

The Listing Department,
The National Stock Exchange of India Limited,
Exchange Plaza, NSE Building, Bandra Kurla Complex,
Bandra East, Mumbai-400 051 (Maharashtra)

Dated: 29.08.2024

Sub: **Notice of the 20th Annual General Meeting ('AGM') - Intimation under Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

SYMBOL: MEGAFLEX; ISIN: INE0G1D01014

Dear Sir/Madam,

We wish to inform you that the 20th AGM of Mega Flex Plastics Limited ('Company') will be held on Friday, 27th September, 2024 at 11:45 a.m. through Video Conferencing or Other Audio-Visual Means (OAVM) and the deemed venue of the meeting shall be the Registered Office of the Company at 4, Ho Chi Minh Sarani, Suit-2A, Kolkata-700071.

In terms of the provisions of Regulation 30 and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Annual Report of Mega Flex Plastics Limited for the Financial Year 2023-2024 ("Annual Report") along with the Notice of the 20th Annual General Meeting ("AGM") is enclosed herewith. The Annual Report contains the information to be given and disclosures required to be made in terms of Regulation 34(2) and 34(3) of the Listing Regulations. Further, in accordance with the applicable MCA Circulars and SEBI Circulars, the Notice of AGM along with the Annual Report is being sent only by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants as on the benpose date i.e., 23rd August, 2024. The Annual Report and the Notice of the AGM are being dispatched electronically to the Shareholders on 29/08/2024. The notice is available on the website of the Company i.e. <https://megaflex.co.in/general-meeting/>. The agenda items proposed to be taken up at the AGM as recommended by the Board of Directors are as mentioned below:

Sr. No.	Item(s) proposed to be transacted Manner of approval	Resolution (s) to be passed	Manner of approval
1	To consider and adopt, the Audited Standalone Financial Statements for the financial year ended March 31, 2024 and Auditor's Report thereon and Board's Report for the Financial Year 2023-2024.	Ordinary Resolution	Voting through electronic means and/or at the time of AGM
2	To appoint Mr. Rakesh Sethia, Director (DIN: 00409033) who retires by rotation and being eligible, offers himself for reappointment.	Ordinary Resolution	Voting through electronic means and/or at the time of AGM

Please update this into your records.

Thanking You,

For **MEGA FLEX PLASTICS LIMITED**

PARUL MANTRI
Company Secretary & Compliance Officer
Mem No.: A64689



MEGA*f***LEX**

ANNUAL REPORT

2023-2024

MEGA FLEX PLASTICS LTD.



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MEGA*f***LEX**



CORPORATE INFORMATION

REGISTERED OFFICE

4, Ho Chi Minh Sarani,
2nd Floor, Suite-2A, Kolkata-700071

AUDITORS

Statutory Auditor – S. Jaykishan
Secretarial Auditor – Mukesh Chaturvedi
Internal Auditor – Vikash Chamaria

COMMITTEES

Audit Committee

- Mrs. Puja Daga
- Mrs. Pragya Jhunhunwala
- Mrs. Aakriti Agarwal
- Mr. Rakesh Sethia

Nomination & Remuneration Committee

- Mrs. Puja Daga
- Mrs. Pragya Jhunhunwala
- Mrs. Aakriti Agarwal

Stakeholders' Relationship Committee

- Mrs. Puja Daga
- Mr. Hukum Chand Bothra
- Mr. Rakesh Sethia

BANKER

HDFC Bank Limited

REGISTRAR & TRANSFER AGENTS

Cameo Corporate Services Limited

SEBI Registration No.: INR000003753

"Subramanian Building", #1, H Club House Road, Chennai-600 002, India

Telephone: +91 – 44-40020700 / Email: investor@cameoindia.com

Website: www.cameoindia.com

SCRUTINIZER

Mukesh Chaturvedi

Our Management Team

Company is managed by the executive directors assisted by efficient, motivated and dedicated team of executives and managers:

MEGAflex



Mr. Mohan Lal Parakh
Chairman & Wholetime Director



Mr. Hukum Chand Bothra
Managing Director



Mr. Rakesh Sethia
Executive Director



Mrs. Puja Daga
Independent Director



Mrs. Pragya Jhunjunwala
Independent Director



Mrs. Aakriti Agarwal
Independent Director



Mrs. Parul Mantri
Company Secretary &
Compliance Officer



Mr. Sanjay Kumar Singh
Chief Financial Officer





OUR BRANDS



BRIEF INTRODUCTION OF THE DIRECTORS:

1. **Mr. Mohan Lal Parakh**, aged about 78 years, is the Promoter, Chairman and Whole-time Director of our company. His career spans about 6 decades. He has been involved in widely diverse industries, namely, plastic processing, oil milling, hosiery, food processing, foundry etc. In the process he has acquired deep knowledge of engineering and technology. His long experience and sound knowledge have been pivotal for growth and progress of the company. He plays pivotal role in strategic decision making, identifying and implementing technology, maintaining full efficiency of plant & machineries, continuous improvement of product quality etc.
2. **Mr. Hukum Chand Bothra**, aged about 57 years, is Promoter cum Managing Director of our Company. He is associated with the Company for a very long time and is among one of the faces who lead the company to its current glory. He is a qualified Chartered Account and holds a Bachelor's Degree in Commerce from University of Burdwan. He has three decades of experience in plastic and paper packaging industries. He manages day to day operations of our company.
3. **Mr. Rakesh Sethia**, aged about 52 years, is the Promoter cum Executive Director of our Company. He is the son of Late Anup Chand Sethia who was founder of our Company. He is a member of the Institute of Chartered Accountants of India and holds a Bachelor's Degree in Commerce from University of Calcutta. He comes from a business family and his career, spanning almost three decades is jewelled with continuous expansion and diversification of his family business to the areas of Plastic Goods, manufacturing of Leno Bags, Rigid Plastic Containers and Card Board Box, Warehousing etc. In this process, he has acquired sound experience in manufacturing, financial and marketing strategy etc. He has special penchant for identifying newer growth areas and for updating himself of newer products and technologies.
4. **Ms. Puja Daga**, aged about 48 years, is the Non-Executive Independent Director of our Company. She is a fellow member of The Institute of Chartered Accountants of India. She has also completed her post qualification course in Information System Audit (ISA) from The Institute of Chartered Accountants of India. She has over 23 years of vast experience in the field of Accountancy, Audit, & Income Tax. She is associated with the firm M/s D N Dokania & Associates as a partner since last 20 years. She is also associated with the firm M/s. P Daga & Associates as proprietor since last 5 years. She was a visiting faculty with The Institute of Chartered Accountants of India in their Orientation & GMCS program. As the independent director of our company, she will be instrumental in providing her expertise & inputs for providing the growth of the Company.
5. **Ms. Pragya Jhunjunwala**, aged about 45 years, is the Non-Executive Independent Director of our Company. Pragya Jhunjunwala, a visionary leader with a Masters in Commerce and a Fellow Member of the Institute of Company Secretaries of India, embodies the essence of both traditional wisdom and contemporary innovation. With a profound understanding of the industrial landscape and a fervent enthusiasm for the startup and internet economy, Pragya stands as a beacon of multi-faceted expertise. As an Independent Director on several esteemed boards, including Star Paper Mills Ltd., Pragya brings a wealth of experience and insight to the table. Her strategic acumen and commitment to excellence have been instrumental in steering the direction of diverse companies operating in health, training, and cutting-edge technologies of the future. Beyond her corporate responsibilities, Pragya is deeply committed to social and women empowerment. She champions the cause through her active involvement with numerous women's self-help groups, offering guidance and support in training and marketing endeavors. Pragya's influence extends far beyond the boardroom. She is a revered educator, entrepreneur, and startup consultant, dedicated to empowering individuals through education and healthcare initiatives. Her passion for fostering positive change is evident in her role as a sought-after speaker at professional forums, where she shares her expertise on a range of topics, from interpersonal communication to corporate governance. Pragya's contributions have not gone unnoticed. She has been recognized by various organizations for her environmental activism, social initiatives, and leadership prowess. With a steadfast commitment to the philosophy of "Be the change you want to see," Pragya continues to inspire and lead by example, leaving an indelible mark on both the corporate world and society at large.
6. **Ms. Aakriti Agarwal**, aged about 30 years, is a Non-Executive Independent Director of our company. She is a member of the Institute of Chartered Accountants of India. Along with holding a Bachelor's degree in Commerce from St. Xavier's College, Kolkata, she has also passed Professional examination of Institute of Company Secretaries of India. She has done her schooling from The Heritage School of Kolkata. During her academics, she was an outstanding performer. She was associated with HSBC Electronic Data Processing India Private Limited till 2020 and was involved in various financial activities. Currently she is associated with Bengal Paper and Box Hospitality Services Private Limited along with our Company.

CHAIRMAN'S INSIGHT

Respected Members,

I welcome our esteemed shareholders at the 20th Annual General Meeting of the Company over the video conferencing and all my distinguished Directors, Key Managerial Personnel, Statutory Auditors, Secretarial Auditors, Internal Auditors.

It provides me an immense pleasure to share with you all that it has been two decades since we plunged into the journey of manufacturing Leno Bags, Twisted Sutli and Polypropylene Woven Fabrics with a vision of sustainable environment having only 27 looms. It has increased to 64 looms now with the utmost trust and faith of the farmers towards our brands Lenoflex, Kisan, Kisan Regular, Goldflex, Goldflex Lite, Phantom, Tiranga, Tiger, Hena etc.

To enlarge and intensify the geographical dimensions of the business and its valuation, your Company has:

- (i) Thrusted into further states, viz., Punjab, UP, Rajasthan, Jammu & Kashmir, Maharashtra through extensive marketing exercise at grass root level.
- (ii) Supplied Leno Bags to the illustrious body corporates such as PepsiCo India Holdings Private Limited and ITC Limited.
- (iii) Evolved market for our new products PP Woven Fabric and Sutli, which we started last year to diversify our product portfolio.
- (iv) Been allotted 6.5 Acres of land in the district of Khurdha from the Odisha Industrial Infrastructure Development Corporation Ltd. In the first phase Company shall set up a manufacturing unit of injection and blow moulded plastic containers.

Despite having upgraded technologies, captive power generation unit, water treatment plant, well equipped laboratory to ensure quality check at all levels of production, we have placed an order for the Leno4P looms on trial basis for producing innovative and specialised leno fabric that can put a new dimension in leno bags.

To ensure timely and safe delivery of the products at the remote places, we own a fleet of vehicles.

To fund the aforesaid measures including the additional expenses in connection therewith, your Company has made the Issuance of Convertible Equity Share Warrants on a Preferential Basis to the Promoters, Promoter Group and Public and have received 25% i.e. 1,38,60,000 (One Crore Thirty-Eight Lakhs and Sixty Thousands Rupees) of the said Issued Amount i.e. 5,54,40,000 (Five Crores Fifty-Four Lakhs and Forty Thousands Rupees).

Being a social and responsible corporate citizen, your Company has undertaken a project of 400 Kw solar installation in our plant at an investment of Rs. 124.32 Lakhs. The entire Capital Expenditure of the project shall be financed by the Small Industries Development Bank of India (SIDBI) and the general expenses incidental to the project shall be incurred through the internal accruals.

To ensure the safety of all our employees and workers, we had conducted Free Health Medical Check Up including Blood Sugar(RBS) tests, BP tests, lung function Test, ECG etc. of 119 employees at our factory premises. The Check Up was done under the supervision of the 7 members of the Narayana Health, led by Dr P. K. Banga and Dr. S.K. Mallick.

I feel privileged and gratified to share that despite the poor potato crop, your company has been able to sale 70.27 million leno bags as against 61.79 million bags sold in the year 2022-23, an increase of about 13.72%. The revenue for the financial Year 2023-2024 stands at Rs. 4840.68 lakhs.

I express my gratitude towards our team for their constant diligence and endeavours.

We ensure you that at the ensuing time, we shall scale up to the great heights with the continuous expansion and work performance.

I along with the entire team at Mega Flex Plastics Limited, wish for safety and well-being of all our stakeholders. We look forward to share more milestones in the upcoming years and remain grateful to the continuous support and belief of our stakeholders.

Sincerely,

Mr. Mohan Lal Parakh

Chairman and Whole Time Director

(DIN: 02186254)

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF THE COMPANY M/S MEGA FLEX PLASTICS LIMITED WILL BE HELD ON THE 27TH DAY OF SEPTEMBER, 2024, FRIDAY AT 11:45 A.M. THROUGH VIDEO CONFERENCING (VC)/ OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS AS:

ORDINARY BUSINESS:

1. **ADOPTION OF FINANCIAL STATEMENTS:**

To receive, consider and adopt the Audited Standalone Financial Statements for the Financial Year ended 31st March, 2024 and the Reports of the Board of Directors and Auditors thereon.

2. **APPOINTMENT OF RAKESH SETHIA (DIN: 00409033) AS A DIRECTOR, LIABLE TO RETIRE BY ROTATION:**

Explanation: Based on the terms of appointment, executive directors are subject to retirement by rotation. Mr. Rakesh Sethia (DIN: 00409033), who was appointed as the Executive Director and whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Based on the performance evaluation and on the recommendation of the Nomination and Remuneration committee, the Board recommends his reappointment.

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Rakesh Sethia (DIN: 00409033), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as an Executive Director of the Company, liable to retire by rotation, on the recommendation of the Nomination and Remuneration Committee of the Company.”

For MEGA FLEX PLASTICS LIMITED

Place: KOLKATA
Date: 30/08/2024

Sd/-
PARUL MANTRI
(Company Secretary & Compliance Officer)
Membership No. A64689

NOTES:

1. Copies of all documents referred to in the Notice are available for inspection at the Registered Office of the Company during normal business hours (11.00 a.m. to 5.00 p.m.) on all working days till the date of the Annual General Meeting.
2. The Notice of the Annual General Meeting is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
3. Members are requested to notify immediately any change in their addresses.
4. Attendance will start at 10:00 A.M.
5. Since the AGM will be held through VC/OAVM, therefore Proxy and Route Map are not required.

PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://megaflex.co.in/general-meeting/> and <https://megaflex.co.in/annual-report/> The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Tuesday, 24th September, 2024 at 10:00 A.M. and ends on Thursday, 26th September, 2024 at 05:00 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. 20th September, 2024, 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 Friday, 20th September, 2024. The Board of Directors has appointed M/s Mukesh Chaturvedi, B. Com. (Hons), FCS., LL.B., DSW, Company Secretary (In Whole-time Practice) as the scrutinizer for this AGM.

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"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ 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 “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.
	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 or joining virtual meeting & voting during the meeting
	<ol style="list-style-type: none"> If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp
	<ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ 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 see e-Voting page. 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 or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="678 359 1149 646" style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p>
	<p>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 or joining virtual meeting & voting during the meeting. 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.</p>
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p>
	<p>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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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 Service Providers</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>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 or joining virtual meeting & voting during the meeting.</p>

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 evoting@nsdl.com or call at 022 - 4886 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting 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.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on 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 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 and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
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 Csmukeshc@gmail.com with a copy marked to 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 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 or call on.: 022 - 4886 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.com

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@megaflex.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 info@megaflex.in
3. If you are an Individual shareholders 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 and joining virtual meeting for Individual shareholders holding securities in demat mode.
4. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
5. 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.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@megaflex.in between Friday, 20th September, 2024 (10.00 a.m. IST) and Monday, 23rd September, 2024 (5.00 p.m IST). Only those Shareholders who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The same will be replied by the company suitably.

BOARD OF DIRECTOR'S REPORT

To

The Members,

MEGA FLEX PLASTICS LTD

1. INTRODUCTION:

Your Directors have pleasure in presenting their 20th Annual Report along with the Audited Financials Statement for the year ended March 31, 2024.

The Accounting Year of the Company commenced from 1st April 2023 and ended on 31st March, 2024, in respect of which the accounts are being presented to the shareholders. The financial highlights for the period under review are as follows:

2. FINANCIAL HIGHLIGHTS FOR THE COMPANY:

(Rupees in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Revenue	5114.45	5,444.66
Profit/(Loss) Before Tax	165.33	293.07
Provision for Taxation	29.21	74.10
Deferred Tax Provision	(0.82)	4.06
Profit/(Loss) After Tax	136.94	214.91
Balance BF from Last year	2119.32	2501.23
Excess provision Adjusted	-	-
Balance carried to Balance Sheet	3545.14	3402.77

3. COMPANY PERFORMANCE:

During the year, since the demand has been low due to poor potato crop all over the country, some farmers shifted to the jute bags leading to the reduction in the demand of leno bags. Despite that, your company has sold 70.27 million leno bags as against 61.79 million bags sold in the previous year 2022-23, an increase of about 13.72%. We could achieve this by penetrating in newer market territories by adopting aggressive pricing policy and adding new dealers.

Your Company has made profit after tax of Rs. 136.94 Lakhs for the year under review as against the profit after tax of Rs. 214.91 Lakhs in the previous year.

4. SHARE CAPITAL:

The Authorised Share Capital of the Company as on 31st March, 2024 was Rs.11,00,00,000/- (Eleven Crores Only) comprising of 1,10,00,000 (One Crore and Ten Lakhs only) equity shares of Rs.10/- (Ten) each.

Furthermore, the said capital has been changed from Rs.11,00,00,000/- (Eleven Crores Only) comprising of 1,10,00,000 (One Crore and Ten Lakhs only) equity shares of Rs.10/- (Ten) each to Rs.13,00,00,000/- (Thirteen Crores Only) comprising of 1,30,00,000 (One Crore and Thirty Lakh only) equity shares of Rs.10/- (Ten) each vide resolution dated: 14th June, 2024 through Postal Ballot.

The Issued and Paid-up Capital of the Company as on 31st March, 2024 was Rs. 10,74,50,250/- comprising of 1,07,45,025 number of equity shares of face value of Rs.10/- each.

The Company had come up with the issue of Convertible Equity Share Warrants (“Warrants”) to the Promoters, Promoter Group and Other Public Investors on Preferential Basis by issuing up to 13,86,000 (Thirteen Lakhs Eighty-Six Thousand) Warrants convertible in one or more tranches to equity shares of ₹10/- each of the Company at a price of ₹40/- (including premium of ₹30/-) for each Warrant as per the requisite Shareholders’ approval taken on the 14th Day of June 2024, via Postal Ballot.

Your Company has allotted 13,86,000 (Thirteen Lakh Eighty Six Thousand) Equity Share Warrants (“Warrants”) to the respective allottees at an issue price of ₹ 40/- per Warrant including a premium of ₹30/- per share for each warrant for an aggregate consideration of ₹ 1,38,60,000.00 (Rupees One Crore Thirty Eight Lakh Sixty Thousand only) i.e., 25% of the total issue price for 13,86,000 warrants i.e. 5,54,40,000 (Rupees Five Crores Fifty Four Lakhs and Forty Thousands only) with a right to the respective warrant holder(s) to apply for and be allotted 1 (One) Equity Share of the face value of ₹10/- each of the Company (“Equity Shares”) within a period of 18 (Eighteen) months from the date of allotment of the Warrants i.e. 24th Day of June, 2024.

5. SWEAT EQUITY SHARES:

As per the provisions of Section 54(1)(d) of the Companies Act, 2013 and in terms of Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares during the year under review.

6. DIFFERENTIAL VOTING RIGHTS:

As per the provisions of Section 43(a)(ii) of the Companies Act, 2013 and in terms of Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any shares with Differential Voting Rights during the year under review.

7. EMPLOYEE STOCK OPTIONS:

As per the provisions of Section 62(1)(b) of the Companies Act, 2013 and in terms of Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any Employee Stock Options during the year under review.

8. DEBENTURES/BONDS/WARRANTS OR ANY NON-CONVERTIBLE SECURITIES:

During the year under review, the Company has not issued any debentures, bonds, warrants or any nonconvertible securities. As on date, the Company does not have any outstanding debentures, bonds, warrants or any non-convertible securities.

9. LISTING & DEPOSITORY FEE:

The Equity Shares of the Company are listed on SME Platform of National Stock Exchange of India Limited (NSE Emerge). The Company has paid Listing fees for the financial year 2023-24 according to the prescribed norms & regulations. Company has also paid Annual Custody Fee to National Securities Depository Limited and Issuer Fee to Central Depository Services (India) Limited for the financial year 2023-24. The Company shall not list the Warrants on the Emerge Platform of the National Stock Exchange of India Limited. All the requisite fees in relation to the Warrant has been paid timely.

10. DEMATERIALIZATION OF EQUITY SHARES:

Since, all the shares already in dematerialised form therefore there was no request for the dematerialization.

11. DEPOSITORY SYSTEM:

As the Members are aware, your Company’s shares are trade-able compulsorily in electronic form and your Company has established connectivity with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of dematerialization of the Company’s shares on NSDL & CDSL. The ISIN allotted to the Company’s Equity Shares is INE0G1D01014. The ISIN allotted to the Warrants is ISIN : INE0G1D13019

12. WEBSITE:

<https://megaflex.co.in> is the website of the company. All the requisite details including various Policies, Management Team, Financial Results, etc., are placed on this website of the company

13. DISCLOSURES OF AMOUNTS, IF ANY, TRANSFER TO ANY RESERVES:

It is not proposed to carry any amount to any reserves from the profits of the Company. Hence, disclosure under Section 134 (3) (j) of the Companies Act, 2013 is not required.

14. DIVIDEND:

In order to conserve resources, the Board does not recommend any final dividend for the financial year ended 31st March, 2024.

15. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR:

The Company continues to be engaged in the manufacturing of Leno Bags, Sutli and Woven Fabrics. To increase the market size of Leno Bags, your Company has made a supply to the:

- (i) Pepsico Holdings India Private Limited and ITC Limited;
- (ii) States viz., Jammu & Kashmir, Haryana, Punjab, Uttar Pradesh and Maharashtra through building new network of dealers.

To further expand the horizon of the business, your company has:

- (i) Been allotted 6.5 acres land in the district of Khurdha, Orissa from the Odisha Industrial Infrastructure Development Corporation Ltd for setting up of a manufacturing unit of injection and blow moulded plastic containers, Leno Bag, PP Woven Bag, PP Woven Fabrics & Corrugated Box with an annual capacity of 9,600 MT in three phases. In the first phase Company shall set up a manufacturing unit of injection and blow moulded plastic containers.
- (ii) Placed order for looms to produce wide width Woven fabric which has a better valued addition. We have also placed order for Leno4P looms on trial basis for producing innovative and specialised leno fabric, which has tremendous market potential. Once the market for such bags develop, we shall add capacity for this fabric. Each loom shall have an annual capacity of 8.55 lakhs vegetable bags. The capacity expansion shall be at its existing facility at Polypark, Howrah, West Bengal.

To finance the above expansion, your Company had made the Issuance of Convertible Equity Share Warrants on a Preferential Basis to the Promoters, Promoter Group and Public and have received 25% i.e. 1,38,60,000 (One Crore Thirty-Eight Lakhs and Sixty Thousands Rupees) of the said Issuance i.e. 5,54,40,000 (Five Crores Fifty-Four Lakhs and Forty Thousands Rupees).

The Board has borrowed loan for an amount of Rs. 124.32 Lakhs in one or more tranches from the Small Industries Development Bank of India (SIDBI) to procure the 400 +/- 20 KW solar power equipment for the Company. The solar power equipment is proposed to be installed at the premises situated in Polypark, Howrah for promoting the Green Power.

16. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

Material Changes and Commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of the report has been described in point no. 15 of this Report.

17. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

18. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The company has an optimum combination of the Board of Directors as on the 31st March, 2024 comprising of 6 Directors, out of which 3 are Executive and 3 are Non-Executive Independent Directors, 1 Chief Financial Officer and a Company Secretary & Compliance officer as on the date of the report is:

NAME	DIN/PAN	DESIGNATION	DATE OF APPOINTMENT / RE-APPOINTMENT EFFECTIVE FROM
Mohan Lal Parakh	02186254	Chairman and Whole Time Director	29/06/2022
Hukum Chand Bothra	00550653	Managing Director	01/06/2022
Rakesh Sethia *	00409033	Executive Director	18/11/2003
Aakriti Agarwal	09053941	Independent Director	01/06/2022
Alok Kanodia#	09594643	Independent Director	01/06/2022
Puja Daga	09594635	Independent Director	01/06/2022
Pragya Jhunjhunwala##	02315132	Independent Director	15/05/2024
Sanjay Kumar Singh	ATOPS9732Q	Chief Financial Officer	01/06/2022
Parul Mantri	CSXPM8389P	Company Secretary & Compliance Officer	08/07/2022

* In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Mr. Rakesh Sethia (DIN: 00409033) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

Due to the prolonged health issues, Mr. Aok Kanodia has resigned from the designation of Independent Director w.e.f. 01/07/2024.

Pragya Jhunjhunwala was appointed as an Additional Director in the category of the Independent Director by the Board of Directors on the 15th Day of May, 2024. She is later re-designated as the Non-Executive Independent Director w.e.f. the 15th Day of May, 2024 for a term of 5 years upto the 14th Day of June, 2029 subject to the approval sought from the Shareholders via Postal Ballot on the 14th Day of June, 2024.

Form DIR-2 duly initialled by Rakesh Sethia has been annexed in **ANNEXURE-A (I)**

Form DIR-2 duly initialled by Pragya Jhunjhunwala has been annexed in **ANNEXURE-A (II)**

19. DISCLOSURE OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

Details have been annexed in **ANNEXURE-B**

20. DECLARATION OF INDEPENDENT DIRECTORS:

Requisite declarations u/s 149(6) of the Companies Act, 2013 declaring the criteria of Independence for the appointment of the Independent Directors has been received by the company. Furthermore, the directors have also given the declaration under the provisions of Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing and Obligations of Disclosure Requirements) Regulations, 2015 and Section 152(5) of the Companies Act, 2013 and rule 8 of Companies (Appointment and Qualification of Director) Rules, 2014 in Form DIR-2.

21. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On appointment, the concerned Directors were issued a Letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Committee Members and other Functional Heads on the Company's finance and other important aspects. The details of Familiarization Programme arranged for Independent Directors have been disclosed on the website of the Company and are available at the following link: <https://megaflex.co.in/corporate-governance/>

22. NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors met 5 times during the financial year ended 31st March, 2024 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, details of which are given below:

S.NO.	DATE OF MEETING	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1	23-05-2023	6	5
2	14-07-2023	6	3
3	16-10-2023	6	3
4	27-10-2023	6	5
5	31-01-2024	6	4

23. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
2. They have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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 as at 31st March, 2024 and of its Profit/Loss for the year ended on that date;
3. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. They have prepared the annual accounts for the year ended 31st March, 2024 on a 'going concern' basis; and
5. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. COMMITTEES OF BOARD:

The Board of Directors has constituted the following Committees, viz.;

(i) AUDIT COMMITTEE:

The Audit Committee was re-constituted on 23.08.2024. The Constitution, composition and functioning of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the recommendations of Audit Committee have been accepted by the Board of Directors of the Company

The Audit Committee comprises of:

NAME OF DIRECTOR	STATUS IN COMMITTEE	NATURE OF DIRECTORSHIP
Puja Daga	Chairperson	Non-Executive Independent Director
Pragya Jhunjhunwala	Member	Non-Executive Independent Director
Aakriti Agarwal	Member	Non-Executive Independent Director
Rakesh Sethia	Member	Executive Director

Mrs. Parul Mantri, the Company Secretary and Compliance Officer of the Company had acted as the Secretary and Compliance Officer of the Audit Committee.

25. ROLE OF AUDIT COMMITTEE: The role of the Audit Committee shall include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Monitoring the end use of funds raised through public offers and related matters.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations: (a) half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the prospectus/notice in terms of Regulation 32(7).

