Jumbo Bag Ltd.

BLISS GROUP
WE SHARE OUR JOY

AN ISO 22000, 9001 & BRC / IOP CERTIFIED COMPANY

JSE/AGM/2018-2019 14.08.2018

The General Manager,
Department of Corporate Services,
M/s. BSE Limited,
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai – 400 001
Phone No. 91-22-22721233/4

SUB: Annual Report – 2018
REF: Scrip Code No.516078

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In continuation to intimation of Proceeding of the 28th Annual General Meeting held on 13.08.2018, Monday at 10.00 a.m., we herewith enclose the Annual Report of the Company for the Financial Year 2017-18 as approved by the Shareholders in AGM.

This is for your kind information.

Yours faithfully,
For JUMBO BAG LIMITED

Jumbo Bag Limited CHENNAI

R. PRAMOD KUMAR
Company Secretary

"IF YOU ARE SATISFIED TELL OTHERS, IF NOT TELL US"

Regd. Off. : "SK ENCLAVE" New No. 4, (Old No. 47), 1st Floor, Nowroji Road, Chetpet, Chennai - 600 031.
Phone : 91-44-2645 2325, 2645 1722, 2646 1415, Fax : 91-44-2645 1720
E-mail : info@blissgroup.com Website : http://www.blissgroup.com
CIN : L36991TN1990PLC019944

Jumbo Bag Limited

2017-2018
ANNUAL REPORT

BLISS GROUP

WE SHARE OUR JOY

CORPORATE INFORMATION

BOARD OF DIRECTORS
(As on 31st May 2018)

SMT RENUKA MOHAN RAO	Chairman
SRI G.S. ANIL KUMAR	Managing Director
SRI G.P.N. GUPTA	Whole-Time Director & CFO
SRI G. RADHAKRISHNA	Director
DR. GADDAM KUMAR REDDY	Director
SMT S. SUBHASHINI	Director
SRI. M.V. ANANTHAKRISHNA	Additional Director

AUDIT COMMITTEE

SMT RENUKA MOHAN RAO	Chairman
SRI G.P.N. GUPTA	Member
SMT S. SUBHASHINI	Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. R. PRAMOD KUMAR

REGISTERED OFFICE:
"S.K. Enclave", New No.4 (Old No.47),
Nowroji Road, Chetpet,
Chennai – 600 031
Phone: 044–26451722, 26461415, 26452325
Fax: 91-44-26451720
Website: www.jumbobaglimited.com
CIN: L36991TN1990PLC019944

PLANT LOCATION:

Unit I: No.75, Thatchur Kootu Road, Panjetty Village, Ponneri Taluk, Tiruvallur District – 601 204

Unit II: No.106, G.N.T. Road, Alingivakkam P.O., Athipedu Village, Chennai – 600 067

Unit III: No.110, Peruvoyal Village, Thiruvallur District, Tamil Nadu - 601206.

STATUTORY AUDITORS:

M/s. J.V. RAMANUJAM & CO
Chartered Accountants,
F1 Lakshmi, No.56, Third Main Road
Raja Annamalaipuram Chennai – 600 028

BANKERS:
State Bank of India

REGISTRARS & SHARE TRANSFER AGENT:
M/s. Cameo Corporate Services Limited,
Subramaniam Building,
No.1, Club House Road, Chennai – 600 002
Phone: 044-28460390
Fax: 044-28460129

LISTING:
The Bombay Stock Exchange Limited

MISSION

To provide a one-stop-solution through continuous innovation and total employee involvement.

VISION

To be a world leader in the field of packaging.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs has taken a ***"Green Initiative in the Corporate Governance"*** *by allowing paperless compliances by the companies and has issued circulars, stating that service of notice/ documents including Annual Report can be sent by e – mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e – mail addresses, so far, are requested to register their e – mail addresses in respect of electronic holdings with the depository through their concerned Depository Participants*

TABLE OF CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 28th Annual General Meeting of the members of JUMBO BAG LIMITED will be held at Narada Gana Sabha Trust Mini Hall, No.314, T.T.K. Road, Chennai - 600018 at 10.00 A.M. on Monday, the 13th August, 2018 to transact the following:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as on 31st March, 2018 and the statement of Profit & Loss for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sri G. Radhakrishna (DIN: 00279233) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

   “**Resolved that** pursuant to Sections 196 and 197 of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Act, consent of the members be and is hereby accorded to the re-appointment of Sri. G.S. Anil Kumar (DIN: 00080712) as Managing Director of the Company for a period of three years with effect from 1st April, 2019 to 31st March, 2022 on the terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year.

   Resolved further that the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013.

   Resolved further that the terms and conditions of appointment and remuneration specified in the Explanatory Statement may be revised, enhanced, altered and varied from time to time, by the Board of Directors of the Company, including any Committee thereof, as it may, in its discretion deem fit, so as not to exceed the limits specified in Schedule V to the Act including any amendments, modifications made hereinafter in this regard.

