



A AND M JUMBO BAGS LIMITED

**Address: Block no.100,Bhagvati Rice Mall,Opp,Hp petro pump,
Jetalpur, Daskroi Ahmedabad,
Ahmedabad GJ 382426 IN**

ANNUAL REPORT

Financial Year

**1st April, 2018
To
31st March, 2019**



A AND M JUMBO BAGS LIMITED

PROFILE OF THE COMPANY:

The company has been incorporated on 27th May, 2011. The company is mainly engaged in Manufacturing of Jumbo Bags.

The company converted into public limited company on 25th September 2017.

BOARD OF DIRECTORS:

1. Zalak Purvesh Parikh (Managing Director)
2. Balwantsingh U Pannu
3. Varun Jigneshbhai Shah
4. Husenbhai Sadikbhai Saraiya (CFO)
5. Nalin Vadilal Shah
6. Janak Prakashbhai Patel
7. Dhaval Mukeshbhai Parekh (Company Secretary)

BANKER:

1. State Bank of India
2. Cosmos Co Op Bank Limited
3. Gujarat Mercantile Co-op Bank Ltd.
4. Dena Bank

AUDITORS:

Parekh Parekh & Associates
Chartered Accountants
H-302, Titenium City Centre,
Nr. Sachin Tower, 100 ft Anand Nagar Road,
Satellite, Ahmedabad - 380015

REGISTERED OFFICE:

Block no.100,
Bhagvati Rice Mall,
Opp. Hp petro pump,
Jetalpur,
Daskroi,
Ahmedabad - 382426,
Gujarat

**A and M JUMBO BAGS LIMITED****MFG. OF FIBC JUMBO BAGS**

Block No.-100, Bhagwati Rice Mill, Opp. Hp Petrol Pump, Jetalpur, Daskroi Ahmedabad Ahmedabad GJ 382426 In
E-mail : anmjumbobags@yahoo.com website : www.aandmjumbobags.com

Ref No.:

Date :

NOTICE

NOTICE is hereby given that Eight Annual General Meeting (AGM) of A AND M JUMBO BAGS LIMITED will be held at its registered office situated at BLOCK NO.-100, BHAGWATI RICE MILL, OPP. HP PETROL PUMP, JETALPUR, DASKROI AHMEDABAD GUJARAT 382426 INDIA on Thursday 20th day of June, 2019 at 01:30 P.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 along with the Reports of the Directors' and Auditors' thereon.
consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

"RESOLVED THAT the audited Standalone Financial Statement of the Company for the financial year ended March 31, 2019, together with the Reports of the Board and the Auditors thereon, be and are hereby received, considered and adopted."

2. To appoint a Director in place of Mr. BALWANTSINGH UJAGARSINGH PANNU (DIN: 08211395), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To Issue Bonus Shares:**

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

"RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Article 165 of Articles of Association of the Company and subject to such approvals, consents, permissions and/or sanctions as may be required from the appropriate authorities, institutions or bodies (hereinafter collectively referred to as the "concerned authorities") and subject to fulfillment of such conditions, if any, as may be required to be fulfilled in obtaining, or as may be stipulated



A and M JUMBO BAGS LTD.

by the concerned authorities from time to time in granting, any such approvals, consents, permissions or sanctions, consent of the members of the Company be and is hereby accorded for capitalization of such sum standing to the credit of General Reserves, and/or the Securities Premium account and/or Retained Earnings, or such other account as may be considered necessary by Board of Directors of the Company ("the Board"), including any Committee of the Board or person authorised by the Board for distribution among the members of existing fully paid equity shares of Rs. 10/- each of the Company, issue of fully paid up bonus shares of Rs. 10 (Rupees Ten only) each in the proportion of 3 (Three) equity share for every 1 (one) equity share held by the members of the Company whose names appear in the Register of members maintained by the Company/List of Beneficial Owners of the Depository as on the record date to be determined by the Board;.

RESOLVED FURTHER THAT all such new equity shares as and when issued shall rank pari passu and carry the same rights with the existing equity shares of the Company in all respects;

RESOLVED FURTHER THAT no letter of allotment shall be issued to the allottees of the new equity bonus shares. Share certificate(s) in respect of the new equity bonus shares shall be issued and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time, or the new equity bonus shares shall be credited to the demat account of the allottees, as the case may be;

RESOLVED FURTHER THAT the allotment of new equity bonus shares to the extent that they relate to Non-resident members of the Company, shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 as may be deemed necessary;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the bonus shares so allotted on the Stock Exchanges where the securities of the Company are listed as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, rules, regulations;

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, Managing Director of the Company be and is hereby authorized to fix the record date, make public announcement and to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) which she think fit and proper.

4. **Increase the Authorised Share Capital and Alteration of Capital Clause of Memorandum of Association:**

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

"RESOLVED THAT pursuant to Section 13 read with 61 and all other applicable provisions of the Companies Act, 2013 and all other applicable provisions, if any, and subject to the approvals, consents, permission and sanctioned as may be necessary from the appropriate authorities or bodies, the existing Authorised Share Capital of the Company of 6,00,00,000/- (Rupees Six Crore only) divided into (i) 20,00,000 (Twenty Lacs only) Equity Shares of 10/- each and (ii)



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4,00,000 (Four Lacs only) 0.10% Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each be and is hereby increased to 16,00,00,000/- (Rupees Sixteen Crore only) divided into (i) 1,20,00,000 (One Crore Twenty Lacs only) Equity Shares of 10/- each and (ii) 4,00,000 (Four Lacs only) 0.10% Non-cumulative Non-convertible Redeemable Preference Shares of Rs. 100/- each.

"RESOLVED THAT pursuant to Section 13 read with 61 and all other applicable provisions of the Companies Act, 2013 and all other applicable provisions, if any, and subject to the approvals, consents, permission and sanctioned as may be necessary from the appropriate authorities or bodies, the existing Clause V of the Memorandum of Association of the Company be and are hereby substituted as follows:

V: The Authorised Capital of the Company is 16,00,00,000/- (Rupees Sixteen Crore only) divided into;

(i) 1,20,00,000 (One crore Twenty Lacs only) Equity Shares of 10/- each and

(ii) 4,00,000 (Four Lacs only) 0.10% Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any committee of board thereof and Company Secretary be and is hereby severally, authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all such acts, deeds, matters, and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

5. Revision in remuneration of Mr. VARUN JIGNESHKUMAR SHAH (DIN: 07740874), Director of the Company for Financial Year 2019-20.

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

RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of sections 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for revision in remuneration of Mr. VARUN JIGNESHKUMAR SHAH (DIN: 07740874) for Financial Year 2019-20 as follows :-

A) Remuneration: Rupees 12,00,000/- annually

RESOLVED FURTHER THAT Managing Director of the Company be and are hereby authorized to sign and file such forms or documents as may be required to be filed with Ministry of Corporate Affairs or Registrar of Companies or such other authority as may be required, to settle any doubt or question arising with regards to the aforesaid appointment and to do all such acts, deeds, matters and things as may be necessary to give full effect to the foregoing resolution By order of the Board of Directors.

6. Revision in remuneration of Mr. BALWANTSINGH UJAGARSINGH PANNU (DIN: 08211395), Director of the Company for Financial Year 2019-20.

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

RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of sections 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for revision in remuneration of Mr. BALWANTSINGH UJAGARSINGH PANNU (DIN: 08211395) for Financial Year 2019-20 as follows :-

A) Remuneration: Rupees 6,00,000/- annually.

RESOLVED FURTHER THAT Managing Director of the Company be and are hereby authorized to sign and file such forms or documents as may be required to be filed with Ministry of Corporate Affairs or Registrar of Companies or such other authority as may be required, to settle any doubt or question arising with regards to the aforesaid appointment and to do all such acts, deeds, matters and things as may be necessary to give full effect to the foregoing resolution By order of the Board of Directors.

For A AND M JUMBO BAGS LIMITED

SD/-

ZALAK PURVESH PARIKH

Managing Director

DIN: 06545622

Date: 14/05/2019

Place: Ahmedabad

Registered Office: BLOCK NO.-100, BHAGWATI RICE MILL, OPP. HP PETROL PUMP, JETALPUR, DASKROI, AHMEDABAD GUJARAT 382426 INDIA

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER.

A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.

3. All Proxy-holder should carry their identity card at the time of attending the Meeting.
4. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
5. Members are requested to bring their copy of notice of the AGM. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
6. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
7. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company
8. In terms of provision of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Amendment Rules, 2015, the Company is not required to provide the e-voting facility to shareholders of the Company and therefore your company has opted to hold this meeting of the members physically only .



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9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. The Notice of Annual General Meeting along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode. The notice with attendance sheet, proxy form and annual report will be sent to the members of company as of cut-off date i.e. 17th May 2019. Member(s) are entitled to receive communication(s) including Annual Report in physical form, free of cost, on receipt of written request for the same.
11. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during 11:00 A.M. to 3:00 P.M. on any working day up to the date of the Annual General Meeting of the Company.
12. The Notice of the Annual General Meeting is uploaded on the Company's website: www.aandmjumbobags.com/ and may be accessed by the members.
13. Non-Resident Indian members are requested to inform the company's Registrar and Transfer Agents (Bigshare Services Pvt Ltd), immediately of :
 - a) Change in their Residential status on return to India for permanent settlement.
 - b) Particulars of their Bank Account maintained in India with complete name of the Bank, branch address, account type and account number with MICR code, if not furnished earlier.
14. The members are requested to intimate to the company, queries, if any, at least 7 days before the date of the meeting to enable the management to keep the required information available at the meeting.
15. The Company has appointed M/s. Bigshare Services Pvt Ltd, as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfers, demat request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly quoting Folio No., full name and name of the Company as A AND M JUMBO BAGS LIMITED.
16. The books (Register of members) will remain close from 15-06-2019 to 20-06-2019 (Both Days inclusive) for the purpose of Seventh Annual General Meeting of the Company.



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17. In case of joint-holding, the Voting Poll Paper Form must be completed and signed (as per the specimen Signature registered with the Company) by the first named Shareholder and in his/ her absence, by the next named Shareholder.
18. A person who acquires shares and becomes shareholder of the Company after the dispatch of the Notice and remains a Shareholder as on 15-06-2019 can remain present and cast their vote at the Ensuing Annual General Meeting.
19. Route Map of venue of Ensuing Annual General Meeting is appended to the notice of Annual General Meeting.

Enclosure:

- 1) Proxy Form [MGT 11]
- 2) Attendance Sheet.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF BUSINESS UNDER ITEM 2 TO 6 OF THE NOTICE DATED 14TH MAY 2019.

ITEM 2

Relevant Details as stipulated under Regulation 36 (3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/reappointment as Director under Item no. 2 are as under:

Name of Director	Mr. BALWANTSINGH UJAGARSINGH PANNU
Age	44
Remuneration of previous year(2017-18)	0
Number of shares held (as on 10th May 2019)	22000
Director in other companies	0
Experience	7 months in field of plastic / FIBC product & industry
Relationship with other KMPs, Directors etc	NA
Terms and Conditions of re-appointment and details of remuneration sought to be paid	Mr. BALWANTSINGH UJAGARSINGH PANNU was appointed as Non-executive director with effect from 30th August 2018, he retires by Rotation and being eligible offer himself for re-appointment.
Date of First appointed on the Board	30th August 2018
Number of Board Meeting attended during 2017-18	Eleven
Membership / chairmanship of committees of other boards	Chairman of Nomination and remuneration committee

ITEM NO. 3

The Board of Directors at its meeting held on 14th May, 2019 considered, approved and recommended a bonus issue of 3 (Three) equity shares for every 1 (one) equity share held as on the 'record date' to be determined by the Board, by capitalizing a part of the amount standing to the credit of general reserves and/or the securities premium account and/or retained earnings as may be considered appropriate by the Board of the Company. The company has free distributable Reserves and Securities Premium amounting to Rs. 5,36,02,823/- as on 31st March 2019 and the amount as required for capitalization for the Bonus Issue be applied from general reserves and/or the securities premium account for issuance of fully paid up bonus shares in the ratio 3:1. In order to reward the members,

The Board of Directors of the Company at their meeting held on 14th May 2019, has recommended the issue of Bonus shares in the ratio of 3:1 i.e. 3 bonus equity shares of Rs. 10 each at par fully paid up for every 1 fully paid up equity share held by the Members subject to approval of the members and such other authorities as may be necessary.

The issue of Bonus shares by capitalization of Reserves and Securities Premium is authorized by the Articles of Association of the Company.

The record date for determining the eligibility of the members to receive the said bonus shares will be fixed by the Board of directors.

The Board of Directors recommends the passing of Item No. 3 of the Notice as an Ordinary Resolution with the approval of the Members.

None of the promoters, directors, managers, key managerial personnel of the Company or their relatives are interested in the resolution(s) No. 3 of the accompanying Notice except to the extent of their shareholding in the Company, if any.

ITEM NO. 4

The present Authorised Share Capital of the Company as on 14th May 2019 is 6,00,00,000/- (Rupees Six Crore only) divided into;

- (i) 20,00,000 (Twenty Lacs only) Equity Shares of 10/- each and
- (ii) 4,00,000 (Four Lacs) 0.10% Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each.

The Paid up Share Capital of the Company as on 14th May 2019 is Rupees 5,07,48,000/- comprising of 17,52,500 (Seventeen Lakh Fifty Two thousand Five hundred) Fully paid up Equity Shares of 10 (Rupees Ten) each and 3,32,230 -0.10% Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each.

It is proposed to increase the Authorised Share Capital of the Company to 16,00,00,000/- (Rupees Sixteen Crore only) divided into Equity Share Capital of 12,00,00,000/- divided into of 1,20,00,000 (One Crore Twenty Lacs only) Equity Shares of 10/- each and Preference Share Capital 4,00,00,000/- consisting of 4,00,000 (Four Lacs) Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each.

The Board recommends the passing of this Resolution at Item No. 4 of the accompanying Notice in the interest of the Company.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

ITEM NO. 5

The Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, at its meeting held on 14th May 2019, has approved the proposal to increase the remuneration of Mr. VARUN JIGNESHKUMAR SHAH (DIN: 07740874), director of the company, subject to the approval of shareholders, as set out in the resolution effective from financial year 2019-20 as Rupees 12,00,000/- annum.

The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not required for the above revision in remuneration.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Director of the Company as approved shall remain unchanged.

Except Mr. VARUN JIGNESHKUMAR SHAH (DIN: 07740874), none of Directors and KMPs and their immediate relatives are concerned or interested in the proposed resolution. Board of Directors of the Company recommended passing resolution set out in Item No. 5 of this notice.

ITEM NO. 6

The Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, at its meeting held on 14th May 2019, has approved the proposal to increase the remuneration of Mr. BALWANTSINGH UJAGARSINGH PANNU (DIN: 08211395), director of the company, subject to the approval of shareholders, as set out in the resolution effective from financial year 2019-20 as Rupees 6,00,000/- annum.

The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not required for the above revision in remuneration.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Director of the Company as approved shall remain unchanged.

Except Mr. BALWANTSINGH UJAGARSINGH PANNU (DIN: 08211395), none of Directors and KMPs and their immediate relatives are concerned or interested in the proposed resolution. Board of Directors of the Company recommended passing resolution set out in Item No. 6 of this notice.



A and M JUMBO BAGS LTD.

For A AND M JUMBO BAGS LIMITED

SD/-

ZALAK PURVESH PARIKH

Managing Director

DIN: 06545622

Date: 14/05/2019

Place: Ahmedabad

Registered Office: BLOCK NO.-100, BHAGWATI RICE MILL, OPP. HP PETROL PUMP, JETALPUR,
DASKROI AHMEDABAD GUJARAT 382426 INDIA



A and M JUMBO BAGS LTD.

A AND M JUMBO BAGS LIMITED
CIN: L25202GJ2011PLC065632.
Email id: cs@aandmjumbobags.com
Contact: 02718-233224, 9173398575
Website: www.aandmjumbobags.com

ATTENDANCE SLIP ANNUAL GENERAL MEETING - 20/06/2019

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional slip at the venue of the meeting.

Folio No.	
DP ID	
CLIENT ID	
No. of Shares	

I/We hereby record my presence at the ANNUAL GENERAL MEETING of the Company at BLOCK NO.-100, BHAGWATI RICE MILL, OPP. HP PETROL PUMP, JETALPUR, DASKROI AHMEDABAD GUJARAT 382426 INDIA, on Thursday, 20th June, 2019 at 01:30 P.M.

Shareholders who come to attend the meeting are requested to bring their copies of Notice with them.

Name of Shareholder	
Signature of Shareholder	

Shareholders who come to attend the meeting are requested to bring their copies of Notice with them.



A and M JUMBO BAGS LTD.

A AND M JUMBO BAGS LIMITED
CIN: L25202GJ2011PLC065632.
Email id: cs@aandmjumbobags.com
Contact: 02718-233224, 9173398575
Website: www.aandmjumbobags.com

Form No. MGT 11 Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]
ANNUAL GENERAL MEETING - 20/06/2019

Name of the Company: A AND M JUMBO BAGS LIMITED
CIN: L25202GJ2011PLC065632
Registered Office: BLOCK NO.-100, BHAGWATI RICE MILL, OPP. HP PETROL PUMP,
JETALPUR, DASKROI AHMEDABAD GUJARAT 382426 INDIA

Name of the Member(s)

Registered Address

E-mail Id

Folio No./Client ID

DP ID

No. of Shares

I/We, being the member(s) of _____ shares of A AND M JUMBO BAGS
LIMITED, hereby appoint.

1) Name: _____
Address: _____
Email id: _____
Signature: _____ or failing him;

2) Name: _____
Address: _____
Email id: _____
Signature: _____ or failing him;

3) Name: _____
Address: _____
Email id: _____
Signature: _____ or failing him;

as my/our proxy to attend and vote for me/us at the Annual General Meeting of the Company to be held on Thursday, 20th June, 2019 at 01:30 P.M. or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
Ordinary Business:		
1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 along with the Reports of the Directors' and Auditors' thereon		
2. To appoint a Director in place of Mr. BALWANTSINGH UJAGARSINGH PANNU (DIN: 08211395), who retires by rotation and being eligible, offers himself for re-appointment.		
SPECIAL BUSINESS:		
3. To Issue Bonus Shares.		
4. Increase the Authorised Share Capital and Alteration of Capital Clause of Memorandum of Association		
5. Revision in remuneration of Mr. VARUN JIGNESHKUMAR SHAH (DIN: 07740874), Director of the Company for Financial Year 2019-20.		
6. Revision in remuneration of Mr. BALWANTSINGH UJAGARSINGH PANNU (DIN: 08211395), Director of the Company for Financial Year 2019-20		

Signed this _____ day of _____ 2019.

Signature of the Shareholder _____

Signature of Proxy Holder(s) _____

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the Commencement of the meeting.
2. In the case of a body corporate, the proxy form should be signed by the authorised person duly enclosing thereto, a certified copy of the resolution of the Board under Section 113 of the Companies Act, 2013.
3. It is Optional to put a 'X' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. A proxy need not be a member of the Company.

DIRECTOR'S REPORT

To,
 Members,
 A AND M JUMBO BAGS LIMITED
 BLOCK NO.-100,
 BHAGWATI RICE MILL,
 OPP. HP PETROL PUMP,
 JETALPUR, DASKROI,
 AHMEDABAD GUJARAT - 382426.

Your Directors have pleasure to present their Eight report together with the Audited Accounts for the financial year ended **31st March 2019**.

1. Financial Performance:

Particulars	Financial Year 2018-19	Financial Year 2017-18
Revenue from operations	7,93,42,279	6,15,39,477
Add: Other Income	11,52,206	1,19,979
Total revenue	8,04,94,485	6,16,59,456
Less: Total Expenses [before depreciation]	6,34,77,306	5,62,58,229
Profit before depreciation and Tax	1,70,17,178	54,01,227
Less: Depreciation	7,92,327	5,62,108
Profit Before Tax	1,62,24,851	48,39,119
Less: Total Tax Expenses	47,34,228	13,42,512
Profit After Tax	1,14,90,623	34,96,607
Earnings Per Share	6.6	2.0

Revenue from operations of company has increase by about 28% over the previous year.
 Profit after tax of company has been increased by about 228% over the previous year.

2. Subsidiaries, Joint Ventures and Associate Companies

The Company doesn't have any subsidiary or joint venture or Associate Company.

3. Directors and Key Managerial Personnel:

There are following changes in the Board of the company during the Financial Year.

1. PRATISH CHIMANLAL SHAH has resigned from the post of Managing Director and Director with effect from 30th August 2018.
2. GITA PARESH PATEL has resigned from the post of Director with effect from 30th August 2018.
3. ZALAK PURVESH PARIKH has been appointed as an additional director with effect from 30th August 2018.
4. ZALAK PURVESH PARIKH has been regularized as director at seventh annual general meeting.
5. ZALAK PURVESH PARIKH has been appointed as an Managing director with effect from 30th August 2018.
6. BALWANTSINGH UJAGARSINGH PANNU has been appointed as an additional director with effect from 30th August 2018.
7. BALWANTSINGH UJAGARSINGH PANNU has been regularized as an director at seventh annual general meeting.

4. Particulars of employees:

Statement containing particulars of employees under rule 5 (2) of the companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 is attached herewith in Annexure A).

5. Dividends:

Your Directors do not propose to recommend any dividend for the year under consideration.

6. Material Changes.

- During the year, Company has allotted 3,32,230 - 0.10% Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each vide board resolution passed dated 31st October 2018.
- During the Year, The Company has altered its object by addition of Clause III (A) 2 in Memorandum of Association of company vide resolution passed through postal ballot dated 25th January 2019.

Changes after closure of the year and before signing of board report.

There have been no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

7. Finance Accounts:

- a. Unless otherwise stated the Accounts of the Company have been drawn up on Accrual Basis and under historical cost convention.
- b. These financial statements have been prepared to comply with the generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

8. Details of Adequacy of Internal Financial Controls:

The Company has adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

9. Register office shifting within the jurisdiction:

There has been no change in registered office address of the company.

10. Particulars Of Contracts Or Arrangements Made With Related Parties:

There is no related Party transaction entered during the Financial Year 2018-19.

