

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 ninth report together with the Audited Accounts for the financial year ended **31st March 2020**

1. Financial Performance:

Particulars	Financial Year 2019-20 Consolidated	Financial Year 2019-20 Standalone	Financial Year 2018-19 Standalone
Revenue from operations	5,84,31,778	5,83,32,778	7,93,42,279
Add: Other Income	31,53,332	27,65,813	11,52,206
Total revenue	6,15,85,110	6,10,98,591	8,04,94,485
Less: Total Expenses [before depreciation]	5,92,95,064	5,84,57,871	6,34,77,306
Profit before depreciation and Tax	22,90,046	22,84,745	1,70,17,178
Less: Depreciation	19,28,770	19,28,770	7,92,327
Profit Before Tax	3,61,276	3,55,975	1,62,24,851
Less: Total Tax Expenses	3,39,472	3,39,471	47,34,228
Profit After Tax	21,804	16,504	1,14,90,623
Earnings Per Share	0.0	0.0	6.6

Revenue from operations of company has decreased by about 26% over the previous year.
Profit after tax of company also has been decreased significantly.

2. Subsidiaries, Joint Ventures and Associate Companies

Nanuan Finance Private Limited is a wholly owned subsidiary of A and M Jumbo Bags Limited. Nanuan Finance Private Limited is Non-Banking Finance Company and its registered office is situated in KURALI ROAD ROPAR PUNJAB.

In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company, which forms part of the Annual Report. Pursuant to the provision of the section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries in form AOC-1 is attached herewith as "Annexure – A" to the financial statement of the Company. The statement also provides the details of performance and financial position of the subsidiary of the Company. The Company doesn't have any joint venture or Associate Company.

3. Cash flow and Consolidated financial statements:

As required under regulation 34 of the SEBI (LODR) Regulations, 2015, a Cash Flow Statement forms part of Annual Report and also the Company has also consolidated its Accounts with subsidiary company.

4. Directors and Key Managerial Personnel:

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

1. Mr. JANAK PRAKASHBHAI PATEL, Independent director, has resigned from board of directors of company with effect from 20th June 2019.
2. Mr. JAYPALSINH VAGHELA has been appointed as additional independent director with effect from 02nd March 2020.
3. Mr. HUSENBHAI SADIKBHAI SARAIYA has resigned as Chief Financial Officer of the Company with effect from 30th March 2020.

Pursuant to the applicable provisions of Section 152 the Companies Act, 2013, Mrs. Zalak P. Parikh, Managing Director of the company, is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting.

After the closure of the Financial there are following changes in board of directors / Key Managerial Personnel of Company:

1. Mr. NALIN VADILAL SHAH has resigned as Independent Director of the company with effect from 16th September 2020.
2. Mr. MANAN THOTHAWALA has been appointed as additional Independent director of the company with effect from 11th July 2020.
3. Mr. SAMIRBHAI PATEL has been appointed as Chief Financial Officer of the company with effect from 11th July 2020.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013

5. Annual Return:

A Copy of Annual return shall be published on company's website i.e. www.aandmjumbobags.com
Extract of Annual Return i.e. Form MGT 9, is attached as **annexure B** of this report

6. 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 C).

7. Dividends:

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

8. Material Changes.

- During the year under the company has allotted 52,57,500 fully paid equity shares as bonus issue in the ratio of 3 (three) equity shares for every 1 (one) equity shares held.
- The Company has acquired 100% equity shares of Nanuan Finance Private Limited during financial year 2019-20.

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.

9. 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.

10. 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.

11. Register office shifting within the jurisdiction:

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

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

There is no related Party transaction entered during the Financial Year 2019-20.

13. 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.

14. 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.

15. Statutory Auditors and Auditors' report :

- Auditors' qualification / remark on standalone financial statement:
 - (i) Company has purchased 100% owned subsidiary Nanuan Finance Private Limited by acquiring 2,00,000 equity shares at Rs. 100/- each (at face value) aggregating to Rs. 2,00,00,000/- for which RBI permission/NOC has been taken and the same has been intimated to stock exchange on 13/06/2019. Share transfer process has been started by A & M Jumbo Bags Ltd. in December 2020 and as informed to us, the share transfer process has been completed was informed to stock exchange as on 23/12/2019, though we have not verified documents related to share transfer in favour of A & M Jumbo Bags Limited.

- (ii) Standalone Financial has been prepared in place of Consolidated Financial Statements in absence of audit report or financials of Nanuan Finance Private Limited which has not been provided to us so we are unable to provide Consolidated Financial Statements.

Board Comment:

- (i) Company has acquired 100% shares of Nanuan Finance Private Limited and also executed share transfer forms, but due to COVID-19 pandemic situation all forms are not submitted for verification with statutory auditors during audit process.
- (ii) Standalone Financial Statements of Company was adopted on 31st July 2020 and Due to Covid-19 pandemic situation Audit of Subsidiary Company i.e. Nanuan Finance Private Limited could not be completed on 31st July 2020 hence auditor has made remark regarding the same. Afterwards Audit of Nanuan Finance Private Limited was completed on 11th August 2020 and Consolidated Financial Statements of A and M Jumbo Bags Limited was adopted on 21st August 2020.

- There has been no any Auditors' qualification / remark on consolidated financial statement.

16. 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.

17. 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 2018-19 was 41736 while in Financial Year 2019-20, company has consumed 33942 units.

The Company is on a continuous basis striving to achieve economy in consumption of energy by optimizing the consumption of power and fuel. As a measure of power conservation, the company has initiated installing LED based electric utilities.

Technology absorption & Foreign Exchange Earnings and Outgo-

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

18. 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.

19. Change In The Nature Of Business :

There is no change in the nature of the business of the company during the financial year 2019-20.

20. 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 “D” herewith.

Pursuant to Ministry of Corporate affair’s four new rules as on 22nd October, 2019 namely Data Bank Notification relating to IICA, Companies (Accounts) Amendments Rules, 2019, Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, all the existing Independent Directors have registered themselves with Indian Institute of Corporate Affairs.

21. 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 2020 and of the profit and loss account for the year ended 31st March, 2020.
- 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.

22. 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.

23. Number of board meetings of the board:

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

Sr. Number	Date of Board Meeting
1.	29/04/2019
2.	14/05/2019
3.	20/06/2019
4.	03/07/2019
5.	19/10/2019
6.	14/11/2019
7.	02/03/2020

24. SHARE CAPITAL

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

- The Authorised Share Capital of the Company has been increased from Rs. 6,00,00,000/- to Rs. 16,00,00,000/- 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 in the Annual General Meeting of the Company held on 20th June 2019.
- During the year, Company has allotted 52,57,500 equity shares by way of bonus issue in the ratio of 3 equity shares for every 1 equity share held.

25. Audit Committee:

The Audit Committee consist of following members:

1. Mr. VARUN JIGNESHKUMAR SHAH – Non-executive director. Chairman
2. Mr. JAYPALSIN H VAGHELA – Independent Director.
3. Mr. NALIN VADILAL SHAH – Independent Director.

[The Committee members are as on date of Closure of year i.e. 31st March 2020.]

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

Sr. Number	Date of Board Meeting
1.	14/05/2019
2.	23/08/2019
3.	14/11/2019

26. 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.

27. 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-E 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. JAYPALSINH VAGHELA - 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 2020.]

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

Sr. Number	Date of Board Meeting
1.	13/05/2019
2.	19/09/2019
3.	02/03/2020

28. 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)

29. Management Discussion and analysis:

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

30. 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.

31. Other Disclosures:

- The Company is not required to maintain cost records, as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the financial year 2019-20.
- The Company has transferred amount of Rs. 16504 to reserves and surplus (free reserves).
- None of the directors are disqualified under section 164 of Companies Act, 2013.

32. 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

33. 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.

34. 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.

35. Secretarial Auditor:

M/s M K Chokshi & Associates, Practicing Company Secretaries, Ahmedabad has been appointed by board as a secretarial auditor of Company for Financial Year 2019-20. 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 G)

36. Internal Auditor:

M/s. BABUBHAI PATEL & ASSOCIATES, Chartered Accountants (FRN 100816W) has been re-appointed by board as an Internal Auditor of company for Financial Year 2019-20.

37. 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 : 09/10/2020

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

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

ANNEXURE A

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Details of subsidiary

Sr. No	Particulars	Details
1	Name of subsidiary	Nanuan Finance Private Limited
2	Reporting period of subsidiary concerned, if different from company's reporting period	31/03/2020
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupees
4	Share Capital/ Partner's Capital	2,00,00,000
5	Reserves & surplus	7,74,576
6	Total assets	2,11,42,213
7	Total liabilities	3,67,637
8	Investments	-
9	Turnover	99,000
10	Profit/(Loss) before taxation	5,301
11	Provision for taxation	-
12	Profit after taxation	5,301
13	Proposed Dividend	-
14	% of shareholding	100%

ANNEXURE B
Annexure to Directors' Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L25202GJ2011PLC065632
ii)	Registration Date	27/05/2011
iii)	Name of the Company	A AND M JUMBO BAGS LIMITED
iv)	Category/Sub-category of the Company	PUBLIC LIMITED COMPANY
v)	Address of the Registered office & contact details	BLOCK NO.-100, BHAGWATI RICE MILL, OPP. HP PETROL PUMP, JETALPUR, DASKROI AHMEDABAD GUJARAT 382426 INDIA EMAIL: CS@AANDMJUMBOBAGS.COM CONTACT: 9173398575
vi)	Whether listed company	YES LISTED ON NSE – EMERGE PLATFORM
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited Add: A/802, Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drinks, Off C.G.Road, Navrangpura, Ahmedabad – 380009 Email : bssahd@bigshareonline.com Contact: 079 40024135

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of rubber and plastics products {Dealing with Bags (Plastic, Polythene, Poly Propylene, hdpe, ldpe, lldpe and such types of Jumbo Bags for packing)}	22	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	NANUAN FINANCE PRIVATE LIMITED KURALI ROAD ROPAR PUNJAB	U65921PB1980PTC004 285	SUBSIDIARY	100	2(87)(ii)

Capital Funds									
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp. (i) Indian (ii) Overseas	6000	-	6000	0.34	104000	-	104000	1.48	1.14
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	316000	-	316000	18.03	724000	-	724000	10.33	(7.70)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	160000	-	160000	9.13	1708000	-	1708000	24.37	15.24
c) Others(Specify)									
1) HUF	96000	-	96000	5.48	264000	-	264000	3.77	(1.71)
2) NRI	-	-	-	-	-	-	-	-	-
3) CLEARING MEMBER	18000	-	18000	1.03	88000	-	88000	1.26	0.23
Sub-total (B)(2)									
Total Public Shareholding (B)=(B)(1)+(B)(2)	596000	-	596000	34.01	2888000	-	2888000	41.20	7.19
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1752500	-	1752500	100	7010000	-	7010000	100	-

(ii) Shareholding of Promoters (Including Promoter group)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Share	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered	
1	PRATISH CHIMANLAL SHAH	0	0	--	0	0	--	-
2	GITABEN PARESHBHAI PATEL	2,27,250	12.97%	--	4,85,000	6.91%	--	(6.06%)
3	PARIKH ZALAK PURVESH	9,08,150	51.82%	--	36,32,600	51.82%	--	0
4	PARESH BHIKHUBHAI PATEL	220	0.01%	--	880	0.01%	--	0
5	ANAL PRATISH SHAH	20,220	1.15%	--	880	0.01%	--	(1.14%)
6	PRIYATA PRATISH SHAH	220	0.01%	--	880	0.01%	--	0
7	DEEP PARESHBHAI PATEL	220	0.01%	--	880	0.01%	--	0
8	ANUJ PRATISHBHAI SHAH	220	0.01%	--	880	0.01%	--	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date of Transaction	Number of Shares	Number of Shares Held	% of total shares of
1	PRATISH CHIMANLAL SHAH Less: Transfer (interse transfer by way of gift)	0	0	0	0	0	0