(ii) STAKEHOLDER’S RELATIONSHIP COMMITTEE:

The Stakeholder’s Relationship Committee was constituted on 23.08.2024. The Constitution, composition and functioning of the Stakeholder’s Relationship Committee also meets with the requirements of Section 178 of the Companies Act, 2013. The Stakeholder’s Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Puja Daga	Chairperson	Non-Executive Independent Director
Hukum Chand Bothra	Member	Managing Director
Rakesh Sethia	Member	Executive Director

Mrs. Parul Mantri, the Company Secretary and Compliance Officer of the Company had acted as the Secretary and Compliance Officer of the Stakeholder’s Relationship Committee.

No complaints was received during the year ended 31/03/2024 from any of the investors.

Role of the Stakeholders Relationship Committee

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

(iii) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee was re-constituted on 01.07.2024. The Constitution, composition and functioning of the Nomination & Remuneration Committee also meets with the requirements of Section 178 of the Companies Act, 2013. All the recommendations of the Nomination and Remuneration Committee have been accepted by the Board of Directors of the Company

The Nomination & Remuneration Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Mrs. Puja Daga	Chairperson	Independent Director
Mrs. Pragya Jhunjunwala	Member	Independent Director
Mrs. Aakriti Agarwal	Member	Independent Director

Mrs. Parul Mantri, the Company Secretary and Compliance Officer of the Company had acted as the Secretary and Compliance Officer of the Nomination and Remuneration Committee.

26. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The provisions of Section 178(1) relating to the constitution of Nomination and Remuneration Committee has been constituted by the Board of Director's of the Company at their meeting held on the 8th Day of July, 2022. Accordingly, the policy related to the Director's appointment, payment of Remuneration and discharge of their duties have been updated on the website of the company: https://megaflex.co.in/wp-content/uploads/2022/07/06_NOMINATION-AND-REMUNERATION-POLICY.pdf

27. SHAREHOLDING

The Shareholding Pattern of the Company as on 31st March, 2024 has been updated on the website of the Company: <https://megaflex.co.in/shareholding-patterns/>

28. AUDITORS:

M/s S. Jaykishan, Practising Chartered Accountants (FRN: 309005E) and Peer Review Certificate No.014338 was appointed as the Statutory Auditors of your Company upto the financial year ended 31st March, 2026 in the Annual General Meeting on the 31st Day of August, 2022 at a remuneration mutually fixed between the Board of Directors of the Company and the Statutory Auditors including the pocket expenses incurred, if any.

Mukesh Chaturvedi, Practising Company Secretary (M.No. FCS11063; CP No. 3390) and Peer Review Certificate No.939/2020 as the Secretarial Auditor of the Company at a Board Meeting by the Board of the Directors on recommendation of the Audit Committee at the Board Meeting held on the 23rd Day of May, 2023 for the Financial Year 2023-24 at remuneration mutually fixed between the Board of Directors of the Company and Secretarial Auditors including the pocket expenses incurred, if any.

29. STATUTORY AUDITOR'S REPORT:

The notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. There were no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report for the year ended 31st March, 2024.

30. PARTICULARS OF LOANS GIVEN, GUARANTEE GIVEN, INVESTMENTS MADE OR SECURITY PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, Section 186 of the Companies Act,2013 have been duly complied with in terms of loan given, investments made or security provided.

31. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013:

During the financial year under review, the details of the transactions/ contracts/ arrangements entered into with the related party(ies) by the Company have been annexed in the Form AOC-2 in **Annexure-C**

32. DEPOSITS:

The Company has not accepted any deposits from the public. Hence the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have been furnished considering the nature of activities undertaken by the Company during the year under review. The Statement has been annexed in **Annexure-D**

During the year under review, the Company had imported 272.25 Metric Tonne of Raw Material i.e. Polypropylene Plastic (PP).

34. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT:

Risk Management is the process of identification, assessment and prioritization of risks followed by the coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment and statutory compliance.

35. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

36. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (VIII) OF COMPANIES (ACCOUNTS) RULES, 2014:

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

37. DISCLOSURE FOR MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT 2013:

The provisions of section 148(1) are not applicable to the Company. Hence the Company is not required to maintain cost accounts and records.

38. COMPLIANCE WITH PROVISIONS RELATING TO THE CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013:

As per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committees (the ICC) at all relevant locations in West Bengal to consider and resolve the complaints related to sexual harassment. The ICC includes Cs Pragya Jhunjhunwala, external members with relevant experience and three internal members Ms. Sweta Singhi, Mr. Sanjay Kumar Singh and Mr. Raunak Tater. The ICC, is presided over by the Chairwoman Ms. Sweta Singhi. During the year under review, there were no complaints pertaining to sexual harassment.

Accordingly, the policy related to the Prevention of Sexual Harassment has been updated on the website of the company: <https://megaflex.co.in/wp-content/uploads/2023/01/Policy-on-Prevention-of-Sexual-Harassment.pdf>

The following is the summary of Sexual Harassment Complaints received and disposed off during the Calendar Year 2023:

- a. Number of Complaints of Sexual Harassment at the beginning of the Financial year: NIL
- b. Number of Complaints disposed off during the year: NIL
- c. Number of Complaints pending as on the end of the Financial year: NIL
- d. Nature of action taken by the Company: NA

The Detailed Report has been annexed in **Annexure-E**

39. REPORTING OF FRAUDS

During the year under review, there have been no frauds reported by the Statutory Auditors of the Company under Section 143(12) of the Act.

40. SECRETARIAL STANDARDS

Applicable Secretarial Standards, i.e. SS-1 relating to 'Meetings of the Board of Directors' and SS-2, relating to 'General Meetings', have been duly followed by the Company during the year under review.

41. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the rules made thereunder, your Company has re-appointed Mr. Mukesh Chaturvedi, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2023-24 is provided as Annexure-B of this report. There are no qualifications or reservations or adverse remarks or disclaimer in the said Secretarial Audit Report in Form MR-3. The same has been annexed in **Annexure F**

42. STATEMENT OF DEVIATION(S) OR VARIATIONS(S) AS PER THE REG. 32(7)(A) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Your Company has received Rs.1,38,60,000.00 (One crore Thirty-Eight Lakhs Sixty Thousand Rupees Only) i.e. 25% of the Warrants Issue Amount i.e. Rs. 5,54,40,000/-. Details of the utilization has been mentioned below:

Original Object	Modified Object, if any	Original Allocation (Rs. In Lakhs)	Modified allocation if any	Funds Utilised (Rs In Lakhs)	Amount of Deviation/ Variation for the half year according to applicable object	Remarks if any
(i) Payment for allotment of land measuring an area of 6.5 acre in Mouja Kalibeti under Khurdha Tahasil in the district of Khurdha from the Odisha Industrial Infrastructure Development Corporation on lease basis	No	436.94	NIL	NIL	NIL	##
(ii) Purchase of Machineries and Equipment	No	106.02	NIL	77.00	NIL	##
(iii) General Corporate Purposes	No	7.44	NIL	NIL	NIL	##
(iv) Issue Expenses	No	4.44	NIL	3.70#	NIL	##
Total		554.40		80.70	NIL	##

Note:

Issue Related Expenses are made by the Company from internal accruals for the time being till the warrants' conversion amount is received, such amount will be reimbursed or recouped from the proceeds of this preferential issue of warrants.

Total Issue Amount Rs. 5,54,40,000.00. Amount Received Rs. 1,38,60,000.00. Amount spend Rs. 77,00,000.00. Balance Rs. 61,00,000.00 Fixed Deposit has been created.

43. ACKNOWLEDGEMENT

Your Directors record their appreciation for the full co-operation received from the banks, other agencies and departments. The Directors are also thankful to staff and workers for their sincere co-operation and performance.

For and on behalf of the Board

SD/-

Mohan Lal Parakh
Chairman & Whole Time Director
(DIN-02186254)

Place: KOLKATA
Date: 23/08/2024

ANNEXURE -A (I)

Details of Director seeking re-appointment in the forthcoming Annual General Meeting [Pursuant to Rule 11 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Secretarial Standard-2 on General Meetings]

Director Identification Number (DIN):	00409033
Name (in full):	Rakesh Sethia
Father's Name (in full):	Anup Chand Sethia
Address:	4, Ho Chi Minh Sarani, 4th Floor, Kolkata-700071
E-mail id:	rakesh@megaflex.in
Mobile no.:	9830056283
Income-tax PAN. :	AKKPS9979C
Occupation:	Business
Date of Birth	14/09/1971
Nationality:	Indian
No. of companies in which I am already a director and out of such companies the names of the companies in which I am a Managing Director, Chief Executive Officer, Whole time Director, Secretary, Chief Financial Officer, Manager	<ul style="list-style-type: none"> • Samta Plastics Private Limited - Director • Nezone Herbals Private Limited - Director • Samta Polymers Limited - Director • Channel Plastics Private Limited - Whole Time Director
Particulars of membership No. and Certificate of practice no. if the applicant is a member of any professional Institute. Specifically state NIL if none.	Membership no. of ICSI - FCA57751

DECLARATION

I declare that I have not been convicted of any offence in connection with the promotion, formation or management of any company or LLP and have not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law in the last five years. I further declare that if appointed my total Directorship in all the companies shall not exceed the prescribed number of companies in which a person can be appointed as a Director.

ANNEXURE -A (II)

Details of Director seeking appointment in the forthcoming Annual General Meeting [Pursuant to Rule 11 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Secretarial Standard-2 on General Meetings]

1.	Director Identification Number (DIN):	02315132
2.	Name (in full):	Pragya Jhunjunwala
3.	Father's Name (in full):	Mayapati Khemka
4.	Address:	Vip Towers,83 Golaghata Road Kolkata 700048
5.	E-mail id:	Consult.pragya@Gmail.com
6.	Mobile no.:	9339119671
7.	Income-tax PAN. :	AEYPK0207K
8.	Occupation:	Business
9.	Date of birth:	28/03/1979
10.	Nationality:	Indian
11.	No. of companies in which I am already a director and out of such companies the names of the companies in which I am a Managing Director, Chief Executive Officer, Whole time Director, Secretary, Chief Financial Officer, Manager.	<ul style="list-style-type: none"> • Nyr Hairpro Pvt. Ltd.,- Managing Director • Magical Mantras Pvt. Ltd. - Executive Director • Q Startups Pvt. Ltd. - Director • Mobilia Healthy Furniture Pvt. Ltd - Director • Star Paper Mills - Non Executive Director
12.	Particulars of membership No. and Certificate of practice no. if the applicant is a member of any professional Institute. Specifically state NIL if none.	Membership no. of ICSI - FCS 7611

DECLARATION

I declare that I have not been convicted of any offence in connection with the promotion, formation or management of any company or LLP and have not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law in the last five years. I further declare that if appointed my total Directorship in all the companies shall not exceed the prescribed number of companies in which a person can be appointed as a Director.

For and on behalf of the Board

Place: KOLKATA
Date: 23/08/2024

SD/-
Mohan Lal Parakh
Chairman & Whole Time Director
(DIN-02186254)

ANNEXURE-B

Disclosure of Particulars of Employees as required under Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-2024:

Sr. No.	Name of the Directors	Designation	Ratio of Remuneration to the Median Remuneration of the Employee	% increase in remuneration in the Financial Year
	Executive Directors			
1	Mr. Mohan Lal Parakh	Whole Time Director	1.93:1	0
2	Mr. Hukum Chand Bothra	Managing Director	1.93:1	0
3	Mr. Rakesh Sethia*	Executive Director	-	-
	Non-Executive Directors**			
4	Mrs. Puja Daga	Independent Director	-	-
5	Mr. Alok Kanodia	Independent Director	-	-
6	Mrs. Aakriti Agarwal	Independent Director	-	-
	Key Managerial Personnel			
7	Mr. Sanjay Kumar Singh	Chief Financial Officer	0.88:1	-
8	Mrs. Parul Mantri	Company Secretary & Compliance Officer	0.24:1	-

*Mr. Rakesh Sethia, (DIN:00409033) Executive Directors be & is hereby decided not to avail any Professional Fees from the period 1st September 2023 to 31st March 2025.

**All the Independent Directors were paid Rs. 5000 /- per sitting fees for the Board Meeting..

- (ii) The percentage increase in the median remuneration of employees in the financial year 2023-2024: **0**
- (iii) The number of permanent employees on the rolls of company as on March 31,2024: **134**
- (iv) 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: 0:0
- (v) The Company affirms that the remuneration is as per the remuneration policy of the company.
- (vi) Names of the top 10 employees of the Company in terms of the remuneration withdrawn in the Financial Year 2023-2024:

Sr. No.	Names of the Employees	Designation	Remuneration
1	Mohan Lal Parakh	Whole Time Director	14,52,000/-
2	Hukum Chand Bothra	Managing Director	14,52,000/-
3	Rajesh Kumar Sharma	Looms Incharge	7,47,500/-
4	Mahendra Kumar Bothra	Senior Finance Manager	6,70,400/-
5	Sanjay Kumar Singh	Chief Financial Officer	6,67,916/-
6	Brijesh Singh	Transport Manager	6,45,400/-
7	Raunak Tater	Manager Admin	5,73,267/-
8	Tushar Sil	Operational Manager	5,98,000/-
9	Amresh Bhattacharya	Electrical & Maintenance	5,39,500/-
10	Pankaj Kumar Jain	Production Manager	5,09,600/-

All the afore-mentioned employees are on the permanent rolls of the Company.

- (vii) No. of employees employed throughout the year who was in receipt of remuneration for the year which, in the aggregate, was not less than 1 crore and 2 lakhs rupees: **NIL**
- (viii) No. of employees was in receipt of remuneration for the year which, in the aggregate, was not less than 8.5 lakhs per month: **NIL**
- (ix) No. of employees, who was employed throughout the financial year or part thereof, who was in receipt of remuneration in that year was 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, more than two percent of the equity shares of the company: **NIL**

For and on behalf of the Board

Sd/-

**Mohan Lal Parakh
Chairman & Whole Time Director
(DIN-02186254)**

**Place: KOLKATA
Date: 23/08/2024**

ANNEXURE-C
FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arms Length Transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

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

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	White Saffron Grains LLP. A LLP in which 3 Directors i.e. Mohan Lal Parakh, Hukum Chand Bothra and Rakesh Sethia are the Partners
b	Nature of contracts /arrangements /transactions	Purchase of Leno Bags Fabrics
c	Duration of the contracts/arrangements/ transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 27,03,63, 070/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	Marudhar Enterprise - One of the directors father is the Sole Proprietor
b	Nature of contracts/arrangements/transactions	Sale of Leno Bags and Sutli
c	Duration of the contracts / arrangements / transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 27,35,798/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	White Saffron Grains LLP. A LLP in which 3 Directors i.e. Mohan Lal Parakh, Hukum Chand Bothra and Rakesh Sethia are the Partners
b	Nature of contracts/arrangements/transactions	Renting of Warehouse to White Saffron Grains LLP
c	Duration of the contracts / arrangements / transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rendering of Warehouse – Rs. 51,61,320/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	White Saffron Grains LLP. A LLP in which 3 Directors i.e. Mohan Lal Parakh, Hukum Chand Bothra and Rakesh Sethia are the Partners
b	Nature of contracts/arrangements/transactions	Renting of Warehouse to White Saffron Grains LLP
c	Duration of the contracts / arrangements / transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 20,70,487/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	Nanesh Cold Storage Pvt Ltd. A Company in which the Directors i.e. Hukum Chand Bothra and Rakesh Sethia are the Members
b	Nature of contracts / arrangements /transactions	Sale of Leno Bags
c	Duration of the contracts/arrangements/ transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 20,67,065 /-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	Samta Packaging Pvt Ltd. A Company in which the Directors i.e. Mohan Lal Parakh, Hukum Chand Bothra and Rakesh Sethia are the Members
b	Nature of contracts / arrangements /transactions	Purchase of Consumable Stores
c	Duration of the contracts / arrangements / transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 1,01,378/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	Inkbird Packaging Pvt Ltd. A Company in which the Director i.e. Hukum Chand Bothra is the Director
b	Nature of contracts/arrangements/transactions	Purchase of Consumable Stores
c	Duration of the contracts / arrangements / transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 23,612/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	Samta Paper Pack LLP. A LLP in which the Directors i.e. Hukum Chand Bothra and Rakesh Sethia are the Partners
b	Nature of contracts / arrangements /transactions	Purchase of Consumable Stores
c	Duration of the contracts/arrangements/ transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 77,474/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

Sr. No.	Particulars	
a	Name(s) of the related party and nature of relationship	Rakesh Sethia. Director of the Company
b	Nature of contracts / arrangements /transactions	Professional Services
c	Duration of the contracts/arrangements/ transactions	Till 31 st March 2024
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Professional Fees - Rs. 14,52,000/-
e	Date of approval by the Board	23/05/2023
f	Amount paid as advances, if any:	Nil
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required

For and on behalf of the Board

Sd/-

Mohan Lal Parakh
Chairman & Whole Time Director
(DIN-02186254)

Place: KOLKATA
Date: 23/08/2024

ANNEXURE-D

Details pursuant to Rule 8(3) of the Companies (Accounts of Companies) Rules, 2014

A) Conservation of energy-

i) The steps are taken or impact on conservation of energy;

Following requisite measures were already taken in the financial year 2022-2023. Replacement of conventional HPSV lamps with LED Lights in the factory premises.

Installed	Replaced by	Total Quantity
40W HPSV	12W LED	24
250W HPSV	100W LED	14
40W HPSV	20W LED	70

Replacement of conventional HPSV street lights by LED lights

Installed	Replaced by	Total Quantity
250W HPSV	48 W LED	6

Replacement of conventional HPSV lights by LED lights in Loom Plant and Tape plant

Installed	Replaced by	Total Quantity
40W HPSV	8 W LED	3
250W HPSV	100W Flood Light	32
40W HPSV	12W	182
150W HPSV	50W	23
40W HPSV	20W Tube	192

As already quoted above, conventional HPSV lights are replaced by LED lights. The benefits or impact of replacement are as under;

Installed	Replaced by	Total Quantity	Total Watt of conventional light	Total Watt of LED light
40W HPSV	8W LED	3	120	24
40W HPSV	12W LED	206	8240	2472
40W HPSV	20W LED TUBE	262	10480	5240
250W HPSV	48W LED	6	1500	288
150W HPSV	50W LED	23	3450	1150
250W HPSV	100W LED	32	8000	3200
TOTAL			31790	12374

Total power consumption of conventional lights comes @12 hours- 381.48 units/day

While power consumption of LED lights comes @ 12 hours only- 148.48 units/day

Hence total savings of 233 units/day is recorded.

This corresponds that a total of 6990 units/month saved through the replacement of conventional lights with LED lights.

ii) The steps taken by the company for utilizing alternate sources of energy:

Your Company has placed the order for installing the 400+/-20 KW Solar renewable energy as an alternate source of energy. As per the estimation, your Company can generate approximately 5 Lakhs units per Calendar Year. Furthermore, the said panel shall be installed at the Factory Premises situated at Polypark, Howrah and would be ready to start generating latest by October, 2024.

iii) The capital investment on energy conservation equipment

Investments shall not be greater than equals to 150 Lakh for the procurement and installation of the Solar Panel

B) Technology Absorption

i) The efforts made towards technology absorption:

The company currently can manufacture circular woven fabric up to 90 cms and Leno fabric up to 76 cms. The Board has evaluated and approved capacity expansion for following new category:

- a. Woven fabric in wide width range of 90-160 cms which has better value addition and is futuristic. The company shall buy 4 looms which will add 419 MT in annual fabric capacity.
- b. Two nos. of Nova Leno -4P loom— a revolutionary technology in leno fabric which will give edge to the company. One loom shall have annual capacity of 8.55 lakhs vegetable bags.

Once the market is established company can add more looms quickly which shall have better profitability than traditional Leno bags.

ii) The benefit derived like product improvement, cost reduction, product development, or import substitution

In the forth coming years, due to the installation of the Solar Energy in the factory, cost of production shall be reduced.

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

No technology imported for the conservation of energy

iv) The expenditure incurred on Research and Development Nil

For and on behalf of the Board

Sd/-

**Mohan Lal Parakh
Chairman & Whole Time Director
(DIN-02186254)**

**Place: KOLKATA
Date: 23/08/2024**

ANNEXURE-E

Dated: 17/01/2024

To,

The Police Commissioner,

18, Lalbazar Street, Kolkata: 700001

Respected Sir/Madam,

Sub: Submission of Annual Report as per the requirement of Section 21 & 22 of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013

This is with reference to the above-mentioned subject that we hereby submit the copy of the Annual Report for the Calendar year 2023 duly initialled by the chairperson of the Internal Complaint Committee ("the Committee") pursuant to the provisions of section 21 (1) the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with the prescribed Rule 14 of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Rules, 2013.

The committee was constituted under the provisions of section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Please convey your acceptance.(Copy of the same annexed herewith)

Thanking You,

Your's Faithfully

For **INTERNAL COMPLAINT COMMITTEE OF M/S MEGA FLEX PLASTICS LIMITED**

Sd/-

SWETA SINGHI

Deputy Company Secretary

Email ID: compliance@megaflex.in

Mobile No.: 97482 42444

To,
The Police Commissioner,
18, Lalbazar Street,
Kolkata: 700001

Respected Sir/Madam,

Sub: **Submission of annual report as per the requirement of Section 21 (1) of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

This is with reference to the above-mentioned subject, we hereby submit the Annual Report of the Internal Compliant Committee on the prevention of Sexual Harassment for the Calendar Year 2023 intimating the following details:

Sr. No.	Particulars	Information
1	Number of complaints of Sexual Harassment received in the year	NIL
2	Number of complaints disposed off during the year	NA
3	Number of cases pending for more than 90 days	NA
4	Number of workshops or awareness programme against sexual harassment carried out	NIL
5	Nature of action taken by employer or District Officers	NA

For **INTERNAL COMPLIANT COMMITTEE**

Sd/-
SWETA SINGHI
Chairwoman
Email ID: compliance@megaflex.in
Mobile No.: 97482 42444

Dated: 18/01/2024

To,
The Police Commissioner,
18, Lalbazar Street, Kolkata: 700001
 Respected Sir/Madam,

Sub: **Submission of Annual Report as per the requirement of Section 21 & 22 of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

This is with reference to the above-mentioned subject, we hereby submit the following details in the Report of the Internal Compliant Committee on the prevention of Sexual Harassment for the Calendar Year 2023 along with the Annual Report of the Internal Complaint Committee:

Sr. No.	Particulars	Information
1	Number of cases filed during the year	NIL
2	Number of cases disposed off during the year	NA

For **MEGA FLEX PLASTICS LIMITED**

Sd/-
RAKESH SETHIA
Executive Director
(DIN:00409033)

Place: Kolkata
 Dated: 18/01/2024

ANNEXURE-F
SECRETARIAL AUDIT REPORT
FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,
The Members,
Mega Flex Plastics Limited
4, Ho Chi Minh Sarani,
Suite -2A, 2nd Floor, Kolkata- 700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MEGA FLEX PLASTICS LIMITED** (hereinafter called the company) having CIN: **L25209WB2003PLC097273**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **MEGA FLEX PLASTICS LIMITED**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MEGA FLEX PLASTICS LIMITED**, ("the Company") for the financial year ended on 31.03.2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable;
- (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;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **Not Applicable**
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable**
- i) The Securities and Exchange Board of India (Shares based Employee Benefits) Regulations, 2014- **Not Applicable**
- j) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-**Not Applicable**
- k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013-**Not Applicable**
- l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and 2018
- m) Plastic Waste Management Rules (Specific Act applicable to the Plastics Industry)

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws, as applicable, and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The Company is having Chairman cum Whole Time Director, Managing Director, Executive Director, Independent Director, Women Director, CFO and CS. 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 at the Board Meetings are carried out unanimously as recorded in the Minutes of the Meeting of the Board of Directors.

I further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Kolkata
Date: 20/04/2024
UDIN: F011063F00019909

SD/-
Mukesh Chaturvedi
CP: 3390; FCS: 11063
Peer Review Certificate No.:939/2020

This report is to be read with Annexure A which forms an integral part of this report.

ANNEXURE A

To,

**The Members,
MEGA FLEX PLASTICS LIMITED**
4, Ho Chi Minh Sarani
Suite -2A, 2nd Floor, Kolkata 700071

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

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Kolkata
Date: 20/04/2024
UDIN: F011063F00019909

**SD/-
Mukesh Chaturvedi**
Practicing Company Secretary
(FCS: 11063; CP: 3390;)
Peer Review Certificate No.939/2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
MEGA FLEX PLASTICS LIMITED
4, HO CHI MINH SARANI,
SUITE-2A, 2ND FLOOR, KOLKATA-700071

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s **MEGA FLEX PLASTICS LIMITED**, having **CIN L25209WB2003PLC097273** and having registered office at 4, HO CHI MINH SARANI, SUITE-2A, 2ND FLOOR, KOLKATA-700071 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA), or any such other Statutory Authority.

Details of Directors:

Sr. No.	Name of Director	Designation	DIN	Date of appointment in Company
1	MOHAN LAL PARAKH*	Chairman & Whole Time Director	02186254	23/05/2008
2	HUKUM CHAND BOTHRA	Managing Director	00550653	01/06/2004
3	RAKESH SETHIA	Executive Director	00409033	18/11/2003
4	PUJA DAGA	Independent Director	09594635	29/06/2022
5	ALOK KANODIA	Independent Director	09594643	29/06/2022
6	AAKRITI AGARWAL	Independent Director	09053941	29/06/2022

* Mr. Mohan Lal Parakh (DIN: **02186254**) retired as an Executive Director on 29.08.2023 after completing his term of office thereafter re-appointed considering the eligibility and the other requirements. Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate 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.

SD/-
Mukesh Chaturvedi

Practicing Company Secretary (M.No. FCS11063; CP No. 3390)
Peer Review Certificate No.939/2020
UDIN: F011063F000198294

Place: Kolkata
Date: 20/05/2023

A) MANAGEMENT DISCUSSION AND ANALYSIS:

INDUSTRY STRUCTURE AND DEVELOPMENTS, OUTLOOK AND COMPANY OVERVIEW:

INDUSTRY STRUCTURE & DEVELOPMENT:

Indian Plastic Industry Market Is One Of The Leading Sectors In The Country. The History Of The Plastic Industry In India Dates Back To 1957 With The Production Of Polystyrene. Since Then, The Industry Has Made Substantial Progress And Has Grown Rapidly. The Industry Is Present Across The Country And Has More Than 2,000 Exporters. It Employs More Than 4 Million People In The Country And Constitutes 30,000 Processing Units; Among These, 85-90% Belong To Small And Medium Enterprises. India Manufactures Various Products Such As Plastics And Linoleum, Houseware Products, Cordage, Fishnets, Floorcoverings, Medical Items, Packaging Items, Plastic Films, Pipes, Raw Material, Etc. The Country Majorly Exports Plastic Raw Materials, Films, Sheets, Woven Sacks, Fabrics, And Tarpaulin. The Government Of India Intends To

Take The Plastic Industry From A Current Level Of Rs. 3 Lakh Crores (Us\$ 37.8 Billion) Of Economic Activity To Rs. 10 Lakh Crores (Us\$ 126 Billion) In 4-5 Years.

In FY24 (Until February 2024), India's plastic exports stood at US\$ 10.43 billion. During this period, the exports of human hair & related products, medical items, plastic pipes and FRP & composites grew by 12.7%, 8.9%, and 13.8%, respectively, over the same period last year.

In February 2024, the exports of Floorcoverings, leathercloth & Laminates witnessed a growth of 19.7%.