11. Deposits:

The Company has not invited/ accepted or renewed any Public Deposits under the provisions of section 73 of the Companies Act, 2013 and the Rules made there under.

12. Board Evaluation:

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV, of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee. None of the independent directors are due for re-appointment.

13. Statutory Auditors :

- There has been no qualification, reservation or adverse remark or disclaimer made by statutory auditor.

14. Annual Return:

A Copy of Annual return shall be published on company's website i.e. www.aandmjumbobags.com

15. Risk Management Policy:

The Company has framework for managing its risk. It has led down detail procedure to inform Board member about the Risk assessment and Minimization Procedure. The Company has made the policy in this regard and the same is reviewed periodically to ensure the management control risk through means of proper define framework.

16. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are:

Conservation of Energy-

Total units consumed by company during the Financial Year 2017-18 was 34864 while in Financial Year 2018-19, company has consumed 41736 units.

The Company is on a continuous basis striving to achieve economy in consumption of energy by optimizing the consumption of power and fuel.

Technology absorption & Foreign Exchange Earnings and Outgo-

The Company has no activities relating to technology absorption and Foreign Exchange Earnings and Outgo.

17. Corporate Social Responsibility:

The Board of Directors of the company confirms that the provisions of Section 135(1) of the company act, 2013 is not applicable to your company during the year under review.

18. Change In The Nature Of Business :

There is no change in the nature of the business of the company during the financial year 2018-19.

However the Company has altered its object by addition of Clause III (A) 2 in Memorandum of Association of company vide resolution passed through postal ballot dated 25th January 2019, to carry on business of P.V.C. and plastic products (detailed as per postal ballot notice dated 20/12/2018). The Company Shall Start the said business with in short duration.

19. Declaration by Independent Directors:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of interdependence as prescribed under the provisions of the Companies Act, 2013 read with schedules and rules issued thereunder and same is Annexure "B" herewith.

20. Directors' responsibility statement as per section 134 (5) of companies act, 2013:

It is hereby stated that:

- a) That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) That the Directors have selected such accounting policies & 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 2019 and of the profit and loss account for the year ended 31st March, 2019.
- c) That the Directors have taken proper and sufficient care 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.
- d) That the Directors have prepared the annual accounts on a going concern basis.
- e) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- f) Those proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

21. In respect of Frauds noticed/ reported:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013 during the year under review.

22. Number of board meetings of the board:

During the Financial Year, Fifteen board meetings were held; dates of meetings are as follows;

Sr. Number	Date of Board Meeting
1.	10/04/2018
2.	20/04/2018
3.	02/05/2018
4.	29/05/2018
5.	30/08/2018
6.	10/10/2018
7.	13/10/2018
8.	31/10/2018
9.	13/11/2018
10.	23/11/2018
11.	14/12/2018
12.	20/12/2018
13.	19/03/2019
14.	28/03/2019
15.	29/03/2019

23. SHARE CAPITAL

There has been following changes in authorized, issued and paid up capital share capital of the company during the year.

- The authorized share capital of the company increase from rupees rupees 2,00,00,000/- divided into 20,00,000 equity shares of face value of rupees 10/- each to rupees 6,00,00,000/- divided into (i) 20,00,000 (Twenty Lacs only) Equity Shares of 10/- each and (ii) 4,00,000 (Four Lacs) 0.10% Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each and vide resolution passed in extraordinary general meeting dated 17th October 2018.
- During the year, Company has allotted 3,32,230 - 0.10% Non-cumulative Non-convertible Redeemable Preference Shares of 100/- each vide board resolution passed dated 31st October 2018.

24. Audit Committee:

The Audit Committee consist of following members:

1. Mr. VARUN JIGNESHKUMAR SHAH - Non-executive director. Chairman
2. Mr. JANAK PRAKASHBHAI PATEL - Independent Director.
3. Mr. NALIN VADILAL SHAH - Independent Director.

[The Committee members are as on date of Closure of year i.e. 31st March 2019.]

During the Financial Year there are Four meetings held of Audit committee as follows:

Sr. Number	Date of Board Meeting
1.	29/05/2018
2.	30/08/2018
3.	13/11/2018
4.	13/03/2019

25. Vigil Mechanism:

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

26. Nomination and Remuneration Policy:

The Company's policy on the appointment and remuneration of Directors and Key Managerial Personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The Nomination and Remuneration policy is provided herewith as at Annexure-C pursuant to provisions of Section 178(4) of the Companies Act, 2013.

Nomination remuneration committee Consist of following members;

1. Mr. BALWANTSINGH UJAGARSINGH PANNU - Non executive Director
2. Mr. JANAK PRAKASHBHAI PATEL - Independent Director
3. Mr. NALIN VADILAL SHAH - Independent Director - Chairman

[The Committee members are as on date of Closure of year i.e. 31st March 2019.]

During the Financial Year there are Three meetings held of Nomination remuneration committee as follows:

Sr. Number	Date of Board Meeting
1.	29/05/2018
2.	30/08/2018
3.	13/11/2018

27. Corporate Governance:

The compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company as the Company's securities are listed on SME Platform (Pursuant to Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

28. Management Discussion and analysis:

The Management Discussion and Analysis forms part of this Annual report is annexed with Annexure D.

29. Compliance with applicable Secretarial Standards:

The Company has devised proper system to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

30. Other Disclosures:

- The Company is not required to get its cost records audited for the financial year 2018-19.
- The Company has transferred amount of Rs. 11,490,623 to reserves and surplus (free reserves).
- None of the directors are disqualified under section 164 of Companies Act, 2013.

31. Disclosure under Sexual Harassment of Women Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. the Company has constituted committee called "Internal Complaints Committee" to ensure safe workplace environment, which covers all employees whether permanent, contractual, trainees, temporary etc

32. Significant Material order Passed by the regulators:

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

33. Particulars of Loans, Guarantees and Investments

The Company has not granted any loan or provided any guarantee or made any investment exceeds the limit specifies in section 186(2) of the Companies Act, 2013.

34. Secretarial Auditor:

M/s Mehul Thakkar & Associates, Practicing Company Secretaries, Ahmedabad has been appointed by board as a secretarial auditor of Company for Financial Year 2018-19. There has been no qualification, reservation or adverse remark or disclaimer made by secretarial auditor. The Secretarial Audit report for Financial Year is attached herewith. (Annexure E)

35. Internal Auditor:

M/s. BABUBHAI PATEL & ASSOCIATES, Chartered Accountants (FRN 100816W) has been re-appointed by board as a Internal Auditor of company for Financial Year 2018-19.

36. Acknowledgement:

The Board wishes to place on record its gratitude for the co-operation and assistance extended by the Bankers, Departments of State Governments. We on behalf of the Company assure the shareholders that company will make every effort to meet their aspirations.

**For & on Behalf of Board of Directors
A AND M JUMBO BAGS LIMITED**

**Place : Ahmedabad
Date : 14/05/2019**

**SD/-
VARUN JIGNESHKUMAR SHAH
DIN: 07740874
DIRECTOR**

**SD/-
ZALAK PURVESH PARIKH
DIN: 06545622
MANAGING DIRECTOR**

ANNEXURE-A

Particulars of Employees

Disclosure under rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014.

- The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19.

Sr. No.	Name of the Director	Remuneration (Per Annum)	Ratio
1	Mr Pratish C Shah. (Managing Director) till 30/08/2018	4,00,000	--*
2	Mrs. Zalak P. Parikh. (Managing Director) w.e.f 30/08/2018	21,00,000	--*
3	Mrs. Gita Patel (Director) till 30/08/2018	0	-
4	Mr Varun Shah (Director)	12,00,000	2.66:1
5	NALIN SHAH (Independent Director)	NA	NA
6	JANAK PATEL (Independent Director)	NA	NA

* Not Comparable as remuneration given Directors/KMPs were only for the part of the year.

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2018-19.

Sr. No.	Name of the Director/KMP	Designation	% Increase
1.	Mr Pratish C Shah	Managing Director (till 30/08/2018)	--*
2.	Mrs. Zalak P Parikh	Managing Director (from 30/08/2018)	--*
3.	Mrs. Gita Patel	Director	--
4.	Mr Varun J Shah	Director	114%**
5.	Mr. Nalin V Shah	Independent Director	NA
6.	Mr. Janak P Patel	Independent Director	NA
7.	Mr. Husen S Saraiya	CFO	38.85%
8.	Mr. Dhaval Parekh	Company Secretary	--



*Mr. Pratish C Shah has resigned from the post of Managing Director from 30/08/2018 and Mrs. Zalak P Parikh was appointed as Managing Director w.e.f. 30/08/2018 and further remuneration given to them was for part of the year only, hence percentage of increase in remuneration not mentioned.

** Remuneration given to Mr. Varun J Shah in previous year i.e. 2017-18 was for part of year only (with effect from 11/08/2017), hence increase in salary in percentage is high because of the same was compared with remuneration which was withdrawn as director in previous year.

3. The percentage increase in the median remuneration of employees in the financial year 2018-19.

The percentage increase in the median remuneration of employees in the financial year 2018-19 is 13.10%

4. The number of permanent employees on the rolls of company in the Financial Year 2018-19.

The Company has 19 permanent employees on company's rolls;

Note: The details of the Employees who have served the Company for at least 12 Months as on 31.03.2019 are taken into consideration.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average remuneration increase for non-managerial personnel of the Company during the financial year was 13.10% and the average remuneration increase for the managerial personnel was 42.50%. Remuneration increase is dependent on the Company's performance as a whole, individual performance level and also market benchmarks.

6. Affirmation that the remuneration is as per the remuneration policy of the company.

It is affirmed that the remuneration paid is as per the remuneration policy of the company.

7. It is hereby confirmed that None of the employee is employed:

- having in receipt of remuneration of more than or equal to rupees one crore two lakhs per annum;
- having in receipt of remuneration of more than or equal to rupees eight lakh and fifty thousand rupees per month;



A and M JUMBO BAGS LTD.

- having in receipt of remuneration which is in excess of remuneration drawn by Managing Director / Whole time director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

**For & on Behalf of Board of Directors
A AND M JUMBO BAGS LIMITED**

SD/-

**VARUN JIGNESHKUMAR SHAH
DIN: 07740874
DIRECTOR**

SD/-

**ZALAK PURVESH PARIKH
DIN: 06545622
MANAGING DIRECTOR**

ANNEXURE B

To,
Board of Directors,
A AND M JUMBO BAGS LIMITED
BLOCK NO.-100, BHAGWATI RICE MILL,
OPP. HP PETROL PUMP, JETALPUR,
DASKROI AHMEDABAD GJ 382426 IN

Sub: Declaration under sub-section (6) of section 149;

I, NALIN VADILAL SHAH, hereby certify that I comply with all the criteria of independent director as per provisions of Companies Act, 2013 and any other applicable provisions as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) holds together with his relatives 2% or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,
Yours faithfully,

sd/-

NALIN VADILAL SHAH

Director

DIN: 07954003

Date: 14/05/2019

Place: Ahmedabad

To,
Board of Directors,
A AND M JUMBO BAGS LIMITED
BLOCK NO.-100, BHAGWATI RICE MILL,
OPP. HP PETROL PUMP, JETALPUR,
DASKROI AHMEDABAD GJ 382426 IN

Sub: Declaration under sub-section (6) of section 149;

I, JANAK PRAKASHBHAI PATEL, hereby certify that I comply with all the criteria of independent director as per provisions of Companies Act, 2013 and any other applicable provisions as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) holds together with his relatives 2% or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,
Yours faithfully,

sd/-

JANAK PRAKASHBHAI PATEL

Director

DIN:07969539

Date:14/05/2019

Place:Ahmedabad

ANNEXURE C

Policy for Nomination and Remuneration Committee

A AND M JUMBO BAGS LIMITED (hereinafter referred as the 'Company') practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the stakeholders.