2	GITABEN PARESHBHAI PATEL Add: Bonus allotment Less: off market sale Less: off market sale Less: Off market sale	227250	12.97%	03/07/2019 11/07/2019 15/07/2019 18/11/2019	6,81,750 (2,08,000) (28,000) (1,88,000)	4,85,000	6.92
3	PARIKH ZALAK PURVESH Add: Bonus allotment	908150	51.82%	03/07/2019	27,24,450	36,32,600	51.82%
4	PARESH BHIKHUBHAI PATEL Add: Bonus allotment	220	0.01%	03/07/2019	660	880	0.01%
5	ANAL PRATISH SHAH Add: sale of shares Add: Bonus allotment	20220	1.15%	07/06/2019 03/07/2019	(20000) 660	880	0.01%
6	PRIYATA PRATISH SHAH Add: Bonus allotment	220	0.01%	03/07/2019	660	880	0.01%
7	DEEP PARESHBHAI PATEL Add: Bonus allotment	220	0.01%	03/07/2019	660	880	0.01%
8	ANUJ PRATISHBHAI SHAH Add: Bonus allotment	220	0.01%	03/07/2019	660	880	0.01%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Change in Shareholding	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	VIPULKUMAR PRAMODCHANDRA SHAH	0	0	260000	3.71	260000	3.71
2	VISHAL TALSIBHAI MONPARA	34000	1.94	136000	1.94	102000	0
3	KEVAN RIDDHESHBHAI BHANDARI	0	0	104000	1.48	104000	1.48

4	RIDDHESHKUMAR GIRISHBHAI BHANDARI	0	0	104000	1.48	104000	1.48
5	SHILPABEN PRAMODBHAI SHAH	0	0	96000	1.37	96000	1.37
6	USHABEN DALPATBHAI BORICHA	0	0	96000	1.37	96000	1.37
7	H & N ADVISORY SERVICES LLP	0	0	96000	1.37	96000	1.37
8	JAINESH LAHERACHANDBHAI DOSHI	22000	1.26	88000	1.26	66000	0
9	BHARATVMODIYA HUF	20000	1.14	80000	1.14	60000	0
10	ANAND SHYAMSUNDER DAGA	18000	1.03	72000	1.03	54000	0
11	NIRAJ NAGINDAS SHAH	28000	1.60	0	0	(28000)	(1.60)
12	BALWANTSINGH UJAGARSINGH PANNU	26000	1.48	0	0	(26000)	(1.48)
13	BHARGAV DEEPAK RAVANI	26000	1.48	64000	0.91	38000	(0.57)
14	NIRAJ NAGINDAS SHAH	22000	1.26	0	0	(22000)	(1.26)
15	RAKHI NIRAJ SHAH	20000	1.14	0	0	(20000)	(1.14)
16	NILAM DENISHKUMAR KALAVADIA	12000	0.68	16000	0.23	4000	(0.47)
17	TRUPTI SURESHBHAI KUKADIA	12000	0.68	40000	0.57	28000	(0.11)
18	KIRTIKUMAR PRABHUDAS VORA	12000	0.68	0	0	(12000)	(0.68)

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the company
1	ZALAK PURVESH PARIKH	908150	51.82%	36,32,600	51.82%
2	PRATISH CHIMANLAL SHAH	-	-	-	-

3	GITABEN PARESHBHAI PATEL	227250	12.97%	485000	6.91%
4	VARUN JIGNESHKUMAR SHAH	--	--	--	--
5	NALIN VADILAL SHAH	--	--	--	--
6	JANAK PRAKASHBHAI PATEL	--	--	--	--
7	BALWANTSINGH UJAGARSINGH PANNU	--	--	26000	1.48%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,84,58,002	4,15,82,535	NIL	90040537
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	4,84,58,002	4,15,82,535	NIL	90040537
Change in Indebtedness during the financial year				
• Addition	NIL	5473402	NIL	5473402
• Reduction	(69,22,012)	NIL	NIL	(69,22,012)
Net Change	(69,22,012)	5473402	NIL	(1448610)
Indebtedness at the end of the financial year				
i) Principal Amount	41535990	47055937	NIL	88591927
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	41535990	47055937	NIL	88591927

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. no.	Particulars of Remuneration	Name of MD/CEO/WTD	Total Amount
		ZALAK PURVESH PARIKH	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act,	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	NIL	NIL
	Ceiling as per the Act	60,00,000 pursuant to section 197 read with schedule V of companies act 2013	

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors					TOTAL
		VARUN JIGNESHK UMAR SHAH	JAYPAL SINH VAGHE LA	NALIN VADILAL SHAH	JANAK PRAKASHB HAI PATEL	BALWANTSIN GH UJAGARSING H PANNU	
	1. Independent Directors	NIL	NIL	NIL	NIL	NIL	NIL
	☐ Fee for attending board committee meetings						
	☐ Commission						
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL

	2. Other Non-Executive Directors ☑ Fee for attending board committee meetings ☑ Commission ☑ Others, please	NIL	NIL	NIL	NIL	54000	54000
	Total (2)	NIL	NIL	NIL	NIL	54000	54000
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	54000	54000
	Overall Ceiling as per the Act	60,00,000 pursuant to section 197 read with schedule V of companies act 2013					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax	327500	90000	417500
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
S24.	Commission - as % of profit - others specify	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	327500	90000	417500

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties/Punishment/Compounding of Offence for breach of any section of Companies Act against the company or its Directors or other officer in default, during the year.

ANNEXURE-C

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 2019-20.

Sr. No.	Name of the Director	Remuneration (Per Annum)	Ratio
1	Mrs. Zalak P. Parikh. (Managing Director)	NIL	NA
2	Mr Varun Shah (Director)	NIL	NA
3	NALIN SHAH (Independent Director)	NIL	NA
4	JANAK PATEL (Independent Director)	NIL	NA
5	BALWANTSINGH UJAGARSINGH PANNU (Director)	54000	1:10
6	JAYPALSINH VAGHELA (Independent Director)	NIL	NA

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2019-20.

Sr. No.	Name of the Director/KMP	Designation	% Increase
1	Mrs. Zalak P Parikh	Managing Director	--
2.	Mr Varun J Shah	Director	--
3.	Mr. Nalin V Shah	Independent Director	--
4.	Mr. Janak P Patel	Independent Director	--
5.	Mr. Husen S Saraiya	CFO	9.17%
6.	Mr. Dhaval Parekh	Company Secretary	(25%)
7.	Mr. Balwantsingh U Pannu	Director	100%
8.	Mr. Jaypalsinh Vaghela	Independent Director	--

- The percentage increase in the median remuneration of employees in the financial year 2019-20.

The percentage decreased in the median remuneration of employees in the financial year 2019-20 is (3.71%)

- The number of permanent employees on the rolls of company in the Financial Year 2019-20.

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 31.03.2020 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 decrease in the managerial remuneration:

Average remuneration decrease for non-managerial personnel of the Company during the financial year was (3.71%) and the average remuneration decrease for the managerial personnel was (89%). 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;
- 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 A and M Jumbo Bags Limited

Sd/-

VARUN JIGNESHKUMAR SHAH
DIN: 07740874
DIRECTOR

Sd/-

ZALAK PURVESH PARIKH
DIN: 06545622
MANAGING DIRECTOR

ANNEXURE D

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:31/03/2020
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/-
JAYPALSINH VAGHELA
Director
DIN: 08713919

Date:31/03/2020
Place:Ahmedabad

ANNEXURE E

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 Personnel), 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.

Annexure F
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 Jetapur 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 2019-20

Revenue from operations of company has decreased by about 26% over the previous year.

Annexure-G

M K Chokshi & Associates

Practising Company Secretaries

C/8, Hira Anand Tower, Gordhanwadi Cross Road,
Kankaria BRTS Road, Ahmedabad-380 028.

Mob. +91 7878735447

E-mail : cs.mansimehta@yahoo.com

FORM No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
A AND M Jumbo Bags Limited
Block No.-100,
Bhagwati Rice Mill, Opp. HP Petrol Pump
Jetalpur, Daskroi ,
Ahmedabad- 382426

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 called 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 Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has generally, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. 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;
- (vi) Other than above, Factories Act, 1948, is also applicable to the Company, which has been duly complied by the Company. The same has also been confirmed by the Management.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, provisions of the following regulations were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that:

Also As per regulation 15 (2) of SEBI (Listing Obligation and Disclosure Requirements) 2015, the compliances with the provisions specified in Regulation 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clause to (i) of sub regulation (2) of Regulation 46 and para C,D and E of Schedule V of SEBI Listing Obligation and Disclosure Requirements) 2015 shall not apply to listed entity which has listed its specified securities on the SME Exchange. The Company being listed on SME Exchange, above clauses shall not apply to the Company.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.

All decisions at the meeting of the Board of Directors / Committees of the Board were taken unanimously as recorded in the minutes of the meetings and no dissenting views have been recorded.

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, there was no other event / action having major bearing on the Company's Affairs.

Place : Ahmedabad

Date : 9th October, 2020

Signature : SD/-

Name of PCS : Mansi Chokshi

ACS No. : 42662

C P No. : 19645

UDIN: A042662B000894326

To,
The Members,
A AND M Jumbo Bags Limited
Block No.-100,
Bhagwati Rice Mill, Opp. HP Petrol Pump
Jetalpur, Daskroi ,
Ahmedabad- 382426

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

1. Management's Responsibility

Management is responsible for the maintenance of the Secretarial records and for the preparation and filing of forms, returns, documents for compliances and to ensure that they are free from material non compliance, whether due to fraud or error.

2. Secretarial Auditor's Responsibility

Secretarial Audit is a process of verification of records and documents on sample or test basis. My responsibility is to express an opinion on the secretarial compliances of certain laws by the Company on the basis of my audit. The audit practices and processes have been followed as deemed appropriate to provide reasonable assurance about the correctness of the records and the confirmation of compliance. My audit process has involved verification of records and dependence on Management representation and my opinion is based thereupon.

3. Conduct of Company's Affairs

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad

Date : 9th October, 2020

Signature : SD/-

Name of PCS : Mansi Chokshi

ACS No. : 42662

C P No. : 19645

UDIN: A042662B000894326



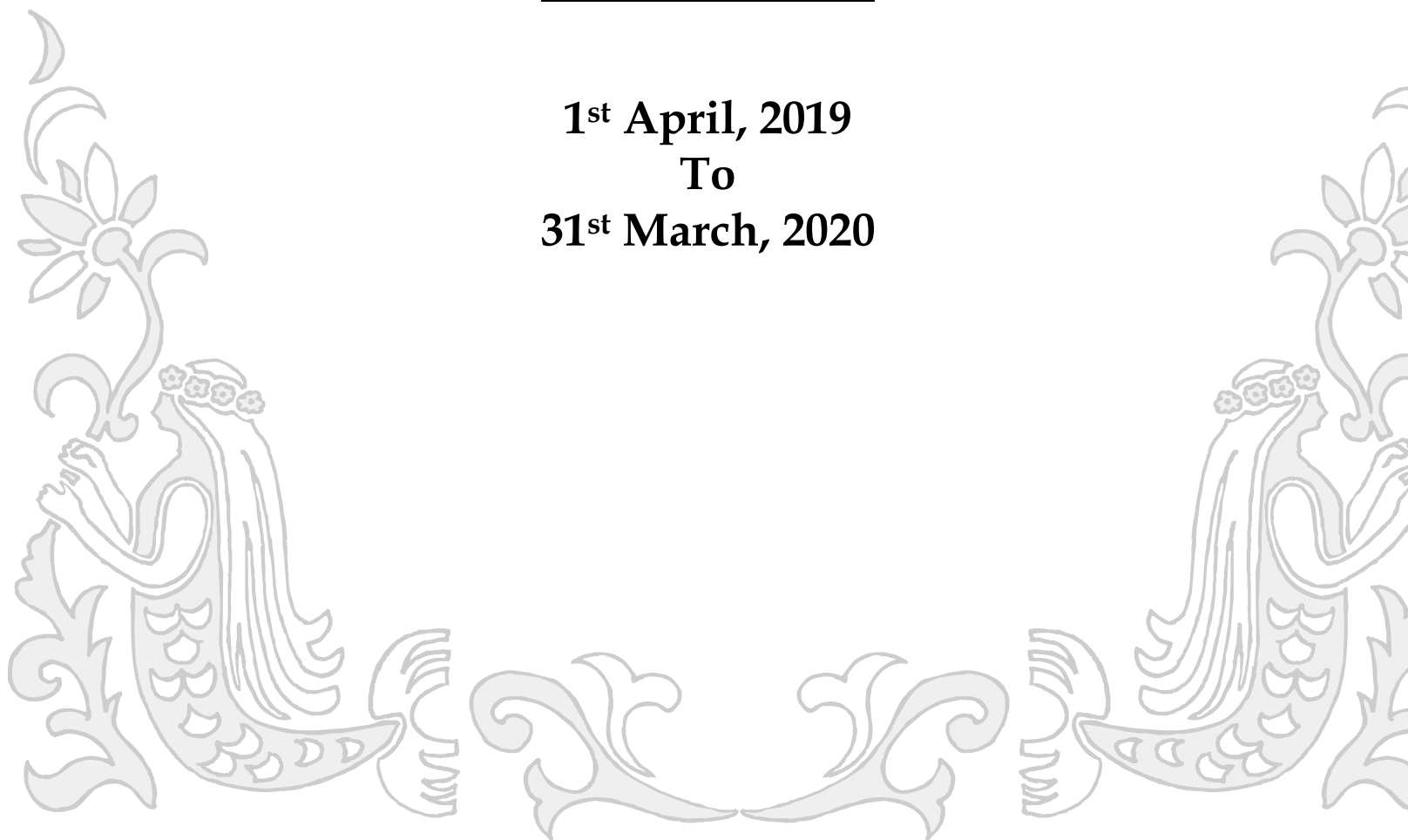
A AND M JUMBO BAGS LIMITED

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

ANNUAL REPORT

Financial Year

**1st April, 2019
To
31st March, 2020**



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. Nalin Vadilal Shah – resigned on 16th September 2020
5. Janak Prakashbhai Patel - resigned on 20th June 2020
6. Dhaval Mukeshbhai Parekh (Company Secretary)
7. Husen S Saraiya (CFO)-resigned on 30th March 2020
8. Jaypalsinh Vaghela – Appointed on 02nd March 2020
9. Manan Thothawala – Appointed on 11th July 2020.

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,
Jetapur, Daskroi,
Ahmedabad – 382426,
Gujarat.

INDEPENDENT AUDITOR'S REPORT

To The Members,

A AND M JUMBO BAGS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of the A AND M JUMBO BAGS LIMITED which comprise of the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss for the year ended, ash 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 standalone 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.

Qualified 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 2020;
- 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:

Company has purchased 100% owned subsidiary Nanuan Finance Private Limited by acquiring 2,00,000 equity shares at Rs. 100/- each(at face value) aggregating to Rs. 2,00,00,000/- for which RBI permission/NOC has been taken and the same has been intimated to stock exchange on 13/06/2019. Share

transfer process has been started by A & M Jumbo Bags Ltd. in December 2020 and as informed to us, the share transfer process has been completed was informed to stock exchange as on 23/12/2019, though we have not verified documents related to share transfer in favour of A & M Jumbo Bags Limited.

Standalone Financial has been prepared in place of Consolidated Financial Staements in absence of audit report or financials of Nanuan Finance Private Limited which has not been provided to us so we are unable to provide Consolidated Financial Staements.

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 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 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, 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
UDIN: 20131188AAAAFH8195
Place: Ahmedabad
Date: 31/07/2020

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, 2020

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 not 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 its name.
- (ii) (a) It has been observed that Physical verification of inventory has not been conducted at reasonable intervals by the management;

(b) It has been observed that the company is not maintaining proper records of inventory and the same has not been provided to us for verification though as informed to us by management no material discrepancies were noticed on physical verification by management.
- (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) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) (a) Based on the records produced before us the company is not regular in depositing undisputed statutory dues. Below mentioned statutory dues are pending till audit date 31/07/2020:

Incometax of F.Y. 2018-19 of Rs. 47,33,219/-

Tds of F.Y. 2019-20 of Rs. 1,98,805/-

GST of F.Y. 2019-20 of Rs. 3,57,847/-

(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. 4,71,500/-.

(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 company has issued bonus shares of 52,57,500 @ Rs. 10/- each aggregating to Rs. 5,25,75,000/- from free reserve and security premium.

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

Place: Ahmedabad
Date: 31/07/2020

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

SD/-
CA Sunny Parekh
Partner
M.No- 131188
UDIN: 20131188AAAAFH8195
Place: Ahmedabad
Date: 31/07/2020

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 2020 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 2020, 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: 31/07/2020

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

SD/-

CA Sunny Parekh

Partner

M.No- 131188

UDIN: 20131188AAAAFH8195

Place: Ahmedabad

Date: 31/07/2020

A & M JUMBO BAGS LIMITED
CIN:L25202GJ2011PLC065632
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

(Rupees in.....)

Particulars	Note No.	As at the end of Current Reporting Period 31st March,2020	As at the end of Current Reporting Period 31st March,2019
ASSETS :			
[1] Non-Current Assets:			
Property, Plant and Equipment	1	40,101,427	41,732,238
Capital Work in Progress		-	-
Intangible Asset		-	-
Financial Assets			
(i) Investment	A	20,000,000	-
(ii) Trade Receivables	2	5,833,160	2,204,585
(iii) Loans	3	33,552,010	96,650
(iv) Other Financial Asset	4	45,800,000	45,800,000
Deferred tax assets (Net)		264,520	53,992
Other non-current assets	5	1,845,781	-
TOTAL NON CURRENT ASSETS		147,396,898	89,887,465
[2] Current Assets:			
Inventories	6	22,388,390	20,338,885
Financial Assets			
(i) Trade receivables	7	14,257,805	19,879,251
(ii) Investment	8	-	-
(iii) Cash and cash equivalents	9	1,814,845	4,686,527
(iv) Bank Balance Other than (iii) above		-	-
(v) Loans and advances	10	-	-
(vi) Other Financial Assets	11	-	2,613,929
Current Tax Asset (Net)	12	548,244	181,946
Other Current Asset	13	2,353,964	37,047,947
TOTAL CURRENT ASSETS		41,363,248	84,748,484
TOTAL ASSETS		188,760,146	174,635,949
EQUITY AND LIABILITIES:			
[1] Equity			
Equity Share Capital	14	70,100,000	17,525,000
Other Equity	15	1,044,327	53,602,823
TOTAL EQUITY		71,144,327	71,127,823
[2] Non-current Liabilities:			
Financial Liabilities			
(i) Borrowings	16	71,231,045	71,852,236
(ii) Trade Payable	17	226,991	-
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		71,458,036	71,852,236
[3] Current Liabilities:			
Financial Liabilities			
(i) Borrowings	18	17,360,882	17,616,486
(ii) Trade Payables	19		
Total O/s Dues of MSME		-	-
Total o/s Dues of other than MSME		4,858,600	5,461,561
(iii) Other Financial Liability	20	4,193,972	1,751,815
Provisions	21	254,678	1,745,681
Current Tax Liabilities (Net)		550,000	4,733,219
Other Current Liabilities	22	18,939,651	347,128
TOTAL CURRENT LIABILITY		46,157,783	31,655,890
TOTAL EQUITY AND LIABILITIES		188,760,146	174,635,949
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 LIMITED	
		SD/- Zalak P. Parikh Managing Director DIN: 06545622	SD/- Varun J. Shah Director DIN: 07740874
SD/- Sunny P. Parekh Partner M. No. 131188 UDIN: 20131188AAAAFH8195		SD/- Dhaval Parekh Company Secretary M.No.: A50314	SD/- Samir Patel CFO PAN: ASEPP2603A
Place: Ahmedabad Date: 31/07/2020		Place: Ahmedabad Date: 31/07/2020	

A & M JUMBO BAGS LIMITED
CIN:L25202GJ2011PLC065632
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees in.....)

Particulars	Note No.	As at the end of Current Reporting Period 31st March,2020	As at the end of Current Reporting Period 31st March,2019
I Revenue from Operations	23	58,332,778	79,342,279
II Other income	24	2,765,813	1,152,206
III Total Revenue (I+II)		61,098,591	80,494,485
IV Expenses			
(a) Cost of Material consumed	25	36,852,529	50,619,585
(b) Purchase of stock-in-trade	26	-	-
(c) Changes in inventories of finished goods, Work-in-progress and stock-in-trade	27	(1,394,209)	(8,517,889)
(d) Employee benefits expenses	28	10,629,602	14,723,655
(d) Finance costs	29	7,025,407	2,066,251
(d) Depreciation and amortization expenses	30	1,928,770	792,327
(e) Other Expenses	31	5,700,516	4,611,208
IV Total Expenses		60,742,616	64,295,136
V Profit / (Loss) before exceptional items and taxes (III-IV)		355,975	16,199,348
VI Exceptional Items	32	-	25,503
VII Tax expense :	33	355,975	16,224,851
Current Tax		550,000	4,733,219
Deferred Tax		210,528	(1,009)
VIII Profit(loss) for the period continuing operations		16,504	11,490,623
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		16,504	11,490,623
XI Earning per Equity Share (EPS) Nominal Value per share Rs.10/-			
Basic Earning Per Share		0.00	6.6
Diluted Earning Per Share		0.00	6.6

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 LIMITED

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

SD/-
Varun J. Shah
Managing Director
DIN: 07740874

SD/-
Sunny P. Parekh
Partner
M. No. 131188
UDIN: 20131188AAAFH8195

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

SD/-
Samir Patel
CFO
PAN: ASEPP2603A

Place: Ahmedabad
Date: 31/07/2020

Place: Ahmedabad
Date: 31/07/2020

<p style="text-align: center;">A & M JUMBO BAGS LIMITED CIN:L25202GJ2011PLC065632 STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020</p>			
(Rupees in.....)			
Particulars	Note No.	As at the end of Current Reporting Period 31st March,2020	As at the end of Current Reporting Period 31st March,2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit after Tax		16,504	11,490,623
Adjustments:			
Depreciation		1,928,770	792,327
Deffered Tax Assets		-	-
Provision for Tax		-	-
Interest Income		-	-
Deffered Tax		(210,528)	1,009
Finance Cost		7,025,407	2,066,251
Operating Profit before Working Capital Changes		8,760,153	14,350,210
<u>Changes in Working Capital :</u>			
Inventories		(2,049,506)	(9,145,327)
Short Term loans and advances		-	-
Trade Receivables		1,992,871	(4,842,680)
Trade Payables		(375,970)	(2,579,735)
Short term Provision		(1,491,003)	910,722
Other Current Assest		36,941,614	(19,958,829)
Other Current Liabilities		16,851,461	3,551,159
Cash Generated from Current Assets		51,869,468	(32,064,689)
Direct Tax Paid		-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		60,629,620	(17,714,479)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Long term loan & advances & other non current assets		(55,301,141)	(45,399,600)
Purchase of Fixed Assets & Capital WIP		(297,959)	(40,375,980)
Interest Income from Investments		-	-
Other loans and advances		-	-
Miscellaneous Expenditure		-	-
Proceeds on sale of fixed assets		-	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(55,599,100)	(85,775,580)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Share Capital		-	-
Proceeds from securities premium		-	-
Proceeds from Long Term Borrowings		(621,191)	72,424,051
Short Term Borrowings		(255,604)	13,255,930
Finance Cost		7,025,407	2,066,251
Proceeds from Share Applications Money Pending Allotments		-	-
Other Long term Liabilities			
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(7,902,202)	83,613,730
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(2,871,682)	(19,876,329)
Cash and Cash Equilents (Opening)		4,686,527	24,562,855
Cash and Cash Equilents (Closing)		1,814,845	4,686,527
For and on behalf of the Board of Directors			
For, Parekh Parekh & Associates Chartered Accountants FRN: 132988W		A & M JUMBO BAGS LTD.	
SD/- Sunny P. Parekh Partner M. No. 131188 UDIN: 20131188AAAAFH8195		SD/- Zalak P. Parikh Managing Director DIN: 06545622	SD/- Varun J. Shah Managing Director DIN: 07740874
SD/- Place: Ahmedabad Date: 31/07/2020		SD/- Dhaval Parekh Company Secretary M.No.: A50314 Place: Ahmedabad Date: 31/07/2020	SD/- Samir Patel CFO PAN: ASEPP2603A

A & M JUMBO BAGS LIMITED
CIN:L25202GJ2011PLC065632

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

A. Equity Share Capital

Particulars	Amount
As at March, 2019	17,525,000
Change in Equity Share Capital(Bonus Share)	52,575,000
As at March, 2020	70,100,000

B. Other Equity

Particulars	Reserve and Surplus		Total Other Equity
	Security Premium	Retained Earning	
As at March, 2019	38,455,000	15,147,823	53,602,823
Profit for the Year	-	16,504	16,504
Other Comprehensive Income	-	-	-
Bonus Share issued	38,455,000	14,120,000	52,575,000
As at March, 2020	-	1,044,327	1,044,327

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
UDIN: 20131188AAAAFH8195

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

SD/-
Samir Patel

CFO
PAN: ASEPP2603A

Place: Ahmedabad
Date: 31/07/2020

Place: Ahmedabad
Date: 31/07/2020

A & M JUMBO BAGS LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH,2020

NOTE-14

SHARE CAPITAL

Particulars	As at the end of Current Reporting Period 31st March,2020		As at the end of Current Reporting Period 31st March,2019	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
<u>Equity Authorised:</u>				
12000000 Equity Shares of Rs.10/- each	12,000,000	120,000,000	2,000,000	20,000,000
2000000 Equity Shares of Rs.10/- each				
<u>Issued, Subscribed & Fully paid up:</u>				
7010000 Equity Shares of Rs.10/- each	7,010,000	70,100,000	1,752,500	17,525,000
1752500 Equity Shares of Rs.10/- each				
Total Equity Sahre		70,100,000		17,525,000

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,2020		As at the end of Current Reporting Period 31st March,2019	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
<u>Equity</u>				
Shares outstanding at the beginning of the year	1,752,500	17,525,000	1,752,500	17,525,000
Add: Shares issued during the year	-	-	-	-
Add: Bonus Share issued during the year	5,257,500	52,575,000	-	-
Less: Shares bought back during the year		-	-	-
Shares outstanding at the end of the year	7,010,000	70,100,000	1,752,500	17,525,000

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,2020		As at the end of Current Reporting Period 31st March,2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<u>Equity</u>				
Pratish Chimanlal Shah	-	-	-	-
Gitaben Pareshbhai Patel	485000	7	227250	13
Zalakben Parikh	3632600	52	908150	52
Public Holding	2888000	41	596000	34

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.

Bonus share

5257500 bonus equity share in the ratio of 3 equity shares of Rs.10/- each for every one existing shares has been allotted from security premium and free reserves for which approval of members has been given in the 8th annual general meeting held on 20th June 2019.

A & M JUMBO BAGS LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH,2020

NOTE-A

NON CURRENT INVESTMENT

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
<u>Investment in Equity Instrument</u>		
Unquoted (Fully paid up)		
Investment in NBFC	20,000,000	-
(100% owned Subsidiary)		
Total	20,000,000	-

NOTE-2

NON CURRENT TRADE RECEIVABLES

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	5,833,160	2,204,585
Unsecured, considered doubtful	-	-
Total	5,833,160	2,204,585

NOTE-3

NON CURRENT LOANS

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Loans	33,455,360	-
Security Deposits		
NSE Deposit	54,500	54,500
Gas Deposit	42,150	42,150
Total	33,552,010	96,650

NOTE-4

OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Fixed deposit Gujarat Mercantile co-op Bank (Maturity more than 12 months)	45,800,000	45,800,000
Total	45,800,000	45,800,000

NOTE-5

OTHER NON CURRENT ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Advance to Supplier	1,845,781	-
Total	1,845,781	-

NOTE- 6

INVENTORY:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
(A) Inventories:(As certified by the management)		
(a) Raw materials	11,018,182	10,362,885
(b) Work-in-progress	860,520	656,448
(c) Finished goods	10,509,688	9,319,552
	22,388,390	20,338,885
Total	22,388,390	20,338,885

NOTE-7

CURRENT TRADE RECEIVABLES

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	14,257,805	19,879,251
Unsecured, considered doubtful	-	-
Total	14,257,805	19,879,251

NOTE-8

CURRENT INVESTMENT

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Current Investment	-	-
Total	-	-

NOTE-9

CASH AND CASH EQUIVALENTS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Cash:		
Cash on Hand	1,742,446	317,470
<u>Balances with Bank</u>		
Dena Bank	52,151	22,623
Cosmos Co-op Bank	5,348	169,423
Gujarat Mercantile co-op Bank	1,969	4,163,431
SBI	12,931	13,580
Total	1,814,845	4,686,527

NOTE-10

CURRENT LOANS AND ADVANCES :

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
(a) Loans and advances to related parties	-	-
(b) Advance against Exp to Directors	-	-
Total	-	-

NOTE-11

OTHER CURRENT FINANCIAL ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
GST Receivable	-	2,613,929
Total	-	2,613,929

NOTE-12

CURRENT TAX ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
TDS Receivable(2018-2019)	101,117	101,117
TDS Receivable(2019-2020)	200,435	-
TCS Receivable(2019-2020)	33,020	33,020
TDS receivable from NBFC	213,289	47,426
Tds Refund	383	383
Total	548,244	181,946

NOTE-13

OTHER CURRENT ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Advances to suppliers	239,278	37,047,947
Interest receivable on FD	2,004,348	-
Prepaid Exp	110,338	-
Total	2,353,964	37,047,947

NOTE-15

OTHER EQUITY:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Retained Earning	15,164,327	15,147,823
Less: Bonus share issued	14,120,000	-
	1,044,327	15,147,823
Security Premium	38,455,000	38,455,000
Less: Bonus share issued	38,455,000	-
	-	38,455,000
Total	1,044,327	53,602,823

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. During the year bonus share issued out of security premium and free reserve.

NOTE-16

NON CURRENT BORROWINGS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Secured		
(A) Bonds / debentures	-	-
(B) Term Loans	20,196,178	24,042,453
(C) Car Loan	2,750,828	3,078,339
(D) PVC Pipe Plant Loan	1,228,102	3,148,909
(E) Deferred Payment liabilities	-	-
(F) Deposits	-	-
(G) Loans and advances from related parties	-	-
(H) Long term maturities of finance lease obligations	-	-
(I) Other loans and advances	-	-
	24,175,108	30,269,701
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	33,223,000
(C) Deferred Payment liabilities	-	-
(D) Deposits	-	-
(E) Loans and advances from related parties		
(a) From Directors	5,167,502	-
(b) From Others (NBFC)	7,680,464	8,359,535
(F) Long term maturities of finance lease obligations		
(G) Other loans and advances (Adhoc Loan)	984,971	-
	47,055,937	41,582,535
Total	71,231,045	71,852,236

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/- eachwith 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 hypothication of plant for 60 month tenure, installment starting from March 2019 and last installment due on February 2024. As informed to us, transaction has been canceled and the party from whom the machine was to buy has paid some amount towards loan directly, though we have not verified the same in absence of documents provided to us.

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 2020	As At 2019
Authorised capital		
400000 preference share of Rs. 100/- each	40,000,000	40,000,000
Issued Capital		
332230 preference share of Rs. 100/- each	33,223,000	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 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade Payables		
Total O/s Dues of MSME	-	-
Total o/s Dues of other than MSME	226,991	-
Total	226,991	-

NOTE-18

CURRENT BORROWINGS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Secured:		
(a) Loans repayable on demand SBI CC A/c	17,360,882	17,616,486
(b) Loans and advances from related parties		
(c) Deposits		
(d) Other loans and advances		
	17,360,882	17,616,486
Unsecured:		
(a) Loan from Directors	-	-
(b) Loan from Relatives of Directors	-	-
(c) Deposits	-	-
(d) Other loans and advances	-	-
	-	-
Total	17,360,882	17,616,486

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 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade Payables		
Total O/s Dues of MSME	-	-
Total o/s Dues of other than MSME	4,858,600	5,461,561
Total	4,858,600	5,461,561

NOTE-20

CURRENT FINANCIAL LIABILITY:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Current Maturity of Long Term Debts	4,193,972	1,751,815
Total	4,193,972	1,751,815

NOTE-21

CURRENT PROVISIONS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Provision for employee benefits		
Unpaid Salary	218,209	1,640,569
Others Provisions (Specify nature)		
Unpaid Expences	6,469	75,112
Unpaid Audit Fees	30,000	30,000
Total	254,678	1,745,681

NOTE-22

OTHER CURRENT LIABILITIES:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
TDS / TCS Payable	554,627	172,785
GST Payable	357,847	-
Advances from customers	193,958	174,343
Income Tax Provision FY 2018-19	4,733,219	-
Neelam Rajiv Shah	12,200,000	-
Hardik Jayprakash Shah	900,000	-
Total	18,939,651	347,128

Payment to Neelam Rajiv Shah & Hardik J Shah is towards share purchase of 100% owned subsidiary.

A & M JUMBO BAGS LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON
31ST MARCH,2020

NOTE - 23

REVENUE FROM OPERATIONS:

Particulars	As at 31/03/2020	As at 31/03/2019
Domestic Sales	58,332,778	79,342,279
TOTAL	58,332,778	79,342,279

NOTE - 24

OTHER INCOME:

Particulars	As at 31/03/2020	As at 31/03/2019
Intrest Income	2,204,783	994,309
Other Discount	-	30,764
Balance written off	-	31,161
Kasar VataV	9,702	30,573
Testing and Certification Charges	-	6,606
Testing Report Expense	-	5,000
Subsidy Received	500,000	-
Misc Income	18,413	-
Printing Charges	32,915	53,793
TOTAL	2,765,813	1,152,206

NOTE - 25

COST OF MATERIAL CONSUMED:

Particulars	As at 31/03/2020	As at 31/03/2019
Raw Materials:		
Opening Stock	10,362,885	9,735,448
Add: Purchases	37,507,826	51,247,022
Less: Closing Stock	11,018,182	10,362,885
TOTAL	36,852,529	50,619,585

NOTE - 26

PURCHASE OF STOCK-IN-TRADE

Particulars	As at 31/03/2020	As at 31/03/2019
Purchases	-	-
TOTAL	-	-

NOTE - 27

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

Particulars	As at 31/03/2020	As at 31/03/2019
Inventories at the end of the year:		
Stock-in-trade	-	-
Work-in-progress	860,520	656,448
Finished Goods	10,509,688	9,319,552
TOTAL	11,370,208	9,976,000

Inventories at the beginning 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

Net(Increase) / Decrease	(1,394,209)	(8,517,889)
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NOTE-28		
EMPLOYEE BENEFITS EXPENSES:		
Particulars	As at 31/03/2020	As at 31/03/2019
Salaries, Wages & Bonus	10,112,287	10,502,063
Staff Welfare Expenses	45,815	101,592
Managerial Remuneration	471,500	4,120,000
TOTAL	10,629,602	14,723,655
NOTE-29		
FINANCE COSTS:		
Particulars	As at 31/03/2020	As at 31/03/2019
Interest Expenses :		
Intrest of Unsecured Loan	2,340,653	614,765
Intrest on Term Loan	2,629,460	685,432
Interest on Late Payments of TDS	111,626	73,605
Interest & Penalty on GST	22,176	-
EMI overdues Interest and Penalty	23,201	-
Overdraft Interest Charges	1,809,796	429,631
Bank Charges	88,495	54,165
Interest on Income Tax	-	208,653
TOTAL	7,025,407	2,066,251
NOTE-30		
DEPRECIATION AND AMORTIZATION EXPENSES :		
Particulars	As at 31/03/2020	As at 31/03/2019
Depreciation on Tangible Assets	1,928,770	792,327
TOTAL	1,928,770	792,327
NOTE-31		
OTHER EXPENSES:		
Particulars	As at 31/03/2020	As at 31/03/2019
Direct Expenses:		
Electric Burning Expense	266,474	309,999
Factory Rent Expense	868,243	926,124
Freight Expense	-	78,346
Manufacturing Expense	10,200	15,500
Total(a)	1,144,917	1,329,969
Administration Expenses:		
Audit fees	30,000	30,000
Round off	-	361
Bad Debts/ Balance Written off	574,204	-
Computer Expense	8,192	18,506
Consulting Charges	102,300	75,200
CST Assesment FY 14-15 paid	104,744	-
Courier Expense	14,116	17,370
Credit Reduce	31,131	-
Discount	4,000	4,190
Donation	11,000	10,500
Electrical Expense	12,569	28,738
Inspection Charges	29,500	-
Insurance Expense	80,125	92,553
Jetalpur Grampanchayat Tex	7,762	-
Kasar Vatav	86,906	67,485
Machinery Repairing Expense	131,237	53,950
Misc Expense	53,893	12,805

Office Expense	95,760	44,419
Printing Screen Charges	22,186	-
Stationery, Printing & zerox Expense	7,065	2,745
Machinery Spare parts	211,913	289,774
Telephone Expense	28,152	21,926
Water Expense	16,000	-
Staff Insurance Expense	315,060	306,411
Other staff expenses	38,000	-
Listing Charge (NSDL-NSE)	106,500	101,435
Loan Processing Charges	77,605	874,299
Excise duty	-	182,973
Mis Repairing	57,840	-
Reversed Charge Paid	4,254	-
ROC Exps	950,000	550,000
Vat Assessment Fees paid	40,630	-
Total(b)	3,252,644	2,785,640
Selling & Distribution Expenses:		
Advertisement Exp	457,800	34,400
Commission Expense	-	441,615
Business Development Expense	845,155	6,305
Packing Expense	-	6,157
Travelling Expenses	-	7,122
Total(c)	1,302,955	495,599

NOTE-32
EXCEPTIONAL ITEMS

Particulars	As at 31/03/2020	As at 31/03/2019
Excess Provision of Income tax written off	-	25,503
Total	-	25,503

NOTE-33
TAXATION

Income tax Expense		
Particulars	As at 31/03/2020	As at 31/03/2019
Current Tax		
Current tax on profits for the year	550,000	4,733,219
Adjustments for current tax of prior periods	-	-
Total Current Tax Expense	550,000	4,733,219
Deferred Tax		
(Deferred tax asset))/ deferred tax liabilities	210,528	(1,009)
Total Deferred Tax Expense	210,528	(1,009)
Income Tax Expense	760,528	4,732,210

NOTE-34
FAIR VALUE MEASUREMENT

(i) Financial instruments by category

PARTICULARS	AS AT MARCH 2020		AS AT MARCH 2019	
	FVPL	Amortised Cost	FVPL	Amortised Cost
FINANCIAL ASSETS				
Investment	-		-	-
Equity Instrument	20,000,000			
Loan	-	33,552,010	-	96,650
Trade Receivable	-	20,090,965	-	22,083,836
Other Financial Assets	-	45,800,000	-	48,413,929
Cash and cash equivalents		1,814,845		4,686,527
TOTAL FINANCIAL ASSETS	20,000,000	101,257,820	-	75,280,942
FINANCIAL LIABILITY				
Borrowing	-	88,591,927	-	89,468,722
Trade Payable	-	5,085,591	-	5,461,561
Other Financial Liability	-	4,193,972	-	1,751,815
TOTAL FINANCIAL LIABILITY	-	97,871,490	-	96,682,098

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

Particulars	AS AT MARCH 2020		AS AT MARCH 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Security deposits	96,650	-	96,650	-
Total Financial Assets	96,650	-	96,650	-

The carrying amounts of trade current loans, receiveables, 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

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.)

Key management personnel and Director compensation

Particular	Year ended 2020	Year ended 2019
Short-term employee benefits	471500	4120000

A & M JUMBO BAGS LTD.**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2020****NOTE-1****PROPERTY, PLANT AND EQUIPMENT**

Sr No.	Particulars	GROSS BLOCK				DEPRECIATION PROVIDED				NET BLOCK	
		As at 01.04.2019 (Rs.)	Additions during the year (Rs.)	Sales/ Adjustments during the year (Rs.)	As at 31.03.2020 (Rs.)	Provided up to 31.03.2019 (Rs.)	Provided during the year (Rs.)	Deductions / Adjustments (Rs.)	As at 31.03.2020 (Rs.)	As at 31.03.2020 (Rs.)	As at 31.03.2019 (Rs.)
A	<u>Tangible Assets:</u>										
	LAND	35,484,030	-	-	35,484,030	-	-	-	-	35,484,030	35,484,030
	SHED AND ACCOMODATION	262,502	-	-	262,502	47,558	21,195	-	68,753	193,749	214,944
	AIR CONDITIONER	107,717	35,938	-	143,655	57,003	21,723	-	78,726	64,928	50,714
	BIKE	40,000	-	-	40,000	27,535	4,113	-	31,648	8,352	12,465
	CCTV CAMERA	49,950	-	-	49,950	19,133	21,896	-	41,030	8,920	30,817
	COMPUTER	98,586	-	-	98,586	89,001	3,370	-	92,371	6,215	9,585
	ELECTRIC INSTALLTION	409,673	-	-	409,673	268,141	42,214	-	310,355	99,318	141,532
	FURNITURE	68,643	11,021	-	79,664	36,721	11,285	-	48,006	31,658	31,922
	MACHINERY	4,277,734	251,000	-	4,528,734	2,981,969	317,406	-	3,299,375	1,229,359	1,295,765
	MOBILE	147,035	-	-	147,035	62,190	42,806	-	104,997	42,038	84,845
	TV	8,999	-	-	8,999	8,222	311	-	8,533	466	777
	VEHICLE	4,636,391	-	-	4,636,391	261,548	1,442,450	-	1,703,998	2,932,393	4,374,843
	Total	45,591,260	297,959	-	45,889,219	3,859,022	1,928,770	-	5,787,792	40,101,427	41,732,238
B	<u>Intangible Assets:</u>	-		-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
C	<u>Capital WIP</u>	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Total Rs.	45,591,260	297,959	-	45,889,219	3,859,022	1,928,770	-	5,787,792	40,101,427	41,732,238
	Previous year in Rs.	5,215,280	40,375,980	-	45,591,260	3,066,695	792,327	-	3,859,022	41,732,238	

A & M JUMBO BAGS LTD.
WORKING OF DEPRECIATION ALLOWABLE AS PER INCOME TAX ACT,1961
FINANCIAL YEAR - 2019-2020
ASSESSMENT YEAR - 2020-2021

Sr. No.	Particulars	Dep rate (%)	WDV as at 01/04/2019	Additions during the year		Sales/Subsi dy Recd	Total	Depreciation		WDV as at 31/03/2020
				Up to 30/9/2019	After 30/09/2019			Normal	Additional	
1	LAND	0.00%	35,484,030	-	-		35,484,030	-	-	35,484,030
2	PLANT & MACHINERY	15.00%	1,767,043	35,938	251,000	-	2,053,980	289,272	-	1,764,708
3	PLANT & MACHINERY	40.00%	5,863	-	-	-	5,863	2,345	-	3,518
4	FURNITURE & FIXTURES	10.00%	282,700	11,021	-	-	293,721	29,372	-	264,348
5	SHED AND ACCOMODATION	10.00%	201,995	-	-	-	201,995	20,200	-	181,796
6	ELECTRICAL INSTALLMENTS	10.00%	103,127	-	-	-	103,127	10,313	-	92,815
7	MOBILE	15.00%	110,682	-	-	-	110,682	16,602	-	94,080
8	VEHICLE	15.00%	4,270,171	-	-	-	4,270,171	640,526	-	3,629,645
	TOTAL		42,225,610	46,959	251,000	-	42,523,568	1,008,629	-	41,514,939

A & M JUMBO BAGS LTD.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2020****NOTE-1****PROPERTY, PLANT AND EQUIPMENT**

Sr No.	Particulars	GROSS BLOCK				DEPRECIATION PROVIDED				NET BLOCK	
		As at 01.04.2019	Additions during the year	Sales/ Adjustments during the year	As at 31.03.2020	Provided up to 31.03.2019	Provided during the year	Deductions/ Adjustments	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
		(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A	<u>Tangible Assets:</u>										
	LAND	35,484,030	-	-	35,484,030	-	-	-	-	35,484,030	35,484,030
	SHED AND ACCOMODATION	262,502	-	-	262,502	47,558	21,195	-	68,753	193,749	214,944
	AIR CONDITIONER	107,717	35,938	-	143,655	57,003	21,723	-	78,726	64,928	50,714
	BIKE	40,000	-	-	40,000	27,535	4,113	-	31,648	8,352	12,465
	CCTV CAMERA	49,950	-	-	49,950	19,133	21,896	-	41,030	8,920	30,817
	COMPUTER	98,586	-	-	98,586	89,001	3,370	-	92,371	6,215	9,585
	ELECTRIC INSTALLTION	409,673	-	-	409,673	268,141	42,214	-	310,355	99,318	141,532
	FURNITURE	68,643	11,021	-	79,664	36,721	11,285	-	48,006	31,658	31,922
	MACHINERY	4,277,734	251,000	-	4,528,734	2,981,969	317,406	-	3,299,375	1,229,359	1,295,765
	MOBILE	147,035	-	-	147,035	62,190	42,806	-	104,997	42,038	84,845
	TV	8,999	-	-	8,999	8,222	311	-	8,533	466	777
	VEHICLE	4,636,391	-	-	4,636,391	261,548	1,442,450	-	1,703,998	2,932,393	4,374,843
	Total	45,591,260	297,959	-	45,889,219	3,859,022	1,928,770	-	5,787,792	40,101,427	41,732,238
B	<u>Intangible Assets:</u>	-		-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
C	<u>Capital WIP</u>	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Total Rs.	45,591,260	297,959	-	45,889,219	3,859,022	1,928,770	-	5,787,792	40,101,427	41,732,238
	Previous year in Rs.	5,215,280	40,375,980	-	45,591,260	3,066,695	792,327	-	3,859,022	41,732,238	

A & M JUMBO BAGS LTD.**WORKING OF DEPRECIATION ALLOWABLE AS PER INCOME TAX ACT,1961****FINANCIAL YEAR - 2019-2020****ASSESSMENT YEAR - 2020-2021**

						7187.5	25100			
Sr. No.	Particulars	Dep rate (%)	WDV as at 01/04/2019	Additions during the year		Sales/Subsidiary Recd	Total	Depreciation	Depreciation	WDV as at 31/03/2020
				Up to 30/9/2019	After 30/09/2019			Normal	Additional	
1	LAND	0.00%	35,484,030	-	-		35,484,030	-	-	35,484,030
2	PLANT & MACHINERY	15.00%	1,767,043	35,938	251,000	-	2,053,980	289,272	37,038	1,727,671
3	PLANT & MACHINERY	40.00%	5,863	-	-	-	5,863	2,345	-	3,518
4	FURNITURE & FIXTURES	10.00%	282,700	11,021	-	-	293,721	29,372	-	264,348
5	SHED AND ACCOMODATION	10.00%	201,995	-	-	-	201,995	20,200	-	181,796
6	ELECTRICAL INSTALLMENTS	10.00%	103,127	-	-	-	103,127	10,313	-	92,815
7	MOBILE	15.00%	110,682	-	-	-	110,682	16,602	-	94,080
8	VEHICLE	15.00%	4,270,171	-	-	-	4,270,171	640,526	-	3,629,645
	TOTAL		42,225,610	46,959	251,000	-	42,523,568	1,008,629	37,038	41,477,902

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH, 2020**

BACKGROUND:

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

The company has purchased 100% owned subsidiary NANUAN FINANCE PRIVATE LIMITED for 2,00,000 equity share of Rs. 100/- each (face value is Rs. 100/-) aggregating to Rs. 2,00,00,000/- for which RBI approval/NOC has been taken on 13/06/2019 and share transfer process completed informed by management to stock exchange on 23/12/2019, though we have not verified the share transfer form in absence of documents provided to us and we had completely relied upon information submitted to stock exchange on 23/12/2019.

Standalone Financial has been prepared in place of Consolidated Financial Staements in absence of audit report or financials of Nanuan Finance Private Limited which has not been provided to us so we are unable to provide Consolidated Financial Staements.

1 Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these 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 standalone 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.

(ii) Historical cost convention:

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

Certain financial assets and financial liabilities measure at fair value;

Non Consolidation of Financial Statements:

Standalone Financial has been prepared in place of Consolidated Financial Statements in absence of audit report or financials of Nanuan Finance Private Limited which has not been provided to us so we are unable to provide Consolidated Financial Statements of A and M Jumbo Bags Limited

Name of Subsidiary: Nanuan Finance Private Limited

Extent of Holding: 100% holding

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.

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. Government Grant:

Grant of Rs. 5,00,000/- has been received from state government for listing /IPO has been accounted to profit and loss account as expense of IPO has also been expensed off in respective accounting year.

15. 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 redeemable at face value at the end of 15 years from the date of allotment.

Preference share shall not be listed with any stock exchange.

16 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.

17 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.

18 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 (Rs.) Current Year	Amount (Rs.) Previous Year
1	Husenbhai S Saraiya	CFO	Managerial remuneration	327500.00	300000.00
2	Dhaval Parekh	CS	Managerial remuneration	90000.00	120000.00
3	Balwantsingh U Pannu	Director	Managerial remuneration	54000.00	-
4	Nanuan Finance Pvt. Ltd.	100% owned Subsidiary	Loan taken	2192000.00	-
5	Nanuan Finance Pvt. Ltd.	100% owned Subsidiary	Loan Repaid	1972069.00	-

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.

We have not verified balance of any unsecured loan including unsecured loan from NBFC in absence of related documents provided to us 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	31/03/2020	31/03/2019
Deferred Tax Liability (Asset)	(53992)	(55001)
Add: Deferred Tax Liability (Asset)	(210528)	1009

Net Deferred Tax Liability(Asset) (264520) (53992)

Net Deferred Tax Asset as on 31.03.2020 is Rs. 264520.00

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

6. Remuneration:

Total Managerial Remuneration of Rs. 471500.00 paid during the year is as below:

Husenbhai S Saraiya-Rs. 327500.00

Dhaval Parekh-Rs. 900000.00

Balwantsingh U Pannu- Rs. 54000.00

7. Remuneration to Auditors:

Particular	2019-20	2018-19
Statutory Audit	15000	15000
Tax Audit	15000	15000

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	IPO related grant of Rs. 5 Lacs of state government has been accounted in profit and loss account.
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

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (for Standalone financial statements)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	-	-
	2.	Total Expenditure	-	-
	3.	Net Profit/(Loss)	-	-
	4.	Earnings Per Share	-	-
	5.	Total Assets	-	-
	6.	Total Liabilities	-	-
	7.	Net Worth	-	-
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	<u>Audit Qualification (each audit qualification separately):</u> a. Details of Audit Qualification: Consolidated financial should be prepared in place of standalone financial in absence of audit report or financials of Nanuan Finance Private Limited(100% owned Subsidiary Company) which has not been provided to us so we are unable to comment upon consolidated financial statements. Company has purchased 100% owned subsidiary Nanuan Finance Private Limited by acquiring 2,00,000 equity shares at Rs. 100/- each(at face value) aggregating to Rs. 2,00,00,000/- for which RBI permission/NOC has been taken and the same has been intimated to stock exchange on 13/06/2019. Share transfer process has been started by A & M Jumbo Bags Ltd. in December 2020 and as informed to us, the share transfer process has been completed was informed to stock exchange as on 23/12/2019, though we have not verified documents related to share transfer in favour of A & M Jumbo Bags Limited and relied upon information submitted to stock exchange. b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:			

III.

Signatories:

- **CEO/Managing Director – sd/-**
- **CFO – sd/-**
- **Audit Committee Chairman – sd/-**
- **Statutory Auditor – sd/-**

Place: 31/07/2020

Date: Ahmedabad

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

For, A AND M JUMBO BAGS LIMITED

SD/-
CA Sunny Parekh
Partner
M.No.-131188
UDIN: 20131188AAAAFH8195

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

SD/-
Varun J. Shah
Director
DIN:07740874

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

SD/-
Samir Patel
CFO
PAN: ASEPP2603A

Place: Ahmedabad
Date: 31/07/2020

Place: Ahmedabad
Date: 31/07/2020

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To The Members,

A AND M JUMBO BAGS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the A AND M JUMBO BAGS LIMITED which comprise of the Consolidated Balance Sheet as at 31st March 2020, Consolidated Statement of Profit and Loss for the year ended, consolidated cash Flow Statement, consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated Ind AS financial statements.

Other Matter:

Company has purchased 100% owned subsidiary Nanuan Finance Private Limited by acquiring 2,00,000 equity shares at Rs. 100/- each(at face value) aggregating to Rs. 2,00,00,000/- for which RBI permission/NOC has been taken and the same has been intimated to stock exchange on 13/06/2019. Share transfer process has been started by A & M Jumbo Bags Ltd. in December 2020 and as informed to us, the share transfer process has been completed was informed to stock exchange as on 23/12/2019, though we have not verified documents related to share transfer in favour of A & M Jumbo Bags Limited.

We did not audit the financial statements of subsidiary NANUAN FINANCE PRIVATE LIMITED and included in the consolidated financial statements, which constitute total assets of Rs.21142213 as at March 31, 2020, total revenue of Rs.486519, net profit of Rs.5301 for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

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 consolidated 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 consolidated balance sheet, of the state of affairs of the Company as at 31st March 2020;
- ii. in the case of the consolidated statement of profit and loss, of the profit for the year ended on that date.
- iii. in the case of the consolidated statement of Cash Flow, for the year ended on that date.
- iv. in the case of consolidated change in Equity, for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 consolidated Balance Sheet, The consolidated Statement of Profit and Loss, The consolidated statement of change in equity and The consolidated statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the aforesaid consolidated Ind AS 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 of holding company as on 31st March 2020, and taken on record by the

Board of Directors, none of the directors is disqualified as on 31st March 2020, 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 A'; 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 group has disclosed the impact of pending litigations on its financial position in its financial statements.
- II. The group 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 holding 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

CA Sunny P Parekh
Partner
M.No- 131188
UDIN:20131188AAAAFS8289

Place: Ahmedabad

Date: 21/08/2020

ANNEXURE A 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 ('holding Company') and its subsidiary company (as per the audited report of other auditor) as of 31 March 2020 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 and management of subsidiary, incorporated in india 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 of the company and its subsidiary company (as per the audited report of other auditor) 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 and its subsidiary company

(as per the audited report of other auditor) 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 and its subsidiary (based on audited report of other auditor) 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 2020, 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: 21/08/2020

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

SD/-

**CA Sunny Parekh
Partner**

M.No- 131188

UDIN: 20131188AAAAFS8289

Place: Ahmedabad

Date: 21/08/2020

(Rupees in.....)

(Rupees in.....)

A & M JUMBO BAGS LIMITED

CIN:L25202GJ2011PLC065632

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees in.....)

Particulars	Note No.	As at the end of Current Reporting Period 31st March,2020	As at the end of Current Reporting Period 31st March,2019
I Revenue from Operations	23	58,431,778	79,342,279
II Other income	24	3,153,332	1,152,206
III Total Revenue (I+II)		61,585,110	80,494,485
IV Expenses			
(a) Cost of Material consumed	25	36,852,529	50,619,585
(b) Purchase of stock-in-trade	26	-	-
(c) Changes in inventories of finished goods, Work-in-progress and stock-in-trade	27	(1,394,209)	(8,517,889)
(d) Employee benefits expenses	28	10,885,602	14,723,655
(d) Finance costs	29	7,028,702	2,066,251
(d) Depreciation and amortization expenses	30	1,928,770	792,327
(e) Other Expenses	31	5,922,439	4,611,208
IV Total Expenses		61,223,834	64,295,136
V Profit / (Loss) before exceptional items and taxes (III-IV)		361,276	16,199,348
VI Exceptional Items	32	-	25,503
VII Tax expense :	33	361,276	16,224,851
Current Tax		550,000	4,733,219
Deferred Tax		210,528	(1,009)
VIII Profit(loss) for the period continuing operations		21,804	11,490,623
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		21,804	11,490,623
XI Earning per Equity Share (EPS) Nominal Value per share Rs.10/-			
Basic Earning Per Share		0.00	6.6
Diluted Earning Per Share		0.00	6.6

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 LIMITED

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

SD/-
Varun J. Shah
Managing Director
DIN: 07740874

SD/-
Sunny P. Parekh
Partner
M. No. 131188
UDIN: 20131188AAAFS8289

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

SD/-
Samir Patel
CFO
PAN: ASEPP2603A

Place: Ahmedabad
Date: 21/08/2020

Place: Ahmedabad
Date: 21/08/2020

<p style="text-align: center;">A & M JUMBO BAGS LIMITED CIN:L25202GJ2011PLC065632 CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020</p>			
(Rupees in.....)			
Particulars	Note No.	As at the end of Current Reporting Period 31st March,2020	As at the end of Current Reporting Period 31st March,2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit after Tax		21,804	11,490,623
Adjustments:			
Depreciation		1,928,770	792,327
Deffered Tax Assets		-	-
Provision for Tax		-	-
Interest Income		-	-
Deffered Tax		(210,528)	1,009
Finance Cost		7,028,702	2,066,251
Operating Profit before Working Capital Changes		8,768,748	14,350,210
<u>Changes in Working Capital :</u>			
Inventories		(2,049,506)	(9,145,327)
Short Term loans and advances		(6,999,000)	-
Trade Receivables		1,605,352	(4,842,680)
Trade Payables		(277,970)	(2,579,735)
Short term Provision		(1,302,488)	910,722
Other Current Assest		36,911,614	(19,958,829)
Other Current Liabilities		16,932,583	3,551,159
Cash Generated from Current Assets		44,820,586	(32,064,689)
Direct Tax Paid		-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		53,589,333	(17,714,479)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Long term loan & advances & other non current assets		(48,561,071)	(45,399,600)
Purchase of Fixed Assets & Capital WIP		(297,959)	(40,375,980)
Interest Income from Investments		-	-
Other loans and advances		-	-
Miscellaneous Expenditure		-	-
Proceeds on sale of fixed assets		-	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(48,859,030)	(85,775,580)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Share Capital		-	-
Proceeds from securities premium		-	-
Proceeds from Free reserves - Subsidiary		(769,275)	-
Proceeds from Long Term Borrowings		(621,191)	72,424,051
Short Term Borrowings		(255,604)	13,255,930
Finance Cost		7,028,702	2,066,251
Proceeds from Share Applications Money Pending Allotments		-	-
Other Long term Liabilities			
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(7,136,222)	83,613,730
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(2,405,919)	(19,876,329)
Cash and Cash Equilents (Opening)		4,686,527	24,562,855
Cash and Cash Equilents (Closing)		2,280,609	4,686,527
For and on behalf of the Board of Directors			
For, Parekh Parekh & Associates		A & M JUMBO BAGS LTD.	
Chartered Accountants			
FRN: 132988W			
		SD/- Zalak P. Parikh Managing Director DIN: 06545622	SD/- Varun J. Shah Managing Director DIN: 07740874
SD/- Sunny P. Parekh Partner M. No. 131188 UDIN: 20131188AAAAFS8289		SD/- Dhaval Parekh Company Secretary M.No.: A50314	SD/- Samir Patel CFO PAN: ASEPP2603A
Place: Ahmedabad Date: 21/08/2020		Place: Ahmedabad Date: 21/08/2020	