The cumulative exports of plastics and related materials during 2022-23 were valued at US\$ 11.96 billion. This was a 10.4% decrease from the 2021-22 exports valued at US\$ 13.35 billion. Plastic raw materials were the largest exported category and constituted 27.76% of the total exports in 2022-23; it recorded a growth of 21.5% over the previous year. Plastic films and sheets were the second largest category, comprising 15.13% of the total exports, but declined by 10.6% over the previous year.

In February 2024, the exports of plastics and linoleum from India were valued at US\$ 996.9 million. During the same period, medical items of plastics; FRP & composites; packaging items; cordage fishnets & monofilaments and floorcoverings, leathercloth, & laminates recorded strong growth. The cumulative exports for April-February 2024 declined by 4.4% year-on-year (YoY) to US\$ 10.43 billion.

GOVERNMENT INITIATIVES:

The Union Ministry of Commerce and Industry of India targets to increase the plastic exports of the country to 15% 25 billion by 2025. There are multiple plastic parks being set up in the country in a phased manner that will help improve the plastic manufacturing outputs of the country. Under the plastic park schemes funds of up to 50% of the project costs or a selling cost of total Rs.40 crore (US\$ 5 million) per project.

Government initiatives like "Digital India", and "Skill India" will also boost India's Plastic industry. For instance, under the "Digital India" program, the government aims to reduce the import dependence of products from other countries, which will lift the local plastic part manufacturers.

The government also launched a program for building Centres of Excellence (CoEs) to develop the existing petrochemical technology and promote the research environment pertaining to the sector in the country. This will aid in promoting and developing new applications of polymers and plastic in the country. Additionally, about 23 Central Institute of Plastics Engineering & Technology (CIPET) have been approved to accelerate financial and technological collaboration for promoting skills in chemicals and petrochemicals sector.

BUSINESS, OVERVIEW & OUTLOOK:

Our Company Operates in the following segments:

1. Manufacturing of Leno Bags, PP Fabrics, Twisted Sutali
2. Trading of Polypropylene Granules



Leno bags

Leno bags are splendid, cost-effective, water and moisture resistant for packing, storing & preserving vegetables like potato, onion, ginger, garlic, cabbage etc. and fruits like pineapple, citrus fruits, raw mango, coconut etc. The Leno bags have widths between 20cm to 72cm. The length also varies as per the customer's requirements. The mesh again is as per requirement with a maximum of 574 tapes in the warp in different colors. Leno bags on an average weigh 50g (or less). Leno bags has the advantages like Superior aesthetics, excellent mechanical properties, Chemically Inert, Ease in handling & storage, Reuse & recyclable and cost effective. There is great potential for the leno bags in India and the reasons are Suitable for dry skin vegetables like Potato (3rd biggest producer), Onion, Garlic etc. India is the 2nd biggest producer of fruit and vegetables in the world, which has still not been captured by Leno bags suitable for cold storage. Your Company's brands include Lenoflex, Kisan, Kisan Regular, Goldflex, Goldflex Lite, Tiger, Tiranga, Hena. The Lenoflex is most preferred brand for storage of potato when the farmer looks for the quality.

OUR PRODUCTS**Polypropylene Fabric**

It is indeed incredibly versatile and durable, making it a staple in numerous items. From the sturdy reusable shopping bags you carry to the protective gear used in healthcare, this fabric's importance spans various industries. Lightweight, strong, and resistant to chemicals, polypropylene fabric is an essential component in agriculture, packaging, and construction. This blog aims to shed light on polypropylene fabric and guide you through its fascinating production process, helping you understand why it's so widely used and valued across different fields.

**Twisted Sutli**

It is manufactured from Polypropylene Granules, which are in turn, manufactured in to making Sutali or Twisted Yarn. This are mainly used for tying and stitching bags. The yarns are very cost effective and versatile and have a range of physical characteristics that makes it ideal for a wide range of applications.

PROCESS FLOW OF LENO BAGS

Raw materials are fed into extruder



Film getting slit into strips (tapes)



PP Strips (tapes) Bobbins are fed on the loom and Leno fabric is manufactured by weaving and then fabric is rolled in a roll



Tapes being winded on winders



PP Leno Bag



Bale having 1000 pcs Leno Bags

RISKS AND CONCERNS:

In lieu to mitigate risks including internal and external, your Company has availed Insurances related to the Fire, Burglary, Vehicle theft, Intellectual Property, etc. All the leased out properties have been leased out by way of signing a Leave & Licence Agreement. Necessary Government and Statutory approvals for the operational efficiency of the company are hereby availed. Policies in relation to the code of conduct to be followed by the Board of Directors of the Company, Protection of the Employees against sexual harassment, strict vigilance over the wrong doing or any misconduct by any of the employees, etc., have been updated on the website of the company: <https://megaflex.co.in/policies/>. Pollution control equipment, fire safety measures, water supply, power supply and its alternatives have been maintained.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

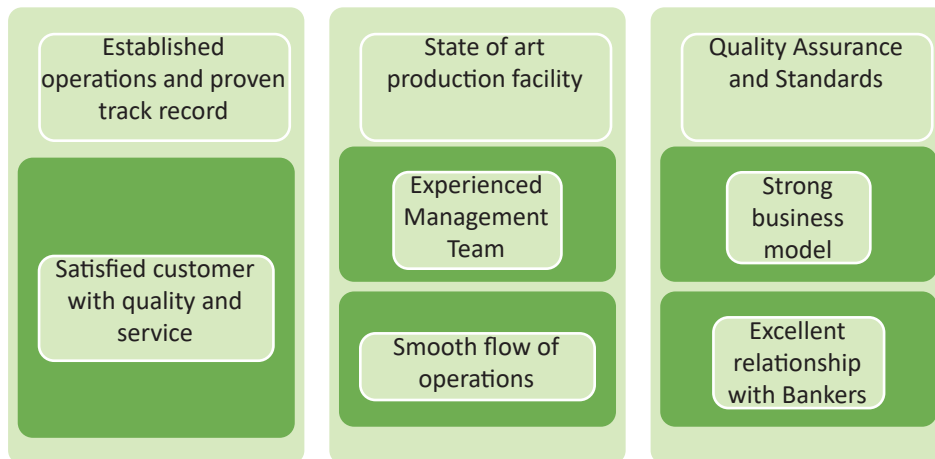
Your Company maintains a vigorous internal control system in terms of the Financial, Productions, Safety, Hygiene, Human Resource, Inspection, Quality Control Check by convening and conducting regular meetings and training. The system focuses on the applicability and compliances of the Laws from time to time and framing various policies to be followed by the employees of the company and to ensure to get the optimum utilization of the available resources with no or minimum wastage so that the investors get the fair return of their investment.

DEVELOPMENTS IN HUMAN RESOURCES

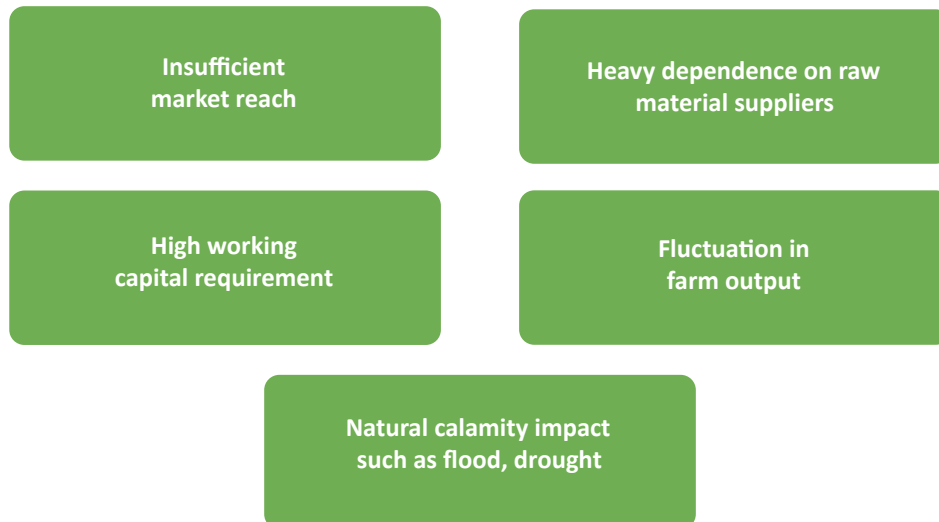
Human resource is an asset to any industry. We believe that our employees are the key to the success of our business and hence we have a structured organization plan to take care of the growth and motivation aspects of our team. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans. We believe in retaining the resourceful talent to achieve its goal. Therefore, we provide uniform opportunity to all the employees, ensures safe and harmless environment free of discrimination and harassment.

SWOT ANALYSIS:

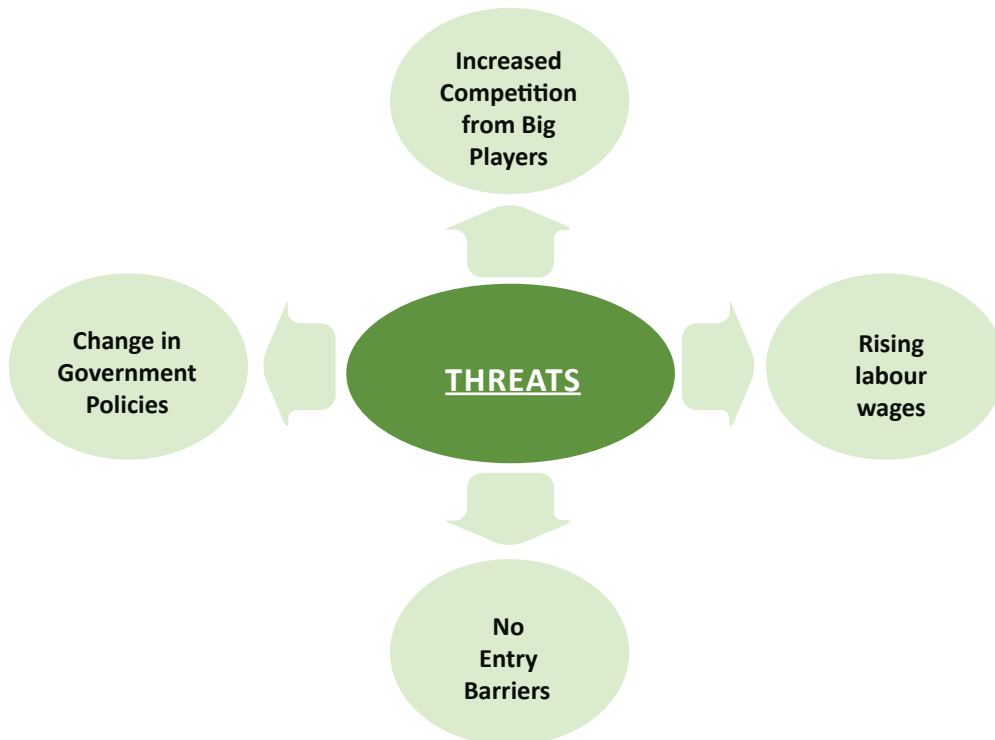
STRENGTHS



WEAKNESS



OPPORTUNITIES



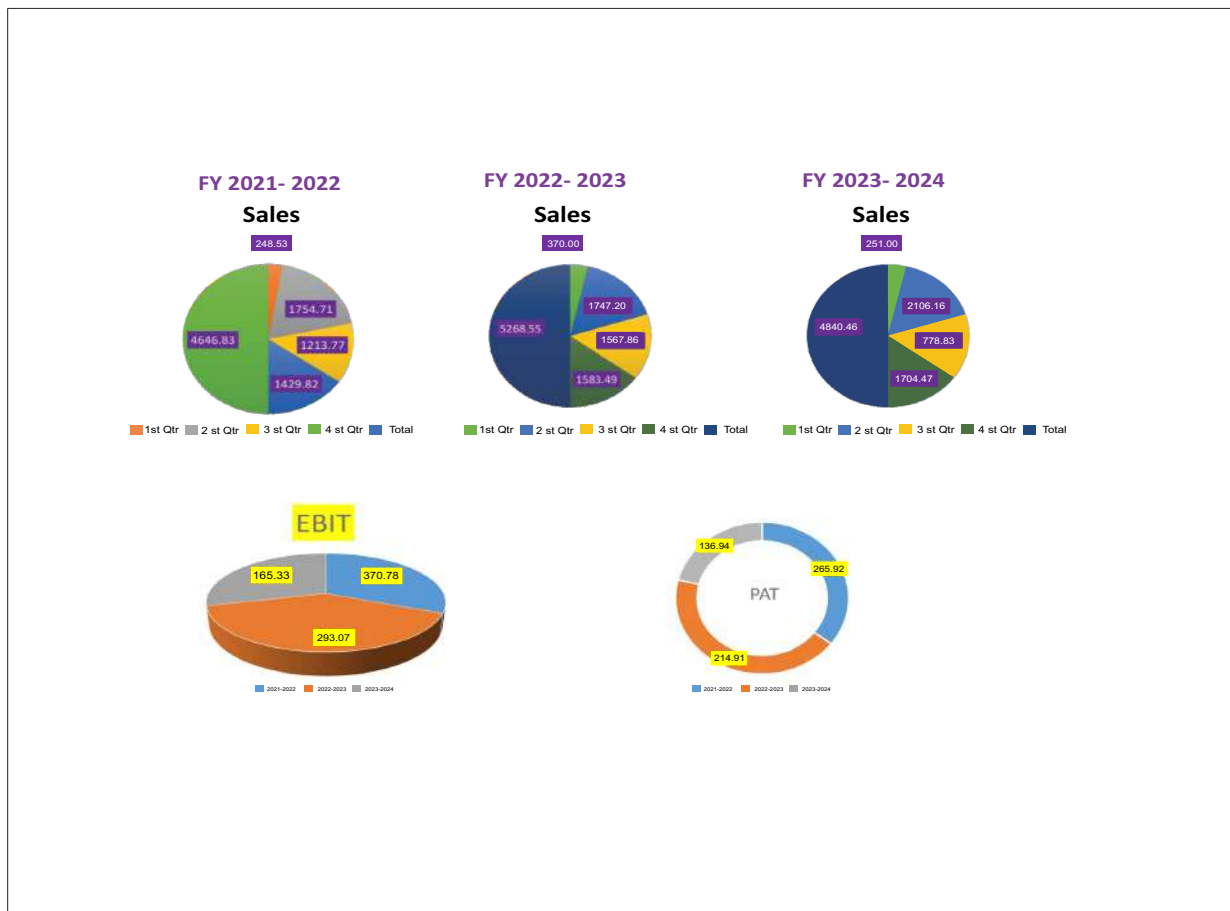
SEGMENT WISE OR PRODUCT WISE PERFORMANCE & DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

The company is currently engaged in single segment business through various distributors and brand name such as Gold Flex, Leno Flex, Tiger, Tiranga, Kisan and Phantom. During the year, Since the demand has been low due to poor potato crop all over the country, some farmers shifted to the jute bags. Despite that, your company has sold 70.27 million leno bags as against 61.79 million bags sold in the previous year 2022-23, an increase of about 13.72% We could achieve this by penetrating in newer market territories by adopting aggressive Pricing Policy and adding new dealers. by 8.13 % For detail analysis refer note 18 of the Financial Statements.