BRIEF OVERVIEW UNDER COMPANIES ACT, 2013:

→ **Section 178 and Companies (Meetings of Board and its Powers) Rules, 2014**

1. Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
2. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
3. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.
4. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:—
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

5. Such policy shall be disclosed in the Board's report.

BRIEF OVERVIEW OF REGULATION 19 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015:

A. The company shall set up a Nomination and Remuneration committee which shall comprise at least three directors, all of whom shall be non-executive directors and at least half shall be independent. Chairman of the committee shall be an independent director.

B. The role of the Committee includes following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

DEFINITIONS:

In compliance of the provisions of section 2(51), 203 and other applicable

provisions of the Act, the companies (Appointment and Remuneration of Managerial Personal), 2014 and subject to modification(s)/ re-enactment(s) from time to time the definition of Key Managerial Personal is mentioned herein below:

(a) **Key Managerial Personal** : Key Managerial Personal means -

- (i) Managing Director or Chief Executive Officer or Manager and in their absence , a Whole Time Director;
- (ii) Company Secretary,
- (iii) Chief Financial Officer; and
- (iv) Such other officer as may be decided by the company from time to time.

(b) **Senior Management**: It means the members who are the part of its core Management team excluding the Board. This would also include all members of management one level below the executive directors including all functional heads.

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the performance of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Analysing, monitoring and reviewing various human resource and compensation matters;

7. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
12. Performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Companies Act, 2013 or Listing Regulations or by any other regulatory authority.

CRITERIA FOR DETERMINING THE FOLLOWING:

- a) **Qualification for Appointment of Directors (including Independent Directors):**
 - Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
 - Their financial or business literacy / skills.
 - Their industry experience.

- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under and Regulation 19 of the Listing Obligation and Disclosure Requirement Regulation, 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

b) Positive Attributes of Directors (including Independent Directors)

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's Business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Listing Obligation and Disclosure Requirement Regulation, 2015 amended from time to time.

c) For Appointment of KMP / Senior Management

- To possess the required qualifications, experience, skills and expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other Employees of the quality required to run the Company successfully.
- No director / KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:
 - Responsibilities and duties;

- Time and efforts devoted;
- Value addition;
- Profitability of the Company and growth of its business;
- Analyzing each and every position and skills for fixing the remuneration yardstick;
- Standards for certain functions where there is a scarcity of qualified resources.
- Ensuring tax efficient remuneration structures.
- Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
- Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organization.
- Provisions of law with regard making payment of remuneration, as may be Applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

POLICY REVIEW:

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board, from time to time as may be necessary.

SD/-
BALWANTSINGH UJAGARSINGH PANNU
DIRECTOR
DIN: 08211395

Annexure D
Management Discussion Analysis:

1. Overall Review / Industry Structure and development:

We are in business of manufacturing and exporting of an extensive range of FIBC / Big Bags / Jumbo Bags that are available in various sizes and are offered to various industries such as chemicals, dyes-intermediates, pharmaceuticals, minerals, rubber, sugar etc in the area of Jetalpur which is situated in the Ahmedabad city of state of Gujarat. These FIBC / Big Bags / Jumbo Bags are widely appreciated due to attractive specifications.

Our company was established in the year 2011, from such period of time our company provide different kind of jumbo bags such as Circular type with cross corner, Baffle bag, bottom bags, 4 loop bag, UN bags, Sift proof bags etc

High cost of labour, Competition among competitors as the expansion is going on throughout industry, International trade war, However, we are making all out efforts to cope with all these challenges by continuous efforts at cost reduction, process improvements, diversification of products and improving productivity by improving efficiencies.

STRENGTH

We are engaged in the processing of bulk container (FIBC), bulk bag, or big bag since incorporation. Over the years we believe that we have established a strong customer base and good marketing setup. Further, our company has sufficient marketing expertise and wide marketing network, which is and would be channelled for our business and future expansion, if any. We have dedicated divisions for marketing different types of products and for different geographical locations. The sales division and export division are responsible for marketing of our products. All the divisions have well trained adequate teams to handle daily activities and are supervised regularly.

Scalable business model

Our business model is order driven, and comprises of optimum utilization of our resources processing facilities, maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in

the last few financial years. We have been successful in scaling up our business mainly due to the development of new markets, by adopting aggressive marketing of the product, innovation in the product range and by maintaining consistent quality of our products.

Management expertise

Our management has adequate and rich experience in the bulk container (FIBC), bulk bag, or big bag business. Our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. Our Management's experience and knowledge enables us in addressing and mitigating various risks inherent in our business, including competition, reliance on independent contractors, the global economic crisis related effects and fluctuations in the prices.

Performance of Year 2018-19

Current year Revenue from operations of company has increase by about 28% over the previous year. Profit after tax of company has been increased by about 228% over the previous year.

For & on Behalf of Board of Directors
A AND M JUMBO BAGS LIMITED

SD/-

VARUN JIGNESHKUMAR SHAH
DIN: 07740874
DIRECTOR

SD/-

ZALAK PURVESH PARIKH
DIN: 06545622
MANAGING DIRECTOR

Annexure E



*Mehul Thakkar & Associates
Practicing Company Secretaries*

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

***[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9
of the Companies (Appointment and Remuneration Personnel) Rules,
2014]***

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

To,

The Members,

A AND M JUMBO BAGS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by A AND M JUMBO BAGS LIMITED. (Hereinafter know as the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the A AND M JUMBO BAGS LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019. (hereinafter referred as Audit report) complied with the statutory provisions

*Address : 1004 - A, Mahalay Complex, Opp : Hotel President,, Swastik Cross Road, C G Road,
Ahmedabad - 380 009*

Contact : (M) : 9974237858 Email : cs.mthakkar@gmail.com

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 A AND M JUMBO BAGS LIMITED ("the Company") for the financial year ended on 31st March 2019, 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 to the Company as company has not entered into any transactions / activities that falls under the purview of said act and rules & regulations made there under)**
- (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **[Not applicable as the company has not issued any ESOPs/ESOS during the financial year under review]**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable as the Company has not issued and listed any debt securities during**

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the financial year under review]

- (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; and **[Not applicable as the company has not delisted/ proposed to delist its equity shares during the financial year under review]**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable as the company has not bought back/ proposed to buy- back any of its securities during the financial year under review]**

(VI) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. I have relied on the report of Statutory Auditors of the Company for compliance system relating to direct tax, indirect tax and other tax laws

(VII) The management has identified and confirmed the following laws as specifically applicable to company:

1. Factories Act, 1948
2. Indirect Taxes.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (II) SME Listing Agreement entered into by the Company with NSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and where notice is given in less than seven days in advance, consent of all directors have been taken in advance for the same. 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the company has made an Initial Public Offer (IPO) of 3,32,230 - 0.10% Non-cumulative Non-convertible Redeemable Preference shares for consideration other than cash (upon purchase of land) vide board resolution passed dated 31st October 2018.

I further report that during the audit period the Company has altered its object by addition of Clause III (A) 2 in Memorandum of Association of company vide resolution passed through postal ballot dated 25th January 2019.

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I further report that, the Company has already obtained approval of the members under section 180 (1) (c) of the Companies Act, 2013 by way of Special Resolution at the General Meeting dated 15th September, 2017 for borrowing up to Rs. 15 crore and borrowings of the company is below Rs. 15 crore.

**FOR MEHUL THAKKAR & ASSOCIATES
COMPANY SECRETARIES**

Date: 14/05/2019

Place: Ahmedabad

**SD/-
MEHUL THAKKAR
Proprietor
Membership No. FCS 9568
Certificate of Practice No. 11478**

Note:- *This Report is to be read with my letter of even date which is annexed as Annexure "A" and forms an integral part of this report.*

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Ahmedabad - 380 009*

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ANNEXURE "A" OF SECRETARIAL AUDIT REPORT

To,
The Members,
A AND M JUMBO BAGS LIMITED
BLOCK NO.-100, BHAGWATI RICE MILL,
OPP. HP PETROL PUMP, JETALPUR,
DASKROI AHMEDABAD GUJARAT 382426 INDIA

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

- 1) It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
- 2) My responsibility is to express an opinion on these secretarial records, standards, and procedures followed by the Company with respect to secretarial compliances.
- 3) I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis of my opinion.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR MEHUL THAKKAR & ASSOCIATES
COMPANY SECRETARIES**

Date: 14/05/2019
Place: Ahmedabad

SD/-
MEHUL THAKKAR
Proprietor
Membership No. FCS 9568
Certificate of Practice No. 11478

*Address : 1004 - A, Mahalay Complex, Opp : Hotel President,, Swastik Cross Road, C G Road,
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INDEPENDENT AUDITOR'S REPORT

To The Members,

A AND M JUMBO BAGS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of the A AND M JUMBO BAGS LIMITED which comprise of the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss for the year ended, Cash Flow Statement, Statement of changes in equity for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind As Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified u/s 143(10) of the act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Ind AS financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2019;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date.
- iii. in the case of the statement of Cash Flow, for the year ended on that date.
- iv. in the case of change in Equity, for the year ended on that date.

Other Matter:

The comparative financial information of the Company for the year ended 31st March 2018 and the transition date opening Balance Sheet at 1st April 2017 prepared in accordance with Ind AS included in these Ind AS financial statements have been audited by us and have expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, The Statement of Profit and Loss, The statement of change in equity and The statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards Specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of written representations received from the directors as on 31st March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
 - 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 Auditors' 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 statements.
 - II. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable

losses, if any, on long-term contracts including derivative contracts.

III. The Company is not required to transfer the amount to the Investor Education and Protection Fund and As per our report of even date

For, Parekh Parekh & Associates
Chartered Accountants
FRN: 132988W

SD/-
CA Sunny P Parekh
Partner
M.No- 131188
Place: Ahmedabad
Date: 14/05/2019

ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date to the financial statements of the Company for the year ended on March 31, 2019

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) Company is maintaining proper records showing full particulars, including quantitative Details and situation of fixed assets.

(b) These fixed assets have been physically verified by the management at reasonable Intervals; we have further informed that no material discrepancies were noticed on such Verification.