   Resolved further that Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   “**Resolved that** pursuant to Sections 196 and 197 of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Act, consent of the members be and is hereby accorded to the re-appointment of Sri. G.P.N. Gupta (DIN: 00086174) as Whole-Time Director of the Company for a period of three years with effect from 1st April, 2019 to 31st March, 2022 on the terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year.

   Resolved further that the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013.

   Resolved further that the terms and conditions of appointment and remuneration specified in the Explanatory Statement may be revised, enhanced, altered and varied from time to time, by the Board of Directors of the Company, including any Committee thereof, as it may, in its discretion deem fit, so as not to exceed the limits specified in Schedule V to the Act including any amendments, modifications made hereinafter in this regard.

   Resolved further that Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   “**RESOLVED that** pursuant to the provisions of Sections 149, 152, 161(1) and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri. M.V. Ananthakrishna (DIN: 00897536), who was appointed as an Additional (Independent)

Director of the Company by the Board of Directors at its meeting held on May 26, 2018 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from May 26, 2018."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   "**Resolved that** pursuant to Section 180(1)(a) of the Companies Act, 2013 and the rules made thereunder, the Memorandum and Articles of Association of the company, consent of the members be and is hereby accorded to sell, lease, mortgage and / or create charge, in addition to the mortgages / charges created / to be created by the company in such form and manner and with such ranking and at such time and on such terms and conditions as may be determined, on all or any of the movable and / or immovable properties of the company and / or the interest held by the company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s) of the company, in favour of lender(s), agent(s) and trustee(s) for securing the borrowings of the company availed / to be availed by way of loan(s) and other credit facilities together with interest at the respective agreed rates and all other costs, charges and expenses and all other monies payable by the company in terms of the loan agreement(s) or any other agreement / document, entered into / to be entered into between the company and the lender(s) / agent(s) and / or trustee(s), in respect of the said loans, borrowings which shall not, at any time exceed Rs. 100 crores (Rupees One hundred crores only) and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the company and the lender(s), agent(s) and / or trustee(s).

   Resolved further that the Board of Directors of the company (including any committee thereof), be and is hereby authorised to finalise and execute such debenture trust deeds or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and all such deeds, documents, instruments or writings as may be necessary, proper, desirable or expedient as they may deem fit and to do all such acts, deeds and things and give such directions, as may be deemed necessary, desirable or expedient, to give effect to this resolution."

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The proxy form duly stamped and executed should be deposited / lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of Limited Companies, Societies etc., must be supported by an appropriate resolution / authority, as applicable.
- Members / Proxies should bring the Attendance slip duly completed, signed and stamped for attending the meeting. Members are requested to bring their copy of the Annual Report. No additional copies will be provided at the venue.
- During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.
- Additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the re-appointment and appointment of Directors as mentioned under item no. 2, 3, 4 and 5 of this notice is appended. Further, the Company has received relevant disclosure/consent from the Director seeking appointment.
- The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to special business at the meeting, is annexed hereto.
- Members are requested to intimate the Company, queries, if any, regarding the accounts/notice, not less than seven days before the meeting to enable the management to keep the required information readily available at the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 7th August, 2018 to 13th August, 2018 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the SEBI (Listing Obligations and Disclosures Requirements Regulations) 2015 entered into with the Stock Exchanges.
- A route map along with prominent landmark for easy reach to the venue of annual general meeting is annexed with this notice.
- The Company is concerned about the environment and utilizing natural resources in a suitable way. We request you to update your email address with your Depository participant to enable us to send all the communications via email.
- Annual Report 2018 with Attendance Slip and Proxy form are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participant (s) for communication purpose unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018 are being sent by the permitted mode.
- Members may note that the Notice of the 28th Annual General Meeting and the Annual Report 2018 will also be available on the Company's website www.jumbobaglimited.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection between working hours 11.00 A.M to 1.00 P.M. except on holidays. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at csjbl@blissgroup.com
- The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Cameo Corporate Services Limited, the Registrar & Share Transfer Agent of the Company.
- **E Voting & its procedures:**

Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 28th Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited. E-Voting is optional.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, 6th August, 2018, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 9.00 a.m. on Friday, 10th August, 2018 and will end at 5.00 p.m. on Sunday, 12th August, 2018. The Company has appointed Smt. Lakshmmi Subramanian, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast and she has communicated her willingness to be appointed.

The Scrutinizer, after scrutinising the votes cast at the meeting (Insta Poll) and through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.jumbobaglimited.com and CDSL website. The results shall simultaneously be communicated to the Bombay Stock Exchange Limited.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

In case of members receiving e-mail:

i. Log on to the e-voting website www.evotingindia.com

ii. Click on "Shareholders" tab.

iii. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

iv. Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.

v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

vi. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN field. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case either of the details is not recorded with the depository please enter the <Default Value> in the Dividend Bank details field.

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on <Company Name> on which you choose to vote.

xi. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvi. If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

xvii. