6,186,026	6,434,061
					-						-
2	C.C.Tv Camera	131,781	-	-	131,781	25,039	6,260	-	31,299	100,482	106,742
					-						-
3	Computer	236,295	-	-	236,295	153,213	38,303	-	191,516	44,778	83,082
					-						-
4	Electrification	1,915,851	-	-	1,915,851	364,012	91,003	-	455,015	1,460,837	1,551,839
5	Laboratory Equipments	356,305	-	-	356,305	147,368	36,842	-	184,210	172,095	208,937
8	Scale Map	28,337	-	-	28,337	11,720	2,930	-	14,650	13,687	16,617
9	Office Furniture	47,744	-		47,744	8,877	2,268	-	11,145	36,599	38,867
10	Plant & Machinery	113,947,151	44,194,991	-	158,142,142	27,513,587	7,842,590	-	35,356,177	122,785,965	86,433,564
11	Borwell	8,707	-	-	8,707	3,600	900	-	4,500	4,207	5,107
12	Byke GJ CN 2175	25,215	67,729	-	92,944	9,580	8,830	-	18,410	74,534	15,635
13	Cycle	2,841	-	-	2,841	1,080	270	-	1,350	1,491	1,761
14	Land Free Hold	1,547,900			1,547,900	-	-		-	1,547,900	1,547,900
15	Office Equipment	416,542	134,031		550,573	79,144	23,404		102,548	448,025	337,398
16	Car	1,158,697	-	267,089	891,608	307,304	84,703		392,007	499,601	851,393
17	Water Cooler	41,562	33,166		74,728	5,477	3,418.20		8,895	65,833	36,085
18	TATA CNG Magic	-	611,529	-	611,529	-	13,082		13,082	598,447	-
	<b>Total</b>	<b>127,291,129</b>	<b>45,041,446</b>	<b>267,089</b>	<b>172,065,486</b>	<b>29,622,141</b>	<b>8,402,837</b>	<b>-</b>	<b>38,024,978</b>	<b>134,040,516</b>	<b>97,668,988</b>

In respect of assets whose useful life has been revised, the unamortised depreciable amount has been charged over the revised useful life

**SABAR FLEX INDIA LIMITED**  
**SCHEDULE FORMING PART OF PROFIT AND LOSS STATEMENT**

<b>NOTE-17 REVENUE FROM OPERATIONS</b>		
<b><u>Particulars</u></b>	<b>For the Period March 2023</b>	<b>For the Period March 2022</b>
Sale of products	952,755,273	723,577,779
<b>Total</b>	<b>952,755,273</b>	<b>723,577,779</b>

<b>NOTE-18 OTHER INCOME</b>		
<b><u>Particulars</u></b>	<b>For the Period March 2023</b>	<b>For the Period March 2022</b>
Misc Income	4,769	122,813
Written off	89,306	-
<b>Total</b>	<b>94,075</b>	<b>122,813</b>

<b>PURCHASE</b>		
<b><u>Particulars</u></b>	<b>For the Period March 2023</b>	<b>For the Period March 2022</b>
Inventory at the beginning of the year	105,539,913	82,047,916
Add : Purchases	764,771,356	663,699,391
Less : Inventory at the end of the year	83,564,410	105,539,913
<b>Total</b>	<b>786,746,859</b>	<b>640,207,394</b>

<b>NOT:19 COST OF MATERIAL CONSUMED</b>		
<b><u>Particulars</u></b>	<b>For the Period March 2023</b>	<b>For the Period March 2022</b>
Cash/Trade Discount	62,531	1,012,855
Power & Fuel Exps	19,837,108	13,448,420
Factory Expense	329,590	612,905
Labour Charges	-	6,200
Repair & Maintenance Expense	153,568	55,962
Transportation Charges	1,180,213	2,080,792
Cylinder Charges Expense	2,799,719	3,079,230
Electrical Repairing Expense	331,379	482,747
Freight Exps	490	123,591
Job Work Charges	311,367	174,635
Loading Unloading Charges	77,144	113,150
Rate Diffirance Given A\C	1,379,101	1,591,478
<b>Total</b>	<b>26,462,210</b>	<b>22,781,965</b>