(c) The title deeds of the properties held by the company are held in it's name.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;

(b) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, LLP's or other Parties covered in the register maintained under section 189 of the Companies Act except those in the nature of contractual obligations.
- (iv) The Company has not provided loan, Guarantees and Securities in respect of which the provisions of Section 185 and 186 of the companies act, 2013 are applicable. The company has complied with the provision of section 185 and 186 of companies act 2013 with respect to loan and investment made.
- (v) In our opinion and according to information and explanation given to us the company has not taken any deposit pursuant to provision of Section 73 to 76 of the Companies act, 2013,

- (vi) We have broadly reviewed the cost records maintained by the company pursuant to section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have however not made a detailed examination of the cost records whether they are complete or accurate.
- (vii) (a) Based on the records produced before us the company is regular in depositing undisputed statutory dues like providend fund, ESIC, income-tax, GST, duty of customs, duty of excise, value added tax, cess, and any other statutory dues.

(b) According to information and explanation given to us there is no dues of providend fund, ESIC, income tax or sales tax or GST or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (viii) The company has not defaulted in repayment of dues to a financial institution or bank. We have been informed that the company has not issued any Debenture during the year.
- (ix) According to the informations & explanations given to us term loans in the books of account were used for the purpose it was taken.
- (x) According to the informations & explanations given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Provisions of section 197 read with Schedule V to the Companies Act, 2013 related to managerial remuneration is applicable to company. The company has paid Total managerial remuneration of Rs. 4120000/-.
- (xii) Provisions specified in Nidhi Rules, 2014 are not applicable to company.
- (xiii) According to the informations & explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the informations & explanations given to us the company has not made preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review.

According to the informations & explanations given to us during the year on 31st October 2018, the Company has issued Non Cumulative, Non convertible Redeemable 332230 Preference shares of Rs. 100/- each to Analben for consideration other than cash being land purchased.

- (xv) According to the informations & explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him so, the provisions of section 192 of Companies Act, 2013 are not applicable to company.

(xvi) Provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to company.

Place: Ahmedabad

Date: 14/05/2019

For, Parekh Parekh & Associates

Chartered Accountants

FRN -132988W

SD/-

CA Sunny Parekh

Partner

M.No- 131188

Place: Ahmedabad

Date: 14/05/2019

ANNEXURE B TO THE AUDITOR'S REPORT

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 A & M Jumbo Bags Limited ('the Company') as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 31 March 2019, 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.

Place: Ahmedabad

Date: 14/05/2019

**For, Parekh Parekh & Associates
Chartered Accountants
FRN -132988W**

**SD/-
CA Sunny Parekh
Partner
M.No- 131188
Place: Ahmedabad
Date: 14/05/2019**

A & M JUMBO BAGS LTD.
CIN:L25202GJ2011PLC065632
BALANCE SHEET AS AT 31ST MARCH, 2019

(Rupees in....)

Particulars	Note No.	As at the end of Current Reporting Period 31st March,2019	As at the end of Current Reporting Period 31st March,2018	As at the end of Previous Reporting Period 31st March,2017
ASSETS :				
[1] Non-Current Assets:				
Property, Plant and Equipment	1	41,732,238	2,148,585	2,325,741
Capital Work in Progress		-	-	-
Intangible Asset		-	-	-
Financial Assets				
(i) Investment		-	-	-
(ii) Trade Receivables	2	2,204,585	1,412,748	2,381,654
(iii) Loans	3	96,650	497,050	27,150
(iv) Other Financial Asset	4	45,800,000	-	-
Deferred tax assets (Net)		53,992	55,001	17,157
Other non-current assets	5	-	-	-
TOTAL NON CURRENT ASSETS		89,887,465	4,113,384	4,751,702
[2] Current Assets:				
Inventories	6	20,338,885	11,193,558	4,513,618
Financial Assets				
(i) Trade receivables	7	19,879,251	15,828,408	13,503,266
(ii) Investment	8	-	-	-
(iii) Cash and cash equivalents	9	4,686,527	24,562,855	478,870
(iv) Bank Balance Other than (iii) above		-	-	-
(v) Loans and advances	10	-	-	2,883,622
(vi) Other Financial Assets	11	2,613,929	1,919,730	231,017
Current Tax Asset (Net)	12	181,946	696,654	1,030
Other Current Asset	13	37,047,947	17,268,609	77,028
TOTAL CURRENT ASSETS		84,748,485	71,469,815	21,688,451
TOTAL ASSETS		174,635,949	75,583,199	26,440,153
EQUITY AND LIABILITIES:				
[1] Equity				
Equity Share Capital	14	17,525,000	17,525,000	1,700,000
Other Equity	15	53,602,823	42,112,200	2,200,592
TOTAL EQUITY		71,127,823	59,637,200	3,900,592
[2] Non-current Liabilities:				
Financial Liabilities				
(i) Borrowings	16	72,424,051	-	6,522,265
(ii) Trade Payable	17	-	-	-
Total O/s Dues of MSME				
Total o/s Dues of other than MSME				
(iii) Other Financial Liability		-	-	-
Provisions		-	-	-
Deferred tax liabilities (Net)		-	-	-
Other Non Current Liabilities		-	-	-
TOTAL NON CURRENT LIABILITY		72,424,051	-	6,522,265
[3] Current Liabilities:				
Financial Liabilities				
(i) Borrowings	18	17,616,486	4,360,556	5,511,077
(ii) Trade Payables	19			
Total O/s Dues of MSME		-	-	-
Total o/s Dues of other than MSME		5,461,561	8,041,296	7,766,489
(iii) Other Financial Liability	20	1,180,000	-	-
Provisions	21	1,745,681	834,959	161,874
Current Tax Liabilities (Net)		4,733,219	1,380,355	1,204,837
Other Current Liabilities	22	347,128	1,328,834	1,373,019
TOTAL CURRENT LIABILITY		31,084,075	15,946,000	16,017,296
TOTAL EQUITY AND LIABILITIES		174,635,949	75,583,199	26,440,153
Significant Accounting Policies				
Notes Forming Part of the Accounts				
For, Parekh Parekh & Associates		For and on behalf of the Board of Directors		
Chartered Accountants		A & M JUMBO BAGS LTD.		
FRN: 132988W				
		SD/-		SD/-
		Zalak P. Parikh		Varun J. Shah
		Managing Director		Director
		DIN: 06545622		DIN: 07740874
SD/-		SD/-		SD/-
Sunny P. Parekh		Dhaval Parekh		
Partner		Company Secretary		
M. No. 131188		M.No.: A50314		
Place: Ahmedabad		Place: Ahmedabad		
Date: 14/05/2019		Date: 14/05/2019		PAN: EZWPS3524Q

A & M JUMBO BAGS LTD.

CIN:L25202GJ2011PLC065632

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rupees in.....)

Particulars	Note No.	As at the end of Current Reporting Period 31st March,2019	As at the end of Previous Reporting Period 31st March,2018
I Revenue from Operations	23	79,342,279	61,539,477
II Other income	24	1,152,206	119,979
III Total Revenue (I+II)		80,494,485	61,659,456
IV Expenses			
(a) Cost of Material consumed	25	50,619,585	36,465,272
(b) Purchase of stock-in-trade	26	-	-
(c) Changes in inventories of finished goods, Work-in-progress and stock-in-trade	27	(8,517,889)	(379,096)
(d) Employee benefits expenses	28	14,723,655	9,882,102
(d) Finance costs	29	2,066,251	645,559
(d) Depreciation and amortization expenses	30	792,327	562,108
(e) Other Expenses	31	4,611,208	9,644,393
IV Total Expenses		64,295,136	56,820,337
V Profit / (Loss) before exceptional items and taxes (III-IV)		16,199,348	4,839,119
VI Exceptional Items	32	25,503	-
VII Tax expense :	33	16,224,851	4,839,119
Current Tax		4,733,219	1,380,355
Deferred Tax		(1,009)	37,844
VIII Profit(loss) for the period continuing operations		11,490,623	3,496,608
IX Profit from discontinuing operations		-	-
X Other comprehensive income		-	-
(a) Items that will not be reclassified to profit or loss		-	-
(b) Remeasurements of post employment benefit obligations		-	-
(c) Income tax relating to above		-	-
(d) Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		11,490,623	3,496,608
XI Earning per Equity Share (EPS) Nominal Value per share Rs.10/-			
Basic Earning Per Share		6.6	2.0
Diluted Earning Per Share		6.6	2.0

Significant Accounting Policies
Notes Forming Part of the Accounts

For and on behalf of the Board of Directors

For, Parekh Parekh & Associates
Chartered Accountants
 FRN: 132988W

A & M JUMBO BAGS LTD.

SD/-
 Zalak P. Parikh
 Managing Director
 DIN: 06545622

SD/-
 Varun J. Shah
 Director
 DIN: 07740874

SD/-
 Sunny P. Parekh
 Partner
 M. No. 131188
 Place: Ahmedabad
 Date: 14/05/2019

SD/-
 Dhaval Parekh
 Company Secretary
 M.No.: A50314
 Place: Ahmedabad
 Date: 14/05/2019

SD/-
 Husenbhai Saraiya
 CFO
 PAN: EZWPS3524Q

A & M JUMBO BAGS LTD.
CIN:L25202GJ2011PLC065632
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019

(Rupees in.....)

Particulars	Note No.	As at the end of Current Reporting Period 31st March,2019	As at the end of Previous Reporting Period 31st March,2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit after Tax		11,490,623	4,839,119
Adjustments:			
Depreciation		792,327	562,108
Deffered Tax Assets		-	-
Provision for Tax		-	-
Interest Income		-	-
Deffered Tax		1,009	-
Finance Cost		2,066,251	621,729
Operating Profit before Working Capital Changes		14,350,210	6,022,956
<u>Changes in Working Capital :</u>			
Inventories		(9,145,327)	(6,679,940)
Short Term loans and advances		-	2,883,622
Trade Receivables		(4,842,680)	(1,356,237)
Trade Payables		(2,579,735)	274,808
Short term Provision		910,722	848,603
Other Current Assest		(19,958,829)	(19,575,919)
Other Current Liabilities		3,551,159	(44,186)
Cash Generated from Current Assets		(32,064,689)	(23,649,249)
Direct Tax Paid		-	1,469,180
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(17,714,480)	(19,095,474)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Long term loan & advances & other non current assets		(45,399,600)	(469,900)
Purchase of Fixed Assets & Capital WIP		(40,375,980)	(296,128)
Interest Income from Investments		-	-
Other loans and advances		-	-
Miscellaneous Expenditure		-	-
Proceeds on sale of fixed assets		-	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(85,775,580)	(766,028)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Share Capital		-	15,825,000
Proceeds from securities premium		-	36,415,000
Proceeds from Long Term Borrowings		72,424,051	(6,522,265)
Short Term Borrowings		13,255,930	(1,150,521)
Finance Cost		2,066,251	621,729
Proceeds from Share Applications Money Pending Allotments		-	-
Other Long term Liabilities		-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		83,613,730	43,945,485
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(19,876,329)	24,083,984
Cash and Cash Equilents (Opening)		24,562,855	478,871
Cash and Cash Equilents (Closing)		4,686,527	24,562,855

For and on behalf of the Board of Directors

For, Parekh Parekh & Associates
Chartered Accountants
FRN: 132988W

A & M JUMBO BAGS LTD.