Following is the key highlight of the performance of the company:

(in lakhs)

Particulars	Current Year	Previous Year	Increase/(Decrease) %
Revenue from operation	4840.46	5268.55	(8.13)
EBIT	165.33	293.07	(44.60)
PAT	136.94	214.91	(36.28)



Details of significant changes in key financial ratios and Return on Net Worth Pursuant to amendment made in Schedule V to the SEBI Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations therefore are given below or sector specific equivalent ratios, as applicable:

Particulars	FY ended March 31, 2024	FY ended March 31, 2023	%Changes between Current FY & Previous FY	Explanation
Debtors Turnover Ratio	60.87	141.47	-56.97%	Increase in debtors compare to Last FY
Inventory Turnover Ratio	6.07	8.52	-28.78%	Company increase presence in new area therefore increase in inventory.
Interest Coverage Ratio	33.73	68.27	-50.60%	Decrease in Loan
Current Ratio	17.87	11.28	-58.47%	Current Liability has decreased.
Debt Equity Ratio	-	-	-	-
Operating Profit Margin (%)	3.56	5.66	-37.10%	Revenue from operations decreased due to low potato crop
Net Profit Margin (%)	0.03	0.04	-29.27%	Decrease in gross margin
Change in Return on Net Worth	4.50	4.90	-8.16%	Due to Decrease in Profit

3. DISCLOSURE OF ACCOUNTING TREATMENT:

Where in the preparation of financial statements, a treatment different from that prescribed in an Accounting Standard has been followed, the fact shall be disclosed in the financial statements, together with the management's explanation as to why it believes such alternative treatment is more representative of the true and fair view of the underlying business transaction :	No such treatment followed
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DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED

SUSPENSE ACCOUNT: There is no such demat suspense / unclaimed suspense account.

COMPLIANCE CERTIFICATE

[Regulation 17(8)]

The following compliance certificate is furnished by the Chief Financial Officer:

This is with reference to the above-mentioned requirement I

- A. I have reviewed the Financial Statements and the Cash Flow Statements for the year ended 31st March, 2024 and to the best of his knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. No transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. Internal Controls have been established and maintained for the Financial Reporting and the effectiveness of the Internal Control Systems have been evaluated pertaining to financial reporting and the same have been reported to the Auditors and the Audit Committee that there have been no deficiencies in the design or operation of such internal controls.
- D. Auditors and the Audit Committee have been indicated regarding the following:
 - (i) There have been no significant changes in the internal control over the financial reporting during the year;
 - (ii) There have been no significant changes in the accounting policies control over the financial reporting during the year;
 - (iii) There have been no instances of significant fraud in the internal control system over the financial reporting during the year;

For Mega Flex Plastics Limited

Place: Kolkata
Date: The 15th day of May 2024

**SD/-
Sanjay Kumar Singh
Chief Financial Officer**

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
Mega Flex Plastics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Financial Statement of **Mega Flex Plastics Limited** ("the Company"), which comprises of the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss and Statement of Cash Flows for the year ended March 31, 2024, and notes to the financial statements, including 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** ('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 March 31, 2024, and its profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Management's responsibility for the financial statements

The Company's board of directors are 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. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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 Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 the 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 March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and
- (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;
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement – refer note 2(o) of its financial statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, 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;

- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, 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; and Based on audit procedures which we 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) contain any material misstatement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For S. Jaykishan
Chartered Accountants
FRN – 309005E

SD/-
(CA. B. K. KHAITAN)
Partner

M. No.: 052469

UDIN: 24052469BKFRRX4308

Place: Kolkata

Date: The 15th day of May 2024

ANNEXURE – A TO IN OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2024 OF M/S MEGA FLEX PLASTICS LIMITED

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;
- (iii) During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
 - (a) During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity

To whom	the aggregate amount during the year	balance outstanding at the balance sheet date
Parties other than subsidiaries, joint ventures and associates	Rs. 176.50 Lakhs	Rs. 827.47 Lakhs
Subsidiaries, joint ventures and associates	Nil	Nil

- (b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company’s interest;
- (c) Schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular;
- (d) According to the information and explanation given to us, no amount is overdue in these respects;
- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
- (f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, required details in respect thereof are as below:

the aggregate amount	percentage thereof to the total loans granted	aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013
Rs.827.47 Lakhs	100%	Rs. 827.47 Lakhs

- (iv) According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute. Except the followings.

Name of the statute	Nature of dues	Amount (Rs.)	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Goods and Service Tax	GST	6,57,38,093	6,57,38,093	2018	Company filed appeal against the said order in Hon'ble Kolkata High Court vide W.P.3667(W) of 2019.
WB Entry Tax	Entry Tax	46,10,796	Nil	2012-2017	Company filed appeal against the said order in Hon'ble Kolkata High Court vide W.P.34375(W) of 2014.

- (viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- (ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- (b) Company is not declared wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;
- (d) According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes;
- (e) As Company does not have any subsidiaries, associates or joint ventures during the year therefore, provisions of the Clause 3(ix)(e) of the Order is not applicable to the company;
- (f) As Company does not have any subsidiaries, associates or joint ventures during the year therefore, provisions of the Clause 3(ix)(f) of the Order is not applicable to the company;
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year;

- (b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;
- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;
- (xii) Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company;
- (xiii) According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013.
- (xiv) (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the reports of the Internal Auditors for the period under audit;
- (xv) According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable;
- (xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For S. Jaykishan
Chartered Accountants
FRN – 309005E

SD/-
(CA. B. K. KHAITAN)
Partner

Place: Kolkata
Date: The 15th day of May 2024

M. No.: 052469
UDIN: 24052469BKFRRX4308

ANNEXURE – B TO IN OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2024 OF M/S MEGA FLEX PLASTICS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Mega Flex Plastics Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, 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 an 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 I/we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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 March 31, 2024, 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 S. Jaykishan
Chartered Accountants
FRN – 309005E

SD/-
(CA. B. K. KHAITAN)
Partner
M. No.: 052469
UDIN: 24052469BKFRRX4308

Place: Kolkata
Date: The 15th day of May 2024

Standalone Balance Sheet as at 31st March 2024

(Rupees in Lakhs)

Particulars	Note No	Figures for the current reporting period	Figures for the previous reporting period
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
a)Share Capital	3	1,074.50	1,074.50
b)Reserves and Surplus	4	3,545.14	3,402.77
Total Shareholder's Fund		4,619.64	4,477.27
Non Current Liabilities			
a)Long Term borrowings		-	-
b)Deffered tax liabilities(Net)		-	-
c) Other Long Term Liabilities	5	20.54	16.58
Total Non Current Liabilities		20.54	16.58
Current Liabilities			
a)Short Term borrowings	6	-	-
b)Trade payables	7	-	-
(A) total outstanding dues of Micro enterprises and small enterprises		6.10	24.49
(B) total outstanding dues of creditors other than Micro enterprises and small enterprises		6.43	29.34
c)Other current liabilities	8	99.98	102.87
d)Short-term provisions	9	29.21	74.10
Total Current Liabilities		141.72	230.80
Total		4,781.90	4,724.65
II.Assets			
Non Current Assets			
a) Property, Plant and Equipments			
i)Tangible Assets	10	576.79	597.79
ii)Capital Work In Progress		-	-
b) Long-term Loans and Advances	11	1,669.98	1,522.50
c)Non Current Investment		-	-
d)Deferred Tax Assets		2.73	1.90
Total Non Current Assets		2,249.50	2,122.19
Current assets			
a)Current Investment	12	541.21	460.90
b)Inventories	13	631.06	698.86
c)Trade Recievable	14	139.40	19.64
d) Cash and cash equivalents	15	1,153.47	1,256.29
e)Short Term loans & advances	16	67.27	166.76
f) Other Current Assets	17	-	-
Total Current Assets		2,532.40	2,602.45
Total		4,781.90	4,724.65

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

3-40

As per our report of even date

For and on behalf of Board

For S. Jaykishan

Chartered Accountants

FRN : 309005E

Mohan Lal Parakh
(Chairman)
Din- 02186254

Hukum Chand Bothra
(Managing Director)
Din: 00550653

CA. B.K. Khaitan
PARTNER
Membership No: 052469

Place: Kolkata
Dated: 15/05/2024

Sanjay Kumar Singh
(Chief Financial Officer)
Pan: ATOPS9732Q

Mrs Parul Mantri
(Company Secretary &
Compliance Officer)
Membership No: 64689

UDIN: 24052469BKFRRX4308

Standalone Statement of Profit and Loss for the year ended 31st March 2024

(Rupees in Lakhs)

Sl. No	Particulars	Note No	Figures for the current reporting period	Figures for the previous reporting period
I.	Revenue From Operations	18	4,840.46	5,268.55
	Revenue From Operations (Net)		4,840.46	5,268.55
II.	Other Income	19	273.99	176.10
III.	Total Revenue		5,114.45	5,444.66
IV.	<u>Expenses:</u>			
	Cost of Material Consumed	20	4,032.28	4,577.06
	Change in Inventories	21	2.87	(355.80)
	Employee Benefit Expenses	22	173.76	179.84
	Financial Costs	23	6.92	5.13
	Depreciation		61.03	52.02
	Other expenses	24	672.26	693.34
	Total Expenses		4,949.12	5,151.59
V.	Profit before exceptional and extraordinary items and tax (III - IV)		165.33	293.07
VI.	Exceptional Items		-	-
VII.	Profit before Extraordinary Items & Tax (V-VI)		165.33	293.07
VIII.	Extraordinary Items		-	-
IX.	Profit before Tax (VII-VIII)		165.33	293.07
X.	Tax expense:			
	Current tax		29.21	74.10
	Deferred tax		(0.82)	4.06
XI.	Profit/(Loss) for the period from the continuing operations (IX-X)		136.94	214.91
XII.	Earning per equity share:	25		
	Basic		1.27	2.00
	Diluted		1.27	2.68

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

3-40

As per our report of even date

For and on behalf of Board

For S. Jaykishan

Chartered Accountants

FRN : 309005E

CA. B.K. Khaitan

PARTNER

Membership No: 052469

Place: Kolkata

Dated: 15/05/2024

UDIN: 24052469BKFRRX4308

Mohan Lal Parakh

(Chairman)

Din- 02186254

Hukum Chand Bothra

(Managing Director)

Din: 00550653

Sanjay Kumar Singh

(Chief Financial Officer)

Pan: ATOPS9732Q

Mrs Parul Mantri

(Company Secretary &

Compliance Officer)

Membership No: 64689

Cash Flow Statement for the Year Ended 31st March,2024

(Rupees in Lakhs)

PARTICULARS	Figures for the current reporting period	Figures for the previous reporting period
I. Cash Flow from Operating Activities		
Net Profit/(Loss) Before Tax and Extraordinary items	165.33	293.07
Non-Cash Adjustment to reconcile profit before tax to net cash flows		
Depreciation/Amortization on continuing Operation	61.03	52.02
Profit from Investments	(140.24)	(48.82)
Dividend (Income)	(0.34)	-
Excess Provision W/off	5.43	17.23
Finance Costs	6.92	5.13
Interest Income (Income)	(85.88)	(84.16)
	(153.09)	(58.60)
Operating Profit Before Working Capital Changes	12.24	234.47
<u>Changes in working capital</u>		
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	(119.76)	35.21
Inventories	67.80	(160.69)
Long Term Loans & Advances	(147.48)	(543.52)
Short Term Loans & Advances	99.50	0.35
Other Current Assets	-	58.44
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(41.30)	38.08
Short-term Provisions	(44.89)	(123.03)
Other Current Liabilities	(2.89)	13.65
Long term Liabilities	3.97	9.12
	(185.06)	(672.39)
Cash Flow from Operating Activities before tax	(172.82)	(437.92)
Direct Taxes Paid (Net of Refund)	(29.21)	(74.10)
Net cash flow from / (used in) operating activities [I]	(202.03)	(512.02)
II. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment, including movement in CWIP and capital advances	(40.65)	(84.70)
Proceeds From Sale of Fixed Assets	1.26	-
Proceeds from sale of Property, Plant and Equipment	(0.65)	-
Proceeds From Sale of Current Investment	(80.31)	416.35
Proceeds From Sale/Maturity of Investments	140.24	48.82
Interest Received	85.88	84.16
Dividend Received	0.34	0.18
Net cash flow from / (used in) investing activities [II]	106.12	464.63

Cash Flow Statement for the Year Ended 31st March,2024

(Rupees in Lakhs)

PARTICULARS	Figures for the current reporting period	Figures for the previous reporting period
III. Cash Flow from Financing Activities :		
Finance Cost	(6.92)	(5.13)
Increase/(Decrease) in Share capital	-	285.00
Increase/(Decrease) in Securities Premium	-	855.00
Increase/(Decrease) in Long Term Borrowings	-	-
Increase/(Decrease) in Short Term Borrowings	-	-
Net cash flow from / (used in) financing activities [III]	(6.92)	1,134.87
Net increase / (decrease) in Cash and cash equivalents [I+II+III]	(102.83)	1,087.48
Cash and cash equivalents at the beginning of the year	1,256.29	168.81
Cash and cash equivalents at the end of the year	1,153.47	1,256.29
Components of Cash and Cash equivalents		
Cash on Hand	3.25	3.26
Balances with banks		
- On current accounts	36.96	126.36
- Deposits with original maturity of less than three months	1,100.00	1,120.00
- Deposits with original maturity for more than 3 months but less than 12 months	13.26	6.67
Total Cash and Cash Equivalents (Note 14)	1,153.47	1,256.29

Note:

- The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

As per our report of even date

For S. Jaykishan

Chartered Accountants

FRN : 309005E

CA. B.K. Khaitan

PARTNER

Membership No: 052469

Place: Kolkata

Dated: 15/05/2024

UDIN: 24052469BKFRRX4308

For and on behalf of Board

Mohan Lal Parakh
(Chairman)

Din- 02186254

Hukum Chand Bothra
(Managing Director)

Din: 00550653

Sanjay Kumar Singh
(Chief Financial Officer)

Pan: ATOPS9732Q

Mrs Parul Mantri
(Company Secretary &
Compliance Officer)

Membership No: 64689

Notes to the financial statements for the year ended 31st March 2024

Note 1: Corporate Information

Mega Flex Plastics Limited is a limited company incorporated under the provisions of the Companies Act, 1956. The CIN of company is L25209WB2003PLC097273. The primary business is manufacturing of Leno bags.