NOTE-20 CHANGE IN INVENTORIES		
<u>Particulars</u>	For the Period March 2023	For the Period March 2022
Opening Stock	156,531,312	138,705,166
Work in process	72,284,986	56,538,185
Finished Goods	84,246,326	82,166,981
Closing Stock	112,871,168	156,531,312
Work in process	56,735,788	72,284,986
Finished Goods	56,135,380	84,246,326
<b>Total</b>	<b>43,660,144</b>	<b>(17,826,146)</b>

NOTE-21 EMPLOYEE BENEFIT EXPENSE		
<u>Particulars</u>	For the Period March 2023	For the Period March 2022
Salary & Wages	25,422,315	23,942,006
Staff P.F	1,064,384	1,214,654
Staff Welfare Expense	651,326	1,242,436
Gratuity Exps	387,682	309,749
<b>Total</b>	<b>27,525,707</b>	<b>26,708,845</b>

NOTE-22 FINANCIAL COSTS		
<u>Particulars</u>	For the Period March 2023	For the Period March 2022
Interest Expense	24,630,689	23,801,142
Bank Charges	821,495	1,249,742
<b>Total</b>	<b>25,452,184</b>	<b>25,050,884</b>

NOTE-23 DEPRECIATION & AMORTIZATION		
<u>Particulars</u>	For the Period March 2023	For the Period March 2022
Depreciation	8,402,837	6,978,071
<b>Total</b>	<b>8,402,837</b>	<b>6,978,071</b>

<b>NOTE-24 OTHER EXPENSES</b>		
<b><u>Particulars</u></b>	<b>For the Period March 2023</b>	<b>For the Period March 2022</b>
Advertisement Exps	124,000	-
Audit Fees	675,000	675,000
Office Expenses	74,053	8,600
Commission Expenses	1,160,530	32,871
Printing & Stationery Expns	105,284	100,398
Rent Expenses	840,000	-
Admin Charges	21,546	25,056
Computer Maintenance	21,523	650
Conveyance Expences	14,700	7,380
Donation	138,900	60,100
GST Charges	400	79,758
Insurance Exp.	988,119	978,520
Legal Expenses	111,516	194,400
Misc.Expenses	66,895	19,370
Postage & Courier Charges	16,676	20,537
Professional Fees	5,101,800	375,000
ROC Filing Fees	2,500	125,700
Communication exps	10,519	10,507
Travelling Expns	844,599	45,442
IPO Processing Charges	1,818,013	-
Late Payament Charges	1,969,780	-
Rate & Tax exps	112,780	-
Vehicle Repairing Expences	83,857	100,209
<b>Total</b>	<b>14,302,990</b>	<b>2,859,498</b>