SD/-
Zalak P. Parikh
Managing Director
DIN: 06545622

SD/-
Varun J. Shah
Director
DIN: 07740874

SD/-
Sunny P. Parekh
Partner
M. No. 131188
Place: Ahmedabad
Date: 14/05/2019

SD/-
Dhaval Parekh
Company Secretary
M.No.: A50314
Place: Ahmedabad
Date: 14/05/2019

SD/-
Husenbhai Saraiya
CFO
PAN: EZWPS3524Q

A & M JUMBO BAGS LTD.
CIN:L25202GJ2011PLC065632

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity Share Capital

Particulars	Amount
As at April, 2017	1,700,000
Change in Equity Share Capital	15,825,000
As at March, 2018	17,525,000
Change in Equity Share Capital	-
As at March, 2019	17,525,000

B. Other Equity

Particulars	Reserve and Surplus		Total Other Equity
	Security Premium	Retained Earning	
As at April 01, 2017	-	2,200,592	2,200,592
Profit for the Year	-	3,496,608	3,496,608
Other Comprehensive Income	-	-	-
Tr. To Security Premium	38,455,000	-	38,455,000
Bonus Share issued	-	(2,040,000)	(2,040,000)
As at March, 2018	38,455,000	3,657,200	42,112,200
Profit for the Year	-	11,490,623	11,490,623
Other Comprehensive Income	-	-	-
Bonus Share issued	-	-	-
As at March, 2019	38,455,000	15,147,823	53,602,823

Significant Accounting Policies
Notes Forming Part of the Accounts

For, Parekh Parekh & Associates
Chartered Accountants
FRN: 132988W

For and on behalf of the Board of Directors
A & M JUMBO BAGS LTD.

SD/-
Zalak P. Parikh
Managing Director
DIN: 06545622

SD/-
Varun J. Shah
Director
DIN: 07740874

SD/-
Sunny P. Parekh
Partner
M. No. 131188
Place: Ahmedabad
Date: 14/05/2019

SD/-
Dhaval Parekh
Company Secretary
M.No.: A50314
Place: Ahmedabad
Date: 14/05/2019

SD/-
Husenbhai Saraiya
CFO
PAN: EZWPS3524Q

A & M JUMBO BAGS LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH,2019

NOTE-14

SHARE CAPITAL

Particulars	As at the end of Current Reporting Period 31st March,2019		As at the end of Current Reporting Period 31st March,2018		As at the end of Previous Reporting Period 31st March,2017	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
Equity Authorised:						
2000000 Equity Shares of Rs.10/- each	2,000,000	20,000,000	2,000,000	20,000,000	170,000	1,700,000
2000000 Equity Shares of Rs.10/- each						
170000 Equity Shares of Rs.10/- each						
Issued, Subscribed & Fully paid up:						
1752500 Equity Shares of Rs.10/- each	1,752,500	17,525,000	1,752,500	17,525,000	170,000	1,700,000
1752500 Equity Shares of Rs.10/- each						
170000 Equity Shares of Rs.10/- each						
Total Equity Sahre		17,525,000	1,752,500	17,525,000	170,000	1,700,000

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at the end of Current Reporting Period 31st March,2019		As at the end of Current Reporting Period 31st March,2018		As at the end of Previous Reporting Period 31st March,2017	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
Equity						
Shares outstanding at the beginning of the year	1,752,500	17,525,000	170,000	1,700,000	170,000	1,700,000
Add: Shares issued during the year	-	-	1,378,500	13,785,000	-	-
Add: Bonus Share issued during the year	-	-	204,000	2,040,000	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	1,752,500	17,525,000	1,752,500	17,525,000	170,000	1,700,000

Details of shareholders holding more than 5% of total number of shares issued by company

Name of Shareholder	As at the end of Current Reporting Period 31st March,2019		As at the end of Current Reporting Period 31st March,2018		As at the end of Previous Reporting Period 31st March,2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity						
Pratish Chimanlal Shah	-	-	482930	28	115000	68
Gitaben Paresbhai Patel	227250	13	227250	13	55000	32
Zalakben Shah	908150	52	425220	24	-	-
Public Holding	596000	34	616000	35	-	-

Rights, preferences and restrictions attached to shares Equity Shares:

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.

A & M JUMBO BAGS LTD.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2019****NOTE-1****PROPERTY, PLANT AND EQUIPMENT**

Sr No.	Particulars	GROSS BLOCK				DEPRECIATION PROVIDED				NET BLOCK		
		As at 01.04.2018 (Rs.)	Additions during the year (Rs.)	Sales/ Adjustments during the year (Rs.)	As at 31.03.2019 (Rs.)	Provided up to 31.03.2018 (Rs.)	Provided during the year (Rs.)	Deductions/ Adjustments (Rs.)	As at 31.03.2019 (Rs.)	As at 31.03.2019 (Rs.)	As at 31.03.2018 (Rs.)	As at 31.03.2017 (Rs.)
A	<u>Tangible Assets:</u>											
	LAND	-	35,484,030	-	35,484,030	-	-	-	-	35,484,030	-	-
	SHED AND ACCOMODATION	262,502	-	-	262,502	24,768	22,790	-	47,558	214,944	237,734	262,177
	AIR CONDITIONER	107,717	-	-	107,717	37,063	19,940	-	57,003	50,714	70,654	47,655
	BIKE	40,000	-	-	40,000	21,945	5,590	-	27,535	12,465	18,055	25,347
	CCTV CAMERA	16,000	33,950	-	49,950	11,564	7,570	-	19,133	30,817	4,436	709
	COMPUTER	89,787	8,799	-	98,586	85,205	3,796	-	89,001	9,585	4,582	4,582
	ELECTRIC INSTALLTION	335,173	74,500	-	409,673	222,577	45,564	-	268,141	141,532	112,596	159,373
	FURNITURE	59,541	9,102	-	68,643	24,389	12,333	-	36,721	31,922	35,152	40,918
	MACHINERY	4,232,034	45,700	-	4,277,734	2,602,912	379,057	-	2,981,969	1,295,765	1,629,122	1,757,147
	MOBILE	63,527	83,508	-	147,035	29,188	33,002	-	62,190	84,845	34,339	23,409
	TV	8,999	-	-	8,999	7,085	1,137	-	8,222	777	1,914	4,424
	VEHICLE	-	4,636,391	-	4,636,391	-	261,548	-	261,548	4,374,843	-	0
B	Total	5,215,280	40,375,980	-	45,591,260	3,066,695	792,327	-	3,859,022	41,732,238	2,148,585	2,325,741
	<u>Intangible Assets:</u>	-		-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
C	<u>Capital WIP</u>	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
Total Rs.		5,215,280	40,375,980	-	45,591,260	3,066,695	792,327	-	3,859,022	41,732,238	2,148,585	2,325,741
F.Y. 2017-18 Rs.		4,830,328	384,952	-	5,215,280	2,504,587	562,108	-	3,066,695	2,148,585		
F.Y. 2016-17 Rs.		4,480,333	349,995	-	4,830,328	1,908,789	595,798	-	2,504,587	2,325,741		

A & M JUMBO BAGS LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH,2019

NOTE-2

NON CURRENT TRADE RECEIVABLES

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Trade Receivables			
Secured, considered good	-	-	-
Unsecured, considered good	2,204,585	1,412,748	2,381,654
Unsecured, considered doubtful	-	-	-
Total	2,204,585	1,412,748	2,381,654

NOTE-3

NON CURRENT LOANS

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Loans	-	-	-
Security Deposits			
NSE Deposit	54,500	454,900	-
Gas Deposit	42,150	42,150	27,150
Total	96,650	497,050	27,150

NOTE-4

OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Fixed deposit Gujarat Mercantile co-op Bank (Maturity more than 12 months)	45,800,000	-	-
Total	45,800,000	-	-

NOTE-5

OTHER NON CURRENT ASSETS:

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Advance	-	-	-
Total	-	-	-

NOTE- 6

INVENTORY:

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
(A) Inventories:(As certified by the management)			
(a) Raw materials	10,362,885	9,735,447	3,434,603
(b) Work-in-progress	656,448	315,620	536,940
(c) Finished goods	9,319,552	1,142,491	542,075
	20,338,885	11,193,558	4,513,618
Total	20,338,885	11,193,558	4,513,618

NOTE-7**CURRENT TRADE RECEIVABLES**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Trade receivables			
Secured, considered good	-	-	-
Unsecured, considered good	19,879,251	15,828,408	13,503,266
Unsecured, considered doubtful	-	-	-
Total	19,879,251	15,828,408	13,503,266

NOTE-8**CURRENT INVESTMENT**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Current Investment	-	-	-
Total	-	-	-

NOTE-9**CASH AND CASH EQUIVALENTS:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
<u>Cash:</u>			
Cash on Hand	317,470	436,074	456,459
<u>Balances with Bank</u>			
Dena Bank	22,623	32,708	22,411
Cosmos Co-op Bank	169,423	4,294,073	-
Gujarat Mercantile co-op Bank	4,163,431	-	-
SBI	13,580	-	-
<u>Fixed Deposit with Bank (Maturity of less than 3 months)</u>			
Fixed deposit Cosmos A/C no 0521500047898	-	4,500,000	-
Fixed deposit Cosmos A/c no 0521500047870	-	15,300,000	-
Total	4,686,527	24,562,855	478,870

NOTE-10**CURRENT LOANS AND ADVANCES :**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
(a) Loans and advances to related parties	-	-	2,013,000
(b) Advance against Exp to Directors	-	-	870,622
Total	-	-	2,883,622

NOTE-11**OTHER CURRENT FINANCIAL ASSETS:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
VAT receivable	-	-	127,833
Cenvat Credit Receivable	-	-	103,184
GST Receivable	2,613,929	1,919,730	-
Total	2,613,929	1,919,730	231,017

NOTE-12**CURRENT TAX ASSETS:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
TDS receivable (2015-2016)	-	1,888	1,030
TDS Receivable(2018-2019)	101,117	-	-
TCS Receivable(2018-2019)	33,020	-	-
TDS receivable from NBFC	47,426	-	-
Tds Refund	383	694,766	-
Advance Tax	-	-	-
Total	181,946	696,654	1,030

NOTE-13**OTHER CURRENT ASSETS:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Advances to suppliers	37,047,947	17,268,609	77,028
Prepaid Exp	-	-	-
Total	37,047,947	17,268,609	77,028

NOTE-15**OTHER EQUITY:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Retained Earning	15,147,823	5,697,200	2,246,812
Less: Bonus share issued	-	2,040,000	-
Less: Income tax paid	-	-	46,220
	15,147,823	3,657,200	2,200,592
Security Premium	38,455,000	38,455,000	-
Total	53,602,823	42,112,200	2,200,592

Nature and purpose of reserves:

Securities Premium represents amount received in excess of face value of equity shares issued by the company. The same shall be utilised in accordance with provisions of the companies Act, 2013.