A & M JUMBO BAGS LIMITED

CIN:L25202GJ2011PLC065632

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

A. Equity Share Capital

Particulars	Amount
As at March, 2019	17,525,000
Change in Equity Share Capital(Bonus Share)	52,575,000
As at March, 2020	70,100,000

B. Other Equity

Particulars	Reserve and Surplus			Total Other Equity
	Security Premium	Retained Earning	Special Reserve	
Parent Company				
As at March, 2019	38,455,000	15,147,823	-	53,602,823
Profit for the Year	-	16,503	-	16,503
Other Comprehensive Income	-	-	-	-
Bonus Share issued	(38,455,000)	(14,120,000)	-	(52,575,000)
As at March, 2020	-	1,044,326	-	1,044,326
Subsidiary Company				
As at March, 2019	-	723,098	46,177	769,275
Profit for the Year	-	5,301	-	5,301
transfer to special reserve	-	(1,060)	1,060	-
As at March, 2020	-	727,339	47,237	774,576
TOTAL	-	1,771,665	47,237	1,818,902

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
UDIN: 20131188AAAAFS8289

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

SD/-
Samir Patel

CFO
PAN: ASEPP2603A

Place: Ahmedabad
Date: 21/08/2020

Place: Ahmedabad
Date: 21/08/2020

A & M JUMBO BAGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH,2020

NOTE-14

SHARE CAPITAL

Particulars	As at the end of Current Reporting Period 31st March,2020		As at the end of Current Reporting Period 31st March,2019	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
<u>Equity</u>				
<u>Authorised:</u>				
12000000 Equity Shares of Rs.10/- each	12,000,000	120,000,000	2,000,000	20,000,000
2000000 Equity Shares of Rs.10/- each				
<u>Issued, Subscribed & Fully paid up:</u>				
7010000 Equity Shares of Rs.10/- each	7,010,000	70,100,000	1,752,500	17,525,000
1752500 Equity Shares of Rs.10/- each				
Total Equity Sahre		70,100,000		17,525,000

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,2020		As at the end of Current Reporting Period 31st March,2019	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
<u>Equity</u>				
Shares outstanding at the beginning of the year	1,752,500	17,525,000	1,752,500	17,525,000
Add: Shares issued during the year	-	-	-	-
Add: Bonus Share issued during the year	5,257,500	52,575,000	-	-
Less: Shares bought back during the year		-	-	-
Shares outstanding at the end of the year	7,010,000	70,100,000	1,752,500	17,525,000

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,2020		As at the end of Current Reporting Period 31st March,2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<u>Equity</u>				
Pratish Chimanlal Shah	-	-	-	-
Gitaben Pareshbhai Patel	485000	7	227250	13
Zalakben Parikh	3632600	52	908150	52
Public Holding	2888000	41	596000	34

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.

Bonus share

5257500 bonus equity share in the ratio of 3 equity shares of Rs.10/- each for every one existing shares has been allotted from security premium and free reserves for which approval of members has been given in the 8th annual general meeting held on 20th June 2019.

A & M JUMBO BAGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH,2020

NOTE-2

NON CURRENT TRADE RECEIVABLES

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	5,833,160	2,204,585
Unsecured, considered doubtful	-	-
Total	5,833,160	2,204,585

NOTE-3

NON CURRENT LOANS

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Loans	46,715,290	-
Security Deposits		
NSE Deposit	54,500	54,500
Gas Deposit	42,150	42,150
Total	46,811,940	96,650

NOTE-4

OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Fixed deposit Gujarat Mercantile co-op Bank (Maturity more than 12 months)	45,800,000	45,800,000
Total	45,800,000	45,800,000

NOTE-5

OTHER NON CURRENT ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Advance to Supplier	1,845,781	-
Total	1,845,781	-

NOTE- 6

INVENTORY:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
(A) Inventories:(As certified by the management)		
(a) Raw materials	11,018,182	10,362,885
(b) Work-in-progress	860,520	656,448
(c) Finished goods	10,509,688	9,319,552
	22,388,390	20,338,885
Total	22,388,390	20,338,885

NOTE-7
CURRENT TRADE RECEIVABLES

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	14,257,805	19,879,251
Unsecured, considered doubtful	387,519	-
Total	14,645,324	19,879,251

NOTE-8
CURRENT INVESTMENT

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Current Investment	-	-
Total	-	-

NOTE-9
CASH AND CASH EQUIVALENTS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Cash:		
Cash on Hand	2,101,635	317,470
Balances with Bank		
Dena Bank	52,151	22,623
Cosmos Co-op Bank	5,348	169,423
Gujarat Mercantile co-op Bank	1,969	4,163,431
SBI	12,931	13,580
Balance in Current account (Nanuan Finance Pvt Ltd.)	106,575	-
Total	2,280,609	4,686,527

NOTE-10
CURRENT LOANS AND ADVANCES :

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
(a) Loans and advances to related parties	-	-
(b) Advance against Exp to Directors	-	-
(c) Other Advance considered good and unsecured (Nanuan Finance Pvt Ltd)	6,999,000	-
Total	6,999,000	-

NOTE-11
OTHER CURRENT FINANCIAL ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
GST Receivable	-	2,613,929
Total	-	2,613,929

NOTE-12
CURRENT TAX ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
TDS Receivable(2018-2019)	101,117	101,117
TDS Receivable(2019-2020)	200,435	-
TCS Receivable(2019-2020)	33,020	33,020
TDS receivable from NBFC	213,289	47,426
Tds Refund	383	383
Past TDS receivable (Nanuan Finance Pvt Ltd)	30,000	-
Total	578,244	181,946

NOTE-13
OTHER CURRENT ASSETS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Advances to suppliers	239,278	37,047,947
Interest receivable on FD	2,004,348	-
Prepaid Exp	110,338	-
Total	2,353,964	37,047,947

NOTE-15
OTHER EQUITY:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Retained Earning	15,147,823	3,657,200
Add: Profit of the year	16,503	11,490,623
Less: Bonus share issued	(14,120,000)	-
	1,044,326	15,147,823
Security Premium	38,455,000	38,455,000
Less: Bonus share issued	(38,455,000)	-
	-	38,455,000
Special Reserve (As per RBI Act)	46,177	-
Add: transfer from Profit and loss A/c	1,060	-
	47,237	-
Surplus in Profit and Loss A/c (Nanuan Finance Pvt. Ltd.)	723,098	-
Add: Profit of the year	5,301	-
Less: transfer to special reserve	(1,060)	-
	727,339	-
Total	1,818,902	53,602,823

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. During the year bonus share issued out of security premium and free reserve.

NOTE-16
NON CURRENT BORROWINGS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Secured		
(A) Bonds / debentures	-	-
(B) Term Loans	20,196,178	24,042,453
(C) Car Loan	2,750,828	3,078,339
(D) PVC Pipe Plant Loan	1,228,102	3,148,909
(E) Deferred Payment liabilities	-	-
(F) Deposits	-	-
(G) Loans and advances from related parties	-	-
(H) Long term maturities of finance lease obligations	-	-
(I) Other loans and advances	-	-
	24,175,108	30,269,701
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	33,223,000
(C) Deferred Payment liabilities	-	-
(D) Deposits	-	-
(E) Loans and advances from related parties		
(a) From Directors	5,167,502	-
(b) From Others (NBFC)	7,680,464	8,359,535
(F) Long term maturities of finance lease obligations		
(G) Other loans and advances (Adhoc Loan)	984,971	-
	47,055,937	41,582,535
Total	71,231,045	71,852,236

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 Westem 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/- eachwith 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 frorir time to time be entitled to vary the margin based on the credit Risk Assessment of tLie 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 hypothication of plant for 60 month tenure, installment starting from March 2019 and last installment due on February 2024. As informed to us, transaction has been canceled and the party from whom the machine was to buy has paid some amount towards loan directly, though we have not verified the same in absence of documents provided to us.

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 2020	As At 2019
Authorised capital		
400000 preference share of Rs. 100/- each	40,000,000	40,000,000
Issued Capital		
332230 preference share of Rs. 100/- each	33,223,000	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) Prference 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 redeembale at face value at the end of 15 years from the date of allotement
(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 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade Payables		
Total O/s Dues of MSME	-	-
Total o/s Dues of other than MSME	226,991	-
Total	226,991	-

NOTE-18

CURRENT BORROWINGS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
<u>Secured:</u>		
(a) Loans repayable on demand SBI CC A/c	17,360,882	17,616,486
(b) Loans and advances from related parties		
(c) Deposits		
(d) Other loans and advances		
	17,360,882	17,616,486
<u>Unsecured:</u>		
(a) Loan from Directors	-	-
(b) Loan from Relatives of Directors	-	-
(c) Deposits	-	-
(d) Other loans and advances	-	-
	-	-
Total	17,360,882	17,616,486

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 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Trade Payables		
Total O/s Dues of MSME	-	-
Total o/s Dues of other than MSME	4,956,600	5,461,561
Total	4,956,600	5,461,561

NOTE-20

CURRENT FINANCIAL LIABILITY:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Current Maturity of Long Term Debts	4,193,972	1,751,815
Total	4,193,972	1,751,815

NOTE-21

CURRENT PROVISIONS:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
Provision for employee benefits		
Unpaid Salary	218,209	1,640,569
Others Provisions (Specify nature)		
Unpaid Expences	6,469	75,112
Unpaid Audit Fees	55,000	30,000
Provision for Standard Asset	163,515	-
Total	443,193	1,745,681

NOTE-22

OTHER CURRENT LIABILITIES:

Particulars	As at 31/03/2020	As at 31/03/2019
	Amount(Rs.)	Amount(Rs.)
TDS / TCS Payable	554,627	172,785
GST Payable	357,847	-
Advances from customers	193,958	174,343
Income Tax Provision FY 2018-19	4,733,219	-
Inacometax provision past years(nanuan Finance Pvt Ltd)	81,122	-
Neelam Rajiv Shah	12,200,000	-
Hardik Jayprakash Shah	900,000	-
Total	19,020,773	347,128

Payment to Neelam Rajiv Shah & Hardik J Shah is towards share purchase of 100% owned subsidiary.

A & M JUMBO BAGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON
31ST MARCH,2020

NOTE - 23

REVENUE FROM OPERATIONS:

Particulars	As at 31/03/2020	As at 31/03/2019
Domestic Sales	58,332,778	79,342,279
Interest Income(Nanuan Finance Pvt. Ltd.)	99,000	-
TOTAL	58,431,778	79,342,279

NOTE - 24

OTHER INCOME:

Particulars	As at 31/03/2020	As at 31/03/2019
Intrest Income	2,204,783	994,309
Other Discount	-	30,764
Balance written off	-	31,161
Kasar VataV	9,702	30,573
Testing and Certification Charges	-	6,606
Testing Report Expense	-	5,000
Subsidy Received	500,000	-
Misc Income	18,413	-
Printing Charges	32,915	53,793
Commission Income	387,519	-
TOTAL	3,153,332	1,152,206

NOTE - 25

COST OF MATERIAL CONSUMED:

Particulars	As at 31/03/2020	As at 31/03/2019
Raw Materials:		
Opening Stock	10,362,885	9,735,448
Add: Purchases	37,507,826	51,247,022
Less: Closing Stock	11,018,182	10,362,885
TOTAL	36,852,529	50,619,585

NOTE - 26

PURCHASE OF STOCK-IN-TRADE

Particulars	As at 31/03/2020	As at 31/03/2019
Purchases	-	-
TOTAL	-	-

NOTE - 27		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK -IN-TRADE		
Particulars	As at 31/03/2020	As at 31/03/2019
Inventories at the end of the year:		
Stock-in-trade	-	-
Work-in-progress	860,520	656,448
Finished Goods	10,509,688	9,319,552
TOTAL	11,370,208	9,976,000
Inventories at the beginning 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
Net(Increase) / Decrease	(1,394,209)	(8,517,889)
NOTE-28		
EMPLOYEE BENEFITS EXPENSES:		
Particulars	As at 31/03/2020	As at 31/03/2019
Salaries, Wages & Bonus	10,368,287	10,502,063
Staff Welfare Expenses	45,815	101,592
Managerial Remuneration	471,500	4,120,000
TOTAL	10,885,602	14,723,655
NOTE-29		
FINANCE COSTS:		
Particulars	As at 31/03/2020	As at 31/03/2019
Interest Expenses :		
Intrest of Unsecured Loan	2,340,653	614,765
Intrest on Term Loan	2,629,460	685,432
Interest on Late Payments of TDS	111,626	73,605
Interest & Penalty on GST	22,176	-
EMI overdues Interest and Penalty	23,201	-
Overdraft Interest Charges	1,809,796	429,631
Bank Charges	91,790	54,165
Interest on Income Tax	-	208,653
TOTAL	7,028,702	2,066,251