Note 2: Basis of preparation of financial statements

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of Companies Act, 2013 (to the extent notified) and pronouncements of ICAI, as applicable. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 Summary of Significant Accounting Policies

a. Use of estimates

The preparation of the financial statements in the conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

b. Property, Plant and Equipments

Fixed assets are stated at cost. Cost is inclusive of freight, duties (Net of cenvat as applicable), taxes and other directly attributable costs incurred to bring the assets to their working condition for intended use. Capital work in progress comprises outstanding advance paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

c. Intangible Assets:

Intangible Assets are capitalized at cost if: -

i) It is probable that the future economic benefits that are attributable to the asset will flow to the company, &

ii) The company will have control over the assets &

ii) The cost of these assets can be measured reliably & is more than Rs. 10000/-. Intangible assets are amortized over their estimated useful life not exceeding 3 years on straight line pro-rata monthly basis.

d. Depreciation

Depreciation on fixed assets has been provided on WDV method on prorata basis over the useful life prescribed in schedule II to the Companies Act, 2013 after considering salvage value of five percent of original cost. The Company has considered useful life of assets same as prescribed under the Companies Act, 2013.

Depreciation upto 31.03.2014 was provided on WDV method on prorata basis at the rates prescribed in schedule XIV to the Companies Act, 1956.

Due to transition from schedule XIV to schedule II, depreciation on assets existing as on 31.03.2014, has been provided in such a way so that assets should be depreciated after considering salvage value of five percent of original cost of the assets over a useful life of assets as prescribed under schedule II of the companies Act, 2013.

Assets of which useful life has already been expired but depreciation charged till previous financial year was less than 95% of original cost of the assets, difference of 95% of Original Cost and depreciation charged till last year, has been charged to profit and loss account as depreciation.

Assets on which depreciation has already been charged above of 95% of Original Cost of the assets till previous financial year and written down value of the assets is less than 5% of Original Cost, salvage value has been considered remaining WDV as on first day of current financial year.

Notes to the financial statements for the year ended 31st March 2024

e. Impairment of assets

The carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of net selling price and value in use.

f. Borrowing Cost

Borrowing Costs that are directly attributable to the acquisition of qualified assets are capitalised for the period until the assets is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other Borrowing costs are recognised as expenses in the period in which they are incurred.

g. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

h. Inventories

Inventories are stated at lower of cost or net realizable value. The Cost is determined using FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Provision for obsolescence is made wherever necessary.

- i) Raw Material, stores and spares : at cost
- ii) Stock-in-Process : at material cost and cost of conversion
- iii) Finished Goods : at lower of cost or net realizable value on FIFO basis.

i. Foreign Currency Transaction

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Profit and Loss Account. Foreign currency monetary assets and liabilities are translated at year-end rates and resultant gains/losses on foreign exchange translations are recognized in the Profit and Loss Account.

For forward contracts associated with forecasted transactions, gains or losses arising due to change in fair value of the forward contract is recognised in the Profit and Loss Account.

For forward contracts associated with underlying asset/ liability at the Balance Sheet date, the exchange differences are recognised in the Profit and Loss Account in reporting period in which exchange rate change. The premium or discount on such contracts arising at the inception are amortised as income or expense over the life of the contracts equally.

j. Revenue recognition

Revenue from sale of products is recognized when persuasive evidence of an arrangement exists, risk and reward of ownership has been transferred to the customer, the sales price is fixed or determinable and collectability is reasonably assured. Revenue from Services is recognized when respective service is rendered and accepted by the customer. Interest income and rental income are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Revenues are shown net of Goods and service tax and applicable discounts and allowances. The revenue is recognized net of discounts and allowances.

Profit on sale of Investments is recorded on transfer of title from the company and is determined as the difference between the sales price and the then carrying value of the investment. Interest on the deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. Dividend income, commission, brokerage and rent are recognized when the right to receive the same is established.

Notes to the financial statements for the year ended 31st March 2024

k. Employee benefits

Employee benefits include Provident fund, Gratuity fund, Compensated absences, Long Service awards and post-employment medical benefits.

Defined Contribution Plans

The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined Benefit Plans

Gratuity liability is defined benefit obligation and is provided for on the basis of calculation done as per statutory norms of Gratuity Act, 1972. However, provision has not been made based on actuarial valuation.

Short-Term Employee Benefits

Encashable Short term compensated absences are provided for based on estimates. No provision is made for unencashable short term compensated absences.

l. Income Tax

As per the provisions of AS 22 tax expense comprises current & deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rate & tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

m. Earning per share

In accordance with the provisions of AS 22 basic earnings per share are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders.

n. Cash and Cash Equivalent:

Cash and cash equivalents comprise of cash at bank and cash in hand. The company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalent.

o. Contingencies

No provision is made for a liability which is contingent in nature but if material, the same is disclosed by way of notes to the accounts.

Contingent Liabilities and Contingent Assets:

(Rupees in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Company made under protest payment of Rs.6,57,38,093/- as the differential GST pursuant to the order dated 25-10-2018 of the West Bengal Appellate Authority for Advance Ruling whereby PP Leno Bags has been classified Heading 63053300 (GST @5% / 12%) under Chapter Heading 39232990 (GST @18%) instead of Chapter. Company filed appeal against the said order in Hon'ble Kolkata High Court vide W.P.3667(W) of 2019, MAT no. 364 of 2023.	657.38	657.38
Bank Guarantee given to West Bengal State Electricity Distribution Company Limited (WBSEDCL) as Security Deposit	114.03	103.74
Corporate Gurantee Given to HDFC Bank Ltd. on behalf of White Saffron Grains LLP	-	1000.00

Notes to the financial statements for the year ended 31st March 2024

Note 3: Share Capital

(Rupees in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised Share capital		
1,10,00,000 (previous year 1,10,00,000) Equity Shares of Rs 10 each	1,100.00	1,100.00
Issued, subscribed & fully paid share capital		
1,07,45,025 (previous year 1,07,45,025) Equity Shares of Rs 10 each	1,074.50	1,074.50
Total	1,074.50	1,074.50

3(a): Reconciliation of the shares outstanding at beginning & at end of the reporting period

(Rupees in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Equity Shares:		
Balance as at the beginning of the year	107,450,250	17,544,500
Add: Addition during the year	-	-
Bonus Shares	-	61,405,750
Initial Public Issue (IPO)	-	28,500,000
Less: Deletion during the year	-	-
Balance as at the end of the year	107,450,250	107,450,250
Total	107,450,250	107,450,250

Term/ Right attached to the Equity shares

- The Company has only one class of equity shares having par value of Rs.10/- per share. Each equity shareholder is entitled for one vote per share.
- During the period of last 5 years, the company has issued 61,40,575 Bonus shares in the ratio of 3.5:1 in F.Y. 2022-23 and has not bought back any shares.

3(b): Details of shareholders holding more than 5 % shares in the company

(Rupees in Lakhs)

Particulars	Current Year		Previous Year	
	No.	Percentage	No.	Percentage
Equity Shares:				
Channel Plastics Pvt. Ltd.	26,12,700	24.32%	2,612,700	24.32%
Pragatisheel Commercial LLP	7,01,100	6.52%	701,100	6.52%
Samta Polymers Limited	9,44,550	8.79%	944,550	8.79%

List of Promoter's shareholding in the company

Sr No	Shares held by Promoter's	Current Year			Previous Year		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
1	Channel Plastics Pvt Ltd	2,612,700	24.32%	0.00%	2,612,700	24.32%	-8.77%
2	Rakesh Sethia	441,900	4.11%	0.00%	441,900	4.11%	-1.49%
3	Mohan Lal Parakh	225,000	2.09%	0.00%	225,000	2.09%	-0.76%
4	Hukum Chand Bothra	203,400	1.89%	0.00%	203,400	1.89%	-0.69%
	Total	3,483,000	32.41%	0.00%	3,483,000	32.41%	-11.71%

Notes to the financial statements for the year ended 31st March 2024

Note 4: Reserves and Surplus

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Securities Premium	-	-
Opening Balance	1,283.45	428.45
Add: Addition during the year	-	855.00
Closing Balance	1,283.45	1,283.45
(b) Surplus/(Deficit) in the Statement of Profit & Loss		
Balance as per last financial statements	2,119.32	2,501.23
Add: Profit/(Loss) for the year	136.94	214.91
Add: Excess Provision on Income tax	5.43	17.23
Less: Bonus Allotment	-	(614.06)
Net Surplus/(Deficit) in the Statement of Profit & Loss	2,261.69	2,119.32
Total	3,545.14	3,402.77

Note 5: Other Long Term Liabilities

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Others (Deposits Received)	1.35	1.35
Gratuity Provisions	19.19	15.23
Total	20.54	16.58

Note 6: Short Term Borrowings

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured Loans		
a) Working Capital Loan From HDFC Bank Ltd	-	-
(Secured against hypothecation of Raw Materials, finished goods and work in progress and mortgage of immovable properties of the company on Second Charge basis.)		
Total	-	-

Note 7: Trade Payables

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Total outstanding dues of micro enterprises and small enterprises	6.10	24.49
Total outstanding dues of creditors other than micro enterprises and small enterprises	6.43	29.34
(Disclosure of Sundry creditors under Trade payables is based on the information available with the company regarding the status of the supplier as defined under MSME Act, 2006.)		
Total	12.53	53.83

Notes to the financial statements for the year ended 31st March 2024

7(a) Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company: (Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	6.10	24.49
Interest	-	-
Total	6.10	24.49
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

7(b) Trade Payables ageing schedule as on 31st March, 2024 (Rupees in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	6.10	-	-	-	6.10
(Previous Year)	(24.49)	-	-	-	(24.49)
(ii) Others	6.43	-	-	-	6.43
(Previous Year)	(29.34)	-	-	-	(29.34)
(iii) Disputed dues MSME	-	-	-	-	-
(Previous Year)	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
(Previous Year)	-	-	-	-	-

Note 8: Other Current liabilities (Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Liabilities for Expenses	41.31	49.89
Statutory Liabilities Payable	58.67	52.98
Total	99.98	102.87

Note 9: Other Current liabilities (Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Short Term Provisions		
Provisions for Income Tax	29.21	74.10
Total	29.21	74.10

Notes to the financial statements for the year ended 31st March 2024

Note 10: DETAILS OF FIXED ASSETS

COMPUTATION OF DEPRECIATION ON FIXED ASSETS CALCULATED AT THE RATE IN ACCORDANCE WITH THE PROVISION OF SCHEDULE II OF THE COMPANIES ACT 2013:-
(Rupees in Lakhs)

Particulars	Gross Block			Depreciation			Net Block		
	Balance as at 1 Apr 2023	Additions	Deduction	Balance as at 31 Mar 2024	Balance as at 1 Apr 2023	Depreciation charge for the year	Adjustment During The Year	Balance as at 31 Mar 2024	Balance as at 1 Apr 2023
Tangible Assets									
Land	80.99	-	-	80.99	-	-	-	-	80.99
Electric Installation	161.66	-	-	161.66	107.11	13.52	-	120.63	54.55
Motor Vehicle	120.11	15.18	12.24	123.05	98.76	7.87	11.62	95.00	21.35
Computers	33.36	0.42	-	33.78	29.63	1.61	-	31.24	3.73
Office Equipment	21.24	2.51	-	23.75	19.60	1.02	-	20.62	1.64
Furniture and Fixtures	31.34	0.25	-	31.59	18.19	3.38	-	21.57	13.15
Other Ancillary Equipments	130.24	13.50	-	143.74	96.32	6.91	-	103.23	33.92
Plant And Machinery	524.17	8.78	-	532.96	449.67	12.09	-	461.77	74.50
Factory Building	434.39	-	-	434.39	266.31	7.35	-	273.67	168.08
Warehouse	129.87	-	-	129.87	76.90	2.34	-	79.24	52.97
Miscellaneous Asset	7.37	-	-	7.37	5.33	0.51	-	5.83	2.04
Office	135.51	-	-	135.51	44.65	4.43	-	49.08	90.86
Total	1,810.26	40.65	12.236	1,838.67	1,212.47	61.03	11.62	1,261.88	597.79

Notes to the financial statements for the year ended 31st March 2024

Note 11: Long Term Loans and Advances Unsecured, considered good

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Long Term Loans and Advances		
Unsecured, considered good		
a. Security Deposits	101.59	72.91
b. Balances with Statutory/Government Authorities	740.92	775.41
c. Loan & Advances to Related Parties	827.47	674.18
Total	1,669.98	1,522.50

11(a):

(Rupees in Lakhs)

Type of Borrower	Current Year		Previous Year	
	Amount of loan or advance in nature of loan outstanding	Percentage to the Loans and advances in the nature of loans	Amount of loan or advance in nature of loan outstanding	Percentage to the Loans and advances in the nature of loans
Promotor	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	827.47	100.00	674.18	100.00

11(b) Loan given to related party for its principal business which include manufacturing of PP fabric and warehousing @ 9% p.a.