<b>25</b>	<b>Earning per share</b>	<b>For the year ended 31 March 2023 ( In Rupees )</b>	<b>For the year ended 31 March 2022 ( In Rupees )</b>
	Profit for the year	18,250,782	15,967,180
	Year end outstanding number of equity shares	15,069,524.00	10999524
	Nominal value of equity shares	10	10
	<b>EPS (Basic)</b>	<b>1.36</b>	<b>1.45</b>
<b>26</b>	<b>Payment To Auditors</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
	Particulars		
	Statutory Audit	675,000	675000
	Total	675,000	675000
<b>27</b>	Book Debts are classified as below 6 months as most of all the customers are for over a decade and payment collection is on account and not invoice to invoice. Hence, considering the collection on FIFO basis, there are no outstanding dues over 6 months.		
<b>28</b>	<b>Employee Benefits</b> The company operates a defined plan of gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is unfunded.  The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet		
		<b>31.03.2023</b>	<b>31.03.2022</b>
	<b>Statement of profit and Loss</b>		
	Net employee benefit recognized in the employee cost:	-	-
	Current service cost	503,818	524,479
	Interest cost on benefit obligation	186,647	162,798
	Past Service Cost - Vested Benefit Recognized During the Period	-	-
	Liability Transferred In/ Acquisitions	-	-
	Net actuarial (gain) / loss	(302,783)	(377,528)
	<b>Net benefit expense</b>	<b>387,682</b>	<b>309,749.00</b>
	<b>Actual return on plan assets</b>		
	<b>Balance Sheet</b>		
	<b>Reconciliation of liability recognised in the balance sheet</b>		
	Present Value of Unfunded Obligations	(3,067,129)	(2,679,447)
	Fair value of plan asset	-	-
	<b>Net (liability) / asset in the balance sheet</b>	<b>(3,067,129)</b>	<b>(2,679,447)</b>
	The principal assumption used in determining gratuity for the company's are shown below:		
	Discount rate	7.48%	7.25%
	Expected rate of return on assets	N.A.	N.A.
	Employee turnover	4.00%	4.00%
	Salary escalation	5.00%	5.00%
	Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08)
	The estimates of future salary increase, considered in the actuarial valuation, take into account inflation, promotion and other relevant factors, such as supply and demand into the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.		
	* To the extent information available with the management.		

**29 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

As per intimation available with the Company, there are no micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no related additional disclosure have been made.

**30** In accordance with the Accounting Standard 22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, the company have a net deferred tax assets. However, in view of company's losses having increased significantly, deferred tax assets on timing difference, on unabsorbed depreciation and business losses have not been accounted for in the books since it is not virtually certain that they will be realised against future profits.

**31** As per the provision of section 149 of Companies Act 2013 and rules made thereunder, the Company is required to appoint 2 Independent directors as members of its board in board. However, as at March, 31, 2021 the Company does not have requisite Independent directors on its board as per requirement of provision of section 149 of the Companies Act, 2013.

**32** In absence of receipt of balance confirmation from all the suppliers, customers, bankers etc, certain balance may be subject to reconciliation post confirmation.

**As per our report of even date attached**

**For, Patel Jain & Associates**

Firm Registration No. 129797W

Chartered Accountants

**Sd/-**

**Vivek A. Bhatt**

Partner

Membership No.: 193504

UDIN: 23193504BGVJOA4213

**For and behalf of the Board of Directors of**

**Sabar Flex India Limited**

**Sd/-**

**Hikmatbahadur Kumar**

Managing Director

DIN: 00024010

**Sd/-**

**Manoj Agarwal**

Executive Director

DIN: 08108458

**Sd/-**

**Tinkle Rawal**

CFO

**Sd/-**

**Neha Sharma**

Company Secretary

**Place: Ahmedabad**

**Date: 30/05/2023**

**Place: Himmatnagar**

**Date: 30/05/2023**

<b>Note 33 :- Related party transactions</b> <b>Related parties with whom transactions have</b>							
Rahi Tradelink (Prop. Parth Kunwar)		Firm of Relative of Director					
Rahi Polymers (Prop. Radha Kunwar)		Firm of Relative of Director					
Jagdamba Trading Co.		Firm of Relative of Director					
<b>Key management personnel</b>							
Hikmatbahadur Kunwar		Director					
Parth Hikmat Kunwar		Relative of Director					
Radha Hikmat Kunwar		Relative of Director					
Manoj Kumar Agarwal		Director					
Particulars	Key Management personnel - Hikmatbahadur	Key Management personnel Manoj Agrawal	Parth kunwar	Radha kunwar	Rahi Tradelink	Rahi Polymers	Jagdamba Trading co.
<b>Transactions entered into during the year</b>							
Purchase of fixed assets (Including capital work in progress)							
Purchase					153,059,011 (90,744,411)	56,291,460	(1,440,680)
Reimbursement of expenses (net)							
Sale					- -	(75,533,231)	193,807,671 (342,858,872)
Loan taken	15,311,700 (3,100,000)		- (925,000)	2,300,000			
Salary Expenses	3,600,000 (3,600,000)	1,200,000 (1,200,000)	1,200,000 (1,200,000)	600,000 (600,000)			
Loan Repayment	740,000 (847,856)	- -	- (925,000)				
<b>Balances at the end of the year</b>	<b>25,889,877.00</b>	<b>205,449.00</b>	<b>6,036,781</b>	<b>2,980,000</b>	<b>69,277,515</b>	<b>81,402,874</b>	<b>26,569,382</b>