NOTE-30		
DEPRECIATION AND AMORTIZATION EXPENSES :		
Particulars	As at 31/03/2020	As at 31/03/2019
Depreciation on Tangible Assets	1,928,770	792,327
TOTAL	1,928,770	792,327
NOTE-31		
OTHER EXPENSES:		
Particulars	As at 31/03/2020	As at 31/03/2019
Direct Expenses:		
Electric Burning Expense	266,474	309,999
Factory Rent Expense	868,243	926,124
Freight Expense	-	78,346
Manufacturing Expense	10,200	15,500
Total(a)	1,144,917	1,329,969
Administration Expenses:		
Accounting exp	28,000	-
Audit fees	65,000	30,000
Round off	-	361
Bad Debts/ Balance Written off	574,204	-
Computer Expense	8,192	18,506
Consulting Charges	102,300	75,200
CST Assesment FY 14-15 paid	104,744	-
Courier Expense	14,116	17,370
Credit Reduce	31,131	-
Discount	4,000	4,190
Donation	11,000	10,500
Electrical Expense	12,569	28,738
Inspection Charges	29,500	-
Insurance Expense	80,125	92,553
GST late fees exp	13,300	-
Jetalpur Grampanchayat Tex	7,762	-
Kasar Vata	86,906	67,485
Machinery Repairing Expense	131,237	53,950

Misc Expense	60,638	12,805
Office Expense	124,512	44,419
Provision against standard asset	86,875	-
Printing Screen Charges	22,186	-
Stationery, Printing & xerox Expense	17,932	2,745
Machinery Spare parts	211,913	289,774
Telephone Expense	28,152	21,926
Water Expense	16,000	-
Staff Insurance Expense	315,060	306,411
Other staff expenses	38,000	-
Listing Charge (NSDL-NSE)	106,500	101,435
Loan Processing Charges	77,605	874,299
Excise duty	-	182,973
Mis Repairing	70,224	-
Reversed Charge Paid	4,254	-
ROC Exps	950,000	550,000
Vat Assessment Fees paid	40,630	-
Total(b)	3,474,567	2,785,640
Selling & Distribution Expenses:		
Advertisement Exp	457,800	34,400
Commission Expense	-	441,615
Business Development Expense	845,155	6,305
Packing Expense	-	6,157
Travelling Expenses	-	7,122
Total(c)	1,302,955	495,599

NOTE-32
EXCEPTIONAL ITEMS

Particulars	As at 31/03/2020	As at 31/03/2019
Excess Provision of Income tax written off	-	25,503
Total	-	25,503

NOTE-33
TAXATION

Income tax Expense

Particulars	As at 31/03/2020	As at 31/03/2019
Current Tax		
Current tax on profits for the year	550,000	4,733,219
Adjustments for current tax of prior periods	-	-
Total Current Tax Expense	550,000	4,733,219
Deferred Tax		
(Deferred tax asset)/deferred tax liabilities	210,528	(1,009)
Total Deferred Tax Expense	210,528	(1,009)
Income Tax Expense	760,528	4,732,210

NOTE-34
FAIR VALUE MEASUREMENT

(i) Financial instruments by category

PARTICULARS	AS AT MARCH 2020		AS AT MARCH 2019	
	FVPL	Amortised Cost	FVPL	Amortised Cost
FINANCIAL ASSETS				
Investment	-		-	-
Loan	-	53,810,940	-	96,650
Trade Receivable	-	20,478,484	-	22,083,836
Other Financial Assets	-	45,800,000	-	48,413,929
Cash and cash equivalents		2,280,609		4,686,527
TOTAL FINANCIAL ASSETS	-	122,370,033	-	75,280,942
FINANCIAL LIABILITY				
Borrowing	-	88,591,927	-	89,468,722
Trade Payable	-	5,183,591	-	5,461,561
Other Financial Liability	-	4,193,972	-	1,751,815
TOTAL FINANCIAL LIABILITY	-	97,969,490	-	96,682,098

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

Particulars	AS AT MARCH 2020		AS AT MARCH 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Security deposits	96,650	-	96,650	-
Total Financial Assets	96,650	-	96,650	-

The carrying amounts of trade current loans, receiveables, 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.)

Key management personnel and Director compensation

Particular	Year ended 2020	Year ended 2019
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Short-term employee benefits	471500	4120000
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A & M JUMBO BAGS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2020

NOTE-1

PROPERTY, PLANT AND EQUIPMENT

Sr No.	Particulars	GROSS BLOCK				DEPRECIATION PROVIDED				NET BLOCK	
		As at 01.04.2019	Additions during the year	Sales/ Adjustments during the year	As at 31.03.2020	Provided up to 31.03.2019	Provided during the year	Deductions / Adjustments	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
		(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A	<u>Tangible Assets:</u>										
	LAND	35,484,030	-	-	35,484,030	-	-	-	-	35,484,030	35,484,030
	SHED AND ACCOMODATION	262,502	-	-	262,502	47,558	21,195	-	68,753	193,749	214,944
	AIR CONDITIONER	107,717	35,938	-	143,655	57,003	21,723	-	78,726	64,928	50,714
	BIKE	40,000	-	-	40,000	27,535	4,113	-	31,648	8,352	12,465
	CCTV CAMERA	49,950	-	-	49,950	19,133	21,896	-	41,030	8,920	30,817
	COMPUTER	98,586	-	-	98,586	89,001	3,370	-	92,371	6,215	9,585
	ELECTRIC INSTALLTION	409,673	-	-	409,673	268,141	42,214	-	310,355	99,318	141,532
	FURNITURE	68,643	11,021	-	79,664	36,721	11,285	-	48,006	31,658	31,922
	MACHINERY	4,277,734	251,000	-	4,528,734	2,981,969	317,406	-	3,299,375	1,229,359	1,295,765
	MOBILE	147,035	-	-	147,035	62,190	42,806	-	104,997	42,038	84,845
	TV	8,999	-	-	8,999	8,222	311	-	8,533	466	777
	VEHICLE	4,636,391	-	-	4,636,391	261,548	1,442,450	-	1,703,998	2,932,393	4,374,843
	Total	45,591,260	297,959	-	45,889,219	3,859,022	1,928,770	-	5,787,792	40,101,427	41,732,238
B	<u>Intangible Assets:</u>	-		-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
C	<u>Capital WIP</u>	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Total Rs.	45,591,260	297,959	-	45,889,219	3,859,022	1,928,770	-	5,787,792	40,101,427	41,732,238
	Previous year in Rs.	5,215,280	40,375,980	-	45,591,260	3,066,695	792,327	-	3,859,022	41,732,238	

A & M JUMBO BAGS LTD.
WORKING OF DEPRECIATION ALLOWABLE AS PER INCOME TAX ACT,1961
FINANCIAL YEAR - 2019-2020
ASSESSMENT YEAR - 2020-2021

Sr. No.	Particulars	Dep rate (%)	WDV as at 01/04/2019	Additions during the year		Sales/Subsi dy Recd	Total	Depreciation		WDV as at 31/03/2020
				Up to 30/9/2019	After 30/09/2019			Normal	Additional	
1	LAND	0.00%	35,484,030	-	-		35,484,030	-	-	35,484,030
2	PLANT & MACHINERY	15.00%	1,767,043	35,938	251,000	-	2,053,980	289,272	-	1,764,708
3	PLANT & MACHINERY	40.00%	5,863	-	-	-	5,863	2,345	-	3,518
4	FURNITURE & FIXTURES	10.00%	282,700	11,021	-	-	293,721	29,372	-	264,348
5	SHED AND ACCOMODATION	10.00%	201,995	-	-	-	201,995	20,200	-	181,796
6	ELECTRICAL INSTALLMENTS	10.00%	103,127	-	-	-	103,127	10,313	-	92,815
7	MOBILE	15.00%	110,682	-	-	-	110,682	16,602	-	94,080
8	VEHICLE	15.00%	4,270,171	-	-	-	4,270,171	640,526	-	3,629,645
	TOTAL		42,225,610	46,959	251,000	-	42,523,568	1,008,629	-	41,514,939

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH, 2020**

BACKGROUND:

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

The company has purchased 100% owned subsidiary NANUAN FINANCE PRIVATE LIMITED for 2,00,000 equity share of Rs. 100/- each (face value is Rs. 100/-) aggregating to Rs. 2,00,00,000/- for which RBI approval/NOC has been taken on 13/06/2019 and share transfer process completed informed by management to stock exchange on 23/12/2019, though we have not verified the share transfer form in absence of documents provided to us and we had completely relied upon information submitted to stock exchange on 23/12/2019.

We did not audit the financial statements of subsidiary NANUAN FINANCE PRIVATE LIMITED and included in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

1 Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these 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 standalone 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.

(ii) Historical cost convention:

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

Certain financial assets and financial liabilities measure at fair value;

Consolidation of Financial Statements:

We did not audit the financial statements of subsidiary NANUAN FINANCE PRIVATE LIMITED and included in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

Name of Subsidiary: Nanuan Finance Private Limited
Extent of Holding: 100% holding

Consolidation has been prepared for F.Y. 2019-20 only and comparative financials has not been consolidated as 100% subsidiary has been acquired during the year 2019-20.

In consolidated financials investment in subsidiary and equity share capital of subsidiary has been eliminated from consolidation.

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.

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. Government Grant:

Grant of Rs. 5,00,000/- has been received from state government for listing /IPO has been accounted to profit and loss account as expense of IPO has also been expensed off in respective accounting year.

15. 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.

16 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.

17 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.

18 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 (Rs.) Current Year	Amount (Rs.) Previous Year
1	Husenbhai S Saraiya	CFO	Managerial remuneration	327500.00	300000.00
2	Dhaval Parekh	CS	Managerial remuneration	90000.00	120000.00
3	Balwantsingh U Pannu	Director	Managerial remuneration	54000.00	-
4	Nanuan Finance Pvt. Ltd.	100% owned Subsidiary	Loan taken	2192000.00	-
5	Nanuan Finance Pvt. Ltd.	100% owned Subsidiary	Loan Repaid	1972069.00	-

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

We have not verified balance of any unsecured loan including unsecured loan from NBFC in absence of related documents provided to us 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	31/03/2020	31/03/2019
Deferred Tax Liability (Asset)	(53992)	(55001)
Add: Deferred Tax Liability (Asset)	(210528)	1009
<u>Net Deferred Tax Liability (Asset)</u>	<u>(264520)</u>	<u>(53992)</u>

Net Deferred Tax Asset as on 31.03.2020 is Rs. 264520.00

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

6. Remuneration:

Total Managerial Remuneration of Rs. 471500.00 paid during the year is as below:

Husenbhai S Saraiya-Rs. 327500.00

Dhaval Parekh-Rs. 900000.00

Balwantsingh U Pannu- Rs. 54000.00

7. Remuneration to Auditors:

Particular	2019-20	2018-19
Statutory Audit	15000	15000
Tax Audit	15000	15000

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	IPO related grant of Rs. 5 Lacs of state

		government has been accounted in profit and loss account.
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
UDIN: 20131188AAAAFS8289

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

D/-SD/-
Varun J. Shah
Director
DIN:07740874

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

SD/-
Samir Patel
CFO
PAN: ASEPP2603A

Place: Ahmedabad
Date: 21/08/2020

Place: Ahmedabad
Date: 21/08/2020