Note 12: Current Investments

(Rupees in Lakhs)

Particulars	(Figures in Rupees Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Investment In Quoted Shares	167.95	107.97
Investment in Silver	0.79	0.79
Investment In Mutual Fund	372.47	352.14
Total	541.21	460.90

12(a): Aggregate market value as at the end of the year:

(Rupees in Lakhs)

Particulars	(Figures in Rupees Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Market value of quoted investments	146.68	75.66
Market value of Mutual Fund investments	373.35	359.19
Aggregate value of Un-quoted investments	-	-
Total	520.02	434.85

Notes to the financial statements for the year ended 31st March 2024

12(a): Details of Current investment in Equity Shares (Quoted): (Rupees in Lakhs)

Particulars	Face Value	As at 31.03.2024		As at 31.03.2023	
	Rs.	Qty	Value in lakhs	Qty	Value in Lakhs
Quoted Share					
All E Technologies Ltd	10	6,400	7.94	30,400	37.73
Chaman Metaliks Ltd	10	54,000	35.53	72,000	47.74
Daps Advertising Ltd	10	20,000	7.37	-	-
Gati Ltd	-	-	-	5,000	2.06
Inspire Films Ltd	10	2,000	1.18	-	-
Jewanram Sheoduttrai Ltd	5	12,000	2.76	-	-
MTNL	10	200,000	99.96	-	-
Phantom Digital effect Ltd.	10	-	-	6,000	12.02
Pritika Engineering Components Ltd	10	-	-	20,000	8.42
Pune E-stock Broking Ltd	10	1,600	1.33	-	-
Unihealth Consultancy Ltd	10	9,000	11.88	-	-
Total			167.95		107.97

Note 13: Inventories* (Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
a.Raw Materials and Components (Valued at cost)	121.44	186.38
b.Work-in-progress (Valued at cost)	121.16	176.05
c.Finished Goods (Valued at cost)	388.47	336.44
Total	631.06	698.86

*as taken, valued and certified by the Management

Note 14: Trade Receivables (Rupees in Lakhs)

Particulars	(Figures in Rupees Lakhs)	
	As at 31.03.2024	As at 31.03.2023
(Unsecured, considered good)		
a .Trade Receivables outstanding for a period less than six months from the date they are due for payment	139.40	19.64
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
Total	139.40	19.64

Notes to the financial statements for the year ended 31st March 2024

14 (a) Trade Receivables ageing schedule as on 31st March, 2024

(Rupees in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables considered good	139.40	-	-	-	-	139.40
(Previous Year)	(19.64)	-	-	-	-	(19.64)
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
(iv) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-

Note 15: Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
a. Cash in hand*	3.25	3.26
b. Balances with banks**		
- On current accounts	0.96	0.48
- On Cash Credit Debit Balance	35.92	125.80
- On Escrow Accounts	0.08	0.08
- Deposits with original maturity of less than three months	1,100.00	1,120.00
Other bank balances		
<u>Current maturities</u>		
- Deposits with original maturity for more than 3 months but less than 12 months from reporting date	13.26	6.67
Total	1,153.47	1,256.29

*As certified by the Management.

Notes to the financial statements for the year ended 31st March 2024

Note 16: Short Term Loans & Advances

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
(Unsecured, considered good)		
a. Others- To Staff & Workers	4.81	2.62
b. Prepaid Expenses	8.00	3.43
c. TDS Receivable & Advance Tax	22.97	122.94
d. Advance against Supply and Services	31.50	37.78
Total	67.27	166.76

Note 17: Other Current Assets (specify nature)

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
(Unsecured, considered good)	-	-
Total	-	-

Note 18: Revenue From Operation

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Sale of Products		
Finished Goods	4,840.46	5,268.55
Total	4,840.46	5,268.55

Note 19: Other Income

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Interest Income	85.88	84.16
Profit on Investment	140.24	54.88
Rent & Other Receipts	45.48	35.80
Other Income	2.39	1.26
Total	273.99	176.10

Note 20: Cost of Material Consumed

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Stock of Raw Materials	186.38	381.50
Add: Raw Materials and other Purchased	3,967.35	4,381.94
	4,153.72	4,763.44
Less: Closing Stock of Raw Materials	121.44	186.38
Total	4,032.28	4,577.06

Notes to the financial statements for the year ended 31st March 2024

Particulars	As at 31.03.2024	As at 31.03.2023
Detail of Raw Material Consumed		
PP/LLDPE	3,931.13	4,348.75
Colour Master Batch	101.15	134.75
others items	-	93.56
	4,032.28	4,577.06
Value of Raw Materials and Components Consumed		
Imported	235.92	138.00
Indigenously obtained	3,796.36	4,439.06
Percentage to total consumption		
Imported	5.85%	3.02%
Indigenously obtained	94.15%	96.98%
C.I.F. value of imports		
Raw Materials	212.87	123.60

Note 21: Change in Inventories

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Stock:		
Stock in Progress	176.05	102.21
Finished Goods	336.44	54.47
	512.49	156.68
Closing Stock:		
Stock in Progress	121.16	176.05
Finished Goods	388.47	336.44
Total	2.87	(355.80)

Note 22: Employee Salary & Benefit Expenses

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Contributions to Provident Fund and Other Fund	22.84	21.52
Directors Remuneration	35.34	44.33
Gratuity Provision	3.97	9.12
Salaries and incentives	107.38	100.88
Staff Welfare Expenses	4.23	3.99
Total	173.76	179.84

Note 23: Financial Costs

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Bank Charges	2.25	3.81
Interest on Cash Credit	4.66	1.33
Total	6.92	5.13

Notes to the financial statements for the year ended 31st March 2024

Note 24: Other Expenses

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
<u>Manufacturing Expenses</u>		
Consumable Stores	27.73	31.74
Factory Electricity Charges	168.02	201.78
Generator Running Expenses	13.85	12.45
Labour Charges	176.68	170.73
Processing Charges	15.49	8.36
Printing Charges	3.49	9.21
<u>Administrative & Selling Expenses</u>		
Annual Maintenance Charges	4.67	3.94
Freight Charges	97.15	64.21
Loading & Unloading Charges	14.00	11.10
Sales Promotion Charges	6.77	2.65
Auditor's Remuneration	0.75	0.75
Conveyance Expenses	12.77	13.17
Baddebt	-	0.78
Filing Fees	0.09	1.52
General Expenses	1.91	1.47
Insurance Charges	12.02	9.61
Loss on sale of Car	0.01	6.06
Listing Expenses	-	39.52
Postage & Courier	0.95	0.77
Printing & Stationery	1.43	0.89
Professional fees	12.48	13.82
Rates & Taxes	3.04	1.43
Rent Paid	28.56	3.90
Repair & Maintenance	65.30	82.27
Travelling Expenses	3.80	-
Telephone, Fax & Web	1.28	1.20
Total	672.26	693.34

Note 25: Earning per share (EPS)

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
i) Profit /(loss) after tax	136.94	214.91
ii) Number of equity shares	10,745,025	10,745,025
Basic EPS {(i)/(ii)}	1.27	2.00

Notes to the financial statements for the year ended 31st March 2024

Note 26: Previous year figures

Previous Year's Figures Have Been Rearranged / Regrouped Wherever Necessary.

Note 27: Related Party Disclosure

In accordance with accounting Standard (AS) 18 'Related Party Disclosure' the disclosure in respect of transactions with the related parties which are identified and certified by the management, are as given below.

a Key Managerial Personnel

Sr. No.	Name	Relationship
i)	Mr. Mohan Lal Parakh	Chairman & Whole time Director
ii)	Mr. Hukum Chand Bothra	Managing Director
iii)	Mr. Rakesh Sethia	Executive Director
iv)	Mr. Sanjay Kumar Singh	Chief Financial Officer
v)	Mrs. Parul Mantri	Company Secretary & Compliance officer

b Enterprises owned or significantly influenced by Key Management Personnel and their relatives (with whom transaction have been entered during the year

Sr. No.	Name
i)	Channel Plastics Pvt. Ltd.
ii)	Nezone Herbals Pvt. Ltd.
iii)	White Saffron Grains LLP
iv)	Inkbird Packaging Pvt Ltd
v)	Nanesh Cold Storage Pvt Ltd

Transactions :

(Rupees in Lakhs)

Particulars	Type	As at 31.03.2024	As at 31.03.2023
Mr. Hukum Chand Bothra	Remuneration	14.52	14.52
Mr. Mohan Lal Parakh	Remuneration	14.52	14.52
Mr. Rakesh Sethia	Professional Fees	6.05	14.52
Enterprises controlled by the KMP or their relatives			
White Saffron Grains LLP	Rent Received	51.61	32.93
White Saffron Grains LLP	Loan given	176.50	611.75
White Saffron Grains LLP	Loan repaid	95.61	178.00
White Saffron Grains LLP	Interest Received	72.40	53.81
Inkbird Packaging Pvt Ltd	Loan given	-	130.00
Inkbird Packaging Pvt Ltd	Loan repaid	-	130.00
Inkbird Packaging Pvt Ltd	Interest	-	1.78

Notes to the financial statements for the year ended 31st March 2024

(Rupees in Lakhs)

Particulars	Type	As at 31.03.2024	As at 31.03.2023
Channel Plastics Pvt Ltd	Sales	-	162.40
Channel Plastics Pvt Ltd	Purchase	-	-
Nanesh Cold Storage Pvt Ltd	Sales	11.56	630.41
Inkbird Packaging Pvt Ltd	Purchase	0.24	-
Samta Packaging Pvt Ltd	Purchase	1.01	-
White Saffron Grains LLP	Rent Paid	20.70	-
White Saffron Grains LLP	Electricity Paid	0.12	-
White Saffron Grains LLP	Purchase	2,703.63	1868.72
Samta Paperpack LLP	Purchase	0.77	-
Balance Outstanding			
Enterprises controlled by the KMP or their relatives			
White Saffron Grains LLP	loan given	827.47	674.18
White Saffron Grains LLP	Creditor	-	22.51

Note 28: Disclosure as per Accounting Standard- 17 "Segment Reporting"

The Company's primary business is manufacturing Leno bags which in the context of Accounting Standard- 17 is considered the only business segment. Hence, no segmental reporting is required.

Note 29: Foreign Exchange

(Rupees in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Foreign exchange currency exposures		
Purchase on account of Raw Material in USD	USD 254430	USD 149490
Purchase on account of Raw Material in Indian Rs.	212.87	123.60

Note 30: Details of Benami Property held

As per information and explanation given us by management, no proceedings has been intitated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988.

Note 31: Wilful Defaulter

As per information and explanation given us by management, Company is not declared as willful defaulter by any Bank or financial Institution or any other lender.

Note 32: Relationship with Struck off Companies under section 248 of the Companies Act, 2013

As per information and explanation given us by management, Company has not incurred any transactions with Companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956.

Note 33: Compliance with approved Scheme(s) of Arrangements

There is no scheme of arrangements which has been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 in respect of the Company.

Note 34: Compliance with number of layers of companies

The company does not have any layer of Companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes to the financial statements for the year ended 31st March 2024

Note 35: Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Note 36:

The Company has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date and no default has been made regarding the same.

Note 37: Undisclosed income

As per information and explanation given us by management, Company is not having any transaction which is not recorded in books of accounts of Company which has been surrendered in tax assessments under IncomeTax Act 1961.

Note 38: Details of Corporate Social Responsibility

As per the limits prescribed under section 135 of Companies Act 2013, Corporate Social Responsibility clause is not applicable on the company during current Financial year.

Note 39: Details of Crypto Currency or Virtual Currency

As per information and explanation given us by management, Company has not dealt/traded/invested in the Crypto Currency or Virtual Currency during current Financial year.

Note 40: Ratio:

Sl. No	Particulars	Numerator	Denominator	31st March, 2024	31st March, 2023	% Variance	Reason for Variation
1	Current Ratio	Current Assets	Current Liabilities	17.87	11.28	58.47%	Current Liability has decreased.
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-	-	-	-
4	Return on Equity (ROE)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.03	0.06	-49.82%	Decrease in gross margin
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	6.07	8.52	-28.78%	Company increase presence in new area therefore increase in inventory.
6	Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	60.87	141.47	-56.97%	Increase in debtors compare to last FY
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	119.57	125.96	-5.07%	NA
8	Net capital turnover ratio	Net Sales	Average Working Capital	2.03	2.68	-24.15%	NA

Notes to the financial statements for the year ended 31st March 2024

Sl. No	Particulars	Numerator	Denominator	31st March, 2024	31st March, 2023	% Variance	Reason for Variation
9	Net Profit Ratio	Net Profits	Net Sales	0.03	0.04	-29.27%	Decrease in gross margin
10	Return on Investment	Earning from Invested funds	Average Invested Funds	0.28	0.08	241.23%	Higher returns on investment in secondary market
11	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	0.05	0.07	-28.18%	Decrease in Gross margin and PAT

As per our report of even date

For S. Jaykishan

Chartered Accountants

FRN : 309005E

CA. B.K. Khaitan

PARTNER

Membership No: 052469

Place: Kolkata

Dated: 15/05/2024

UDIN: 24052469BKFRRX4308

For and on behalf of Board

Mohan Lal Parakh

(Chairman)

Din- 02186254

Hukum Chand Bothra

(Managing Director)

Din: 00550653

Sanjay Kumar Singh

(Chief Financial Officer)

Pan: ATOPS9732Q

Mrs Parul Mantri

(Company Secretary & Compliance Officer)

Membership No: 64689

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