NOTE-16**NON CURRENT BORROWINGS:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Secured			
(A) Bonds / debentures	-	-	-
(B) Term Loans	24,042,453	-	-
(C) Car Loan	3,078,339	-	-
(D) PVC Pipe Plant Loan	3,720,724	-	-
(E) Deferred Payment liabilities	-	-	-
(F) Deposits	-	-	-
(G) Loans and advances from related parties	-	-	-
(H) Long term maturities of finance lease obli	-	-	-
(I) Other loans and advances	-	-	-
	30,841,516	-	-

Unsecured			
(A) Bonds / debentures	-	-	-
(B) Preference Share		-	-
Non Cumulative, Non Convertible			
Redeemable Preference share of 332230			
at face value of 100/- each	33,223,000		
(C) Deferred Payment liabilities	-	-	-
(D) Deposits	-	-	-
(E) Loans and advances from related parties			
(a) From Directors	-	-	6,522,265
(b) From Others (NBFC)	8,359,535	-	-
(F) Long term maturities of finance lease obligations		-	-
(G) Other loans and advances		-	-
	41,582,535	-	6,522,265
Total	72,424,051	-	6,522,265

TERM LOAN

1) Security

(a) Term loan of 2.50 crore has been sanctioned.

(b) primary security will be plant and machinery.

(c) Collateral security will be immovable property of non agricultural land and construction thereon at all that piece and parcel of Immovable NonAgriculture Land bearing Revenue survey No.212Paiki admeasuring 6205 Sq.Mtrs. Paiki Western side land Having area admeasuring 3102 Sq.Mtrs. of Mouje Village- CHANGODAR, Taluka-Sanand, within District Ahmedabad.

(d) Third party guarantee will be of Zalak purveshbhai parikh (M.D.), Varun Jignesh Shah (Director) and Balwantsingh U Paanu (Director).

2) Terms of repayment and Interest rate :

(a) Term Loan to be repaid in 83 monthly installment of Rs. 2,95,000/- each with the first installment commencing on December 2019 and the last 84th installment of Rs. 5,15,000/- due on November 2026.

(b) Moratorium period of 12 months

(c) Interest at the rate of 2.00 % margin above the MCLR-L year which Presently 8.50 % p.a. Present effective rate: 10.50 % p.a. calculated on daily product at monthly rest. Bank shall at any time and from time to time be entitled to vary the margin based on the credit Risk Assessment of the borrower and the Base Rate at its discretion.

CAR LOAN

Car loan of Rs. 31.61 Lacs has been financed by HDFC Bank Ltd. for 60 month tenure, installment starting from february 2019 and last installment due on January 2024.

PVA PIPE PLANT LOAN

PVC PIPE Loan of Rs. 37.65 Lacs has been financed by Hero Fincorp Ltd. against hypothecation of plant for 60 month tenure, installment starting from March 2019 and last installment due on February 2024.

UNSECURED LAON

Unsecured loan is from NBFC

Aditya birla finance ltd.- 25 lacs loan @ 19.5% repayable over 36 months

ICICI bank-15 lacs loan @ 18% interest rate repayable over 36 months

Ambit Finvest pvt ltd-10 Lacs loan @ 20% interest rate repayable over 36 months

Bajaj Finance ltd- 20.20 lacs loan @ 20% interest rate repayable over 36 months

Tata Capital-20 lacs loan @ 19.50% interest rate repayable over 36 months

PREFERENCE SHARE

332230 Preference share issued on 31/10/2018 at face value of Rs. 100/-each to analben pratishbhai shah

Particular	As At 2019	As At 2018	As At 2017
Authorised capital			
400000 preference share of Rs. 100/- each	40,000,000	-	-
Issued Capital			
332230 preference share of Rs. 100/- each	33,223,000	-	-

Terms/Right Attached to Non Cumulative, Non Convertible Redeemable Preference share

- (a) Preference Share shall carry a preferential right vis-à-vis equity share with respect to repayment of capital
(b) Preference share shall be non participating in the surplus fund
(c) Preference share shall be non participating in surplus asset and profit which remain after repay of capital on winding up of the company
(d) Preference share shall carry dividend at 0.10% p.a.
(e) Preference share shall carry voting right as per prov of section 47(2) of the act
(f) Preference share shall be redeemable at face value at the end of 15 years from the date of allotment
(g) Preference share allotted for consideration other than cash being land purchased.
(h) Preference share shall not be listed with any stock exchange

NOTE-17**NON CURRENT TRADE PAYABLES**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Trade Payables			
Total O/s Dues of MSME	-	-	-
Total o/s Dues of other than MSME	-	-	-
Total	-	-	-

NOTE-18**CURRENT BORROWINGS:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
<u>Secured:</u>			
(a) Loans repayable on demand			
SBI CC A/c	17,616,486	-	-
Cosmos Bank OD	-	4,275,000	5,482,899
(b) Loans and advances from related parties		-	
(c) Deposits		-	
(d) Other loans and advances		-	-
	17,616,486	4,275,000	5,482,899
<u>Unsecured:</u>			
(a) Loan from Directors	-	-	-
(b) Loan from Relatives of Directors	-	-	-
(c) Deposits	-	-	28,178
(d) Other loans and advances	-	85,556	-
	-	85,556	28,178
Total	17,616,486	4,360,556	5,511,077

WORKING CAPITAL LOAN

Working Capital is repayable on Demand

Secured against hypothecation of present & future stock, receivables & all other Current assets of the company

NOTE-19**CURRENT TRADE PAYABLES:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Trade Payables			
Total O/s Dues of MSME	-	-	-
Total o/s Dues of other than MSME	5,461,561	8,041,296	7,766,489
Total	5,461,561	8,041,296	7,766,489

NOTE-20**CURRENT FINANCIAL LIABILITY:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Current Maturity of Long Term Debts	1,180,000	-	-
Total	1,180,000	-	-

NOTE-21**CURRENT PROVISIONS:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
Provision for employee benefits			
Unpaid Salary	1,640,569	713,501	-
Others Provisions (Specify nature)			
Unpaid Expences	75,112	96,458	151,874
Unpaid Audit Fees	30,000	25,000	10,000
Total	1,745,681	834,959	161,874

NOTE-22**OTHER CURRENT LIABILITIES:**

Particulars	As at 31/03/2019	As at 31/03/2018	As at 31/03/2017
	Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
TDS / TCS Payable	172,785	628,263	69,477
Advances from customers	174,343	700,571	1,011,317
Interest Payable	-	-	292,225
Total	347,128	1,328,834	1,373,019

A & M JUMBO BAGS LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH,2019

NOTE - 23

REVENUE FROM OPERATIONS:

Particulars	As at 31/03/2019	As at 31/03/2018
Sales against form H	-	786,865
Sales against Bond	-	626,829
Domestic Sales	79,342,279	60,125,783
TOTAL	79,342,279	61,539,477

NOTE - 24

OTHER INCOME:

Particulars	As at 31/03/2019	As at 31/03/2018
Intrest Income	994,309	-
Other Discount	30,764	6,000
Balance written off	31,161	-
Kasar Vatav	30,573	5,271
Testing and Certification Charges	6,606	7,909
Testing Report Expense	5,000	27,040
Credit of tran 1	-	73,601
Round Off	-	158
Printing Charges	53,793	-
TOTAL	1,152,206	119,979

NOTE - 25

COST OF MATERIAL CONSUMED:

Particulars	As at 31/03/2019	As at 31/03/2018
Raw Materials:		
Opening Stock	9,735,448	3,434,603
Add: Purchases	51,247,022	42,766,116
Less: Closing Stock	10,362,885	9,735,447
TOTAL	50,619,585	36,465,272

NOTE - 26**PURCHASE OF STOCK-IN-TRADE**

Particulars	As at 31/03/2019	As at 31/03/2018
Purchases	-	-
TOTAL	-	-

NOTE - 27**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS
AND STOCK -IN-TRADE**

Particulars	As at 31/03/2019	As at 31/03/2018
Inventories at the end of the year:		
Stock-in-trade	-	-
Work-in-progress	656,448	315,620
Finished Goods	9,319,552	1,142,491
TOTAL	9,976,000	1,458,111
Inventories at the beginning of the year:		
Stock-in-trade	-	-
Work-in-progress	315,620	536,940
Finished Goods	1,142,491	542,075
TOTAL	1,458,111	1,079,015
Net(Increase) / Decrease	(8,517,889)	(379,096)

NOTE-28**EMPLOYEE BENEFITS EXPENSES:**

Particulars	As at 31/03/2019	As at 31/03/2018
Salaries, Wages & Bonus	10,502,063	7,550,589
Staff Welfare Expenses	101,592	77,011
Managerial Remuneration	4,120,000	2,254,502
TOTAL	14,723,655	9,882,102

NOTE-29**FINANCE COSTS:**

Particulars	As at 31/03/2019	As at 31/03/2018
Interest Expenses :		
Intrest of Unsecured Loan	614,765	-
Intrest on Term Loan	685,432	-
Interest on Late Payments of TDS	73,605	35,137
Overdraft Interest Charges	429,631	323,342
Bank Charges	54,165	22,735
Interest on Income Tax	208,653	264,344
TOTAL	2,066,251	645,559

NOTE-30**DEPRECIATION AND AMORTIZATION EXPENSES :**

Particulars	As at 31/03/2019	As at 31/03/2018
Depreciation on Tangible Assets	792,327	562,108
TOTAL	792,327	562,108

NOTE-31**OTHER EXPENSES:**

Particulars	As at 31/03/2019	As at 31/03/2018
Direct Expenses:		
Electric Burning Expense	309,999	281,595
Factory Rent Expense	926,124	998,624
Freight Expense	78,346	167,919
Manufacturing Expense	15,500	-
Total(a)	1,329,969	1,448,138
Administration Expenses:		
Audit fees	30,000	25,000
Round off	361	-
Bad Debts/ Balance Written off	-	403,730
Computer Expense	18,506	9,846
Consulting Charges	75,200	61,500
Courier Expense	17,370	19,586
Credit Reduce	-	59,594
Discount	4,190	8,080
Donation	10,500	-
Electrical Expense	28,738	33,754
Insurance Expense	92,553	25,222
Internet Charges	-	10,000
Issue Processing Expenses	-	4,422,606
Kasar Vatav	67,485	19,537
Machinery Repairing Expense	53,950	97,421

Misc Expense	12,805	62,391
Office Expense	44,419	135,196
Printing Screen Charges	-	81,501
Stationery, Printing & zerox Expense	2,745	15,700
Machinery Spare parts	289,774	123,187
Telephone Expense	21,926	26,820
Water Expense	-	29,700
Staff Insurance Expense	306,411	282,449
Other staff expenses	-	8000
Listing Charge (NSDL-NSE)	101,435	-
Loan Processing Charges	874,299	-
Excise duty	182,973	-
Mis Repairing	-	15000
ROC Exps	550,000	-

Total(b)	2,785,640	5,975,822
Selling & Distribution Expenses:		
Advertisement Exp	34,400	-
Commission Expense	441,615	1,393,150
Business Development Expense	6,305	556,333
Packing Expense	6,157	150
Travelling Expenses	7,122	270800
Total(c)	495,599	2,220,433

NOTE-32
EXCEPTIONAL ITEMS

Particulars	As at 31/03/2019	As at 31/03/2018
Excess Provision of Income tax written off	25,503	-
Total	25,503	-

NOTE-33
TAXATION

Income tax Expense

Particulars	As at 31/03/2019	As at 31/03/2018
Current Tax		
Current tax on profits for the year	4,733,219	1,380,355
Adjustments for current tax of prior periods	-	-
Total Current Tax Expense	4,733,219	1,380,355
Deferred Tax		
(Deferred tax asset)/deferred tax liabilities	(1,009)	37,844
Total Deferred Tax Expense	(1,009)	37,844
Income Tax Expense	4,732,210	1,418,199

NOTE-34
FAIR VALUE MEASUREMENT

(i) Financial instruments by category

PARTICULARS	AS AT MARCH 2019		AS AT MARCH 2018		AS AT MARCH 2017	
	FVPL	Amortised Cost	FVPL	Amortised Cost	FVPL	Amortised Cost
FINANCIAL ASSETS						
Investment	-	-	-	-	-	-
Loan	-	96,650	-	497,050	-	2,910,772
Trade Receivable	-	22,083,836	-	17,241,156	-	15,884,920
Other Financial Assets	-	2,613,929	-	1,919,730	-	231,017
TOTAL FINANCIAL ASSETS	-	24,794,415	-	19,657,937	-	19,026,709
FINANCIAL LIABILITY						
Borrowing	-	90,040,537	-	4,360,556	-	12,033,342
Trade Payable	-	5,461,561	-	8,041,296	-	7,766,489
Other Financial Liability	-	1,180,000	-	-	-	-
TOTAL FINANCIAL LIABILITY	-	96,682,098	-	12,401,852	-	19,799,831

(ii) Fair value of Financial assets and liabilities measured at amortised cost

Particulars	AS AT MARCH 2019		AS AT MARCH 2018		AS AT MARCH 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Security deposits	96,650	-	497,050	-	27,150	-
Total Financial Assets	96,650	-	497,050	-	27,150	-

The carrying amounts of trade current loans, receivables, cash and cash equivalents, short term borrowings, trade payables and Other current financial liabilities are considered to be the same as their fair values due to their short-term nature.