\* Figures are taken as net of balances



Manufacturers of: All Kinds of Printed Flexible Packaging Materials

CIN: L25209GJ2018PLC102720

E-mail: [info@sabarflex.in](mailto:info@sabarflex.in)

### ATTENDANCE SLIP

Regd. Folio No.	
D.P. I.D.	
Client I.D.	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the 5<sup>th</sup> Annual General Meeting of the Members of **M/s. Sabar Flex India Limited** held on Saturday, September 30th, 2023 at 11:30 A.M. at Hotel Crowne Plaza, Ahmedabad City Centre, Sarkhej, Gandhinagar Highway, Near Shapath-V, Prahlad Nagar, Ahmedabad, Gujarat 380015.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

**Note:** Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

**Note:** Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

-----Please tear here-----



Manufacturers of: All Kinds of Printed Flexible Packaging Materials

CIN: L25209GJ2018PLC102720

E-MAIL: info@sabarflex.in

### PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/ Client Id	
DP ID:	

I/We, being the member (s) of..... shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5<sup>th</sup> Annual General Meeting of the Members of M/s. **Sabar Flex India Limited** held on Saturday, September 30<sup>th</sup>, 2023 at 11:30 A.M. at Hotel Crowne Plaza, Ahmedabad City Centre, Sarkhej, Gandhinagar Highway, Near Shapath-V, Prahlad Nagar, Ahmedabad, Gujarat 380015 or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
1.	To receive, consider and adopt the audited Balance Sheet as at 31st March 2023, the Statement of Profit and Loss for the year ended on that date together with the schedules thereon, along with the reports of the Board of Directors and Auditors thereon.			
2.	To re-appoint Ms. Sonalbaben Pratik Bhatt (DIN: 09507674) who retires by rotation and being eligible offers himself for re-appointment			

Signed this.....day of.....2023

Affix  
Revenue  
Stamp of  
Rs. 1/-

Signature of  
shareholder

Signature of Proxy  
holder(s)

#### Note:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of 5<sup>th</sup> Annual General Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

**FormNo.MGT-12****Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]*

**Name of the company: SABAR FLEX INDIA LIMITED**  
**REGD. OFFICE: B/1/104, Palledium, Nr. Orchid Wood Opp. Divya Bhaskar, Corporate Road, Prahladnagar Ahmedabad 380015 Gujarat.**  
**CIN: L25209GJ2018PLC102720**

SNo	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No/ *ClientID (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares
5.	Number of Shares	

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

No.	ItemNo.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	To receive, consider and adopt the audited Balance Sheet as at 31st March 2023, the Statement of Profit and Loss for the year ended on that date together with the schedules thereon, along with the reports of the Board of Directors and Auditors thereon.			
3	To re-appoint Ms. Sonalbahen Pratik Bhatt (DIN: 09507674) who retires by rotation and being eligible offers himself for re-appointment			

**Place:** Ahmedabad

**Date:** 30<sup>th</sup> September, 2023

**(Signature of the shareholder\*)**

(\*as per Company records)



## ROUTE MAP TO THE VENUE OF 5<sup>th</sup> ANNUAL GENERAL MEETING