The fair values for security deposits is calculated based on cash flows discounted using a current lending rate. This is classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

NOTE-35
FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks namely credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

NOTE-36
CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company and borrowings. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company's aim is to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements. The management also monitors the return on capital as well as the level of dividends to shareholders.

NOTE-37

RELATED PARTY TRANSACTIONS

Related Party details are as disclosed by management to us.

Key Management Personnels
Husenbhai Sadikbhai Saraiya (CFO)
Dhaval Mukeshbhai Parekh (C.S.)

Director
Zalak Purvesh Parikh (M.D.)
Balwantsingh U Pannu
Varun Jigneshbhai Shah
Nalin Vadilal Shah
Janak Prakashbhai Patel

Key management personnel and Director compensation

Particular	Year ended 2019	Year ended 2018
Short-term employee benefits	4120000	2254502

NOTE-38

FIRST TIME ADOPTION OF IND AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out have been applied in preparing the financial statements for the year ended March 31, 2019, the comparative information presented in these financial statements for the year ended March 31, 2018 and preparation of an opening Ind AS Balance Sheet at April 1, 2017. In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

(a) Deemed cost for property, plant and equipment and intangible assets Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A2. Ind AS mandatory exceptions

(a) Estimates An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 01, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(b) Classification and measurement of financial assets Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of the financial assets has been based on the facts and circumstances that exist at the date of transition to Ind AS.

(c) De-recognition of financial assets and liabilities Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. however there is no such derecognition of financial assets and liabilities.

B. Reconciliations between previous GAAP and Ind AS Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for year ended March 31, 2018-NA

Reconciliation of total comprehensive income for year ended March 31, 2017-NA

A & M JUMBO BAGS LTD.

Deferred Tax Calculation

Financial Year: 2018-19

Tax Applicable : 26.00%

25

1.00

Depreciation as per Companies Act,2013

792,327

Depreciation as per Income tax Act

796,209

If Depreciation as per Incometax act is higher than Companies act = Deferred tax Liability

If Depreciation as per Companies act is higher than Incometax act = Deferred tax asset

Difference between depreciation as per It act & Companies act

3,883

DTA / DTL during the year

1,009 DTL

Deferred tax asset / Deferred tax liability as on 01/04/2018

55,001 DTA

Add: / Less: DTA/DTL during the year

(1,009) DTL

Deferred tax liability / Deferred tax asset as on 31/03/2019

53,992 DTA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

BACKGROUND:

A And M Jumbo Bags Limited was incorporated in the year 2011 and The Company is engaged in Manufacturing of Jumbo Bags.

1 Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation:

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2018 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

Certain financial assets and financial liabilities measure at fair value;

2 Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and service tax and amounts collected on behalf of third parties.

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

3 Taxes on Income:

- a) Tax expense comprises both current and deferred taxes.
- b) Provision is made for income tax liability which is likely to arise on the results for the year at the current rate of tax in accordance with the provisions of the Income Tax Act, 1961.
- c) In accordance with Accounting Standard 'Accounting For Taxes On Income' – (AS-22) issued by The Institute of Chartered Accountant of India, amount of the deferred tax for timing difference between book profit and tax profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.
- d) There is no impact of Income Computation and Disclosure Standards (ICDS).

4 Impairment of non-financial assets:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

5 Cash and cash equivalents:

cash and cash equivalents includes cash on hand, Balance with bank, deposits (FD) held at call with financial institutions and banks having maturity less than 3 months.

6 Trade receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

7 Valuation of Inventories:

Inventories have been valued at Cost and Net Realizable Value whichever is lower. Cost comprises costs of purchase, conversion cost and cost incurred in bringing the inventories to present location.

The same has not been physically verified by us and we relied upon certificate provided by the Management.

Company does not maintain stock of Spares & Parts. It purchases when the same is required, so amount of Spare parts has been charged to P & L A/c. There are no such Spares and Parts which have useful life more than a year so company does not capitalize it.

8 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets:

Classification The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit or Loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Statement of Profit or Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income or through profit or loss), or
- amortized cost

Debt instruments:

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets are recognised in the Statement of profit and loss.

Equity instruments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of Financial Assets:

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- financial assets that are debt instruments, and are measured at amortised cost e.g. loans, deposits, and bank balance.
- trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Derecognition of Financial Assets:

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Income Recognition:**Interest income:**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Dividend income:

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

Financial Liabilities:**Initial recognition and measurement:**

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent Measurement:

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

Derecognition:

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

9 Property, plant and equipment:

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical Cost comprises of the purchase price including import duties and non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition

necessary for it to be capable of being operated in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS:

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, rates and residual value:

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful lives of the assets, based on technical evaluation done by management's expert, which are higher than or equal to those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

The management estimates the useful life for the property, plant and equipment as follows:

Asset	Total Useful Life
Factory Building	30 Years
Electric installation & Furniture Fixture	10 Years
Computers and printers	3 Years
Mobile and TV	5 Years
Plant & Machinery	15 Years
Vehicle	8 Years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

10 Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

11 Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

12 Provisions and contingent liabilities:

Provisions:

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

13 Employee Benefit:

All employee benefits payable within twelve months of rendering of services are classified as short term benefits. Benefits include salaries, wages, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service. Liability on account of encashment of leave, Bonus to employee is considered as short term compensated expense provided on actual.

As per Accounting Standard- 15: Employee Benefits issued by the Institute of Chartered Accountants of India, Company is required to assess its gratuity liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity liability in the financial Statement.

14 Issue of Preference Share:

Non Cumulative, Non Convertible Redeemable 332230 Preference share of Rs. 100/-each has been issued on 31st October 2018 to Analben for consideration other than cash being land purchased.

Preference share shall be redeembale at face value at the end of 15 years from the date of allotement.

Preference share shall not be listed with any stock exchange.

15 Dividend:

Provision is made for the amount of if any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

16 Earnings per share:

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

17 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupee value as per the requirement of Schedule III, unless otherwise stated.

NOTES FORMING PARTS OF ACCOUNTS:

The adoption of Revised Schedule VI requirements has significantly modified the presentation and disclosures which have been complied with in this financial statement.

1. Previous year figures are regrouped / rearranged, whenever Necessary/practicable to conform to current year's presentation based on new Schedule -VI notified by the Ministry of Corporate affairs. Further, the figures are rounded off to the nearest rupees Value.
2. (a) Related parties disclosures, as required by Accounting Standard -18 are given Below:
 - (b) Transactions carried out with related parties referred to above, in ordinary Course of business:

Sr.no.	Party name	Relation	Nature of Transactions	Amount(R s.)
1	Pratish Shah	Managing Director till July 2018	Director remuneration	400000.00
2	Zalak Parikh	Managing Director from September 2018	Director remuneration	2100000.00
3	Varun Jigneshbhai Shah	Director	Director remuneration	1200000.00
4	Husenbhai S Saraiya	CFO	Managerial remuneration	300000.00
5	Dhaval Parekh	CS	Managerial remuneration	120000.00

3. Debtors, creditors, advance to supplier, advance from customer, deposits, Unsecured Loan balance has not been confirmed by parties and we relied upon management representation for the same.

4. Deferred Tax :

Consequent to the issuance of Accounting Standard 22 'Accounting for Taxes on Income' the Institute of Chartered Accountant of India, the Company has recognized the deferred tax liability as under

Depreciation:

Particular	31/03/2019	31/03/2018
Deferred Tax Liability(Asset)	(55001)	(17157)
Add: Deferred Tax Liability(Asset)	1009	(37844)
<u>Net Deferred Tax Liability(Asset)</u>	<u>(53992)</u>	<u>(55001)</u>

Net Deferred Tax Asset as on 31.03.2019 is Rs. 53,992.00

5. Further Total MAT credit is available as under: Nil

6. Remuneration:

Total Managerial Remuneration of Rs. 4120000.00 paid during the year is as below:

Pratish Chimanlal Shah- Rs 400000.00
Zalak Purvesh Parikh- Rs. 2100000.00
Varun Jigneshbhai Shah-Rs. 1200000.00
Husenbhai S Saraiya-Rs. 300000.00
Dhaval Parekh-Rs. 120000

7. Remuneration to Auditors:

Particular	2018-19	2017-18
Statutory Audit	15000	12500
Tax Audit	15000	12500

8. There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2).

Disclosure as Per ICDS mentioned below:

ICDS	Name of ICDS	Disclosure
1	Accounting Policies	There is no Change in Accounting Policies.
2	Valuation of Inventories	As lower of the cost or Net Realizable value
3	Construction Contract	-
4	Revenue Recognition	Revenue is recognized when there is reasonable certainty of its ultimate collection
5	Tangible Fixed Assets	The Fixed Assets Are Recorded at Actual Cost. Cost of Assets Include Expenses Incurred for bringing the Assets Put to use.
6	Government Grants	-
7	Borrowing Costs	No such Qualifying asset has been purchased during the year.
8	Provisions, Contingent Liability & Assets	There is no Contingent Liability during the Year.

As per our report of even date

For, Parekh Parekh & Associates
Chartered Accountants
FRN: 132988W

For, A AND M JUMBO BAGS LIMITED

SD/-
CA Sunny Parekh
Partner
M.No.-131188

SD/-
Zalak P. Parikh
Managing Director
DIN:06545622

SD/-
Varun J. Shah
Director
DIN:07740874

SD/-
Dhaval parekh
Company Secretary
M.No.: A50314

SD/-
Husenbhai Saraiya
CFO
PAN: EZWPS3524Q

Place: Ahmedabad
Date: 14/05/2019

Place: Ahmedabad
Date: 14/05/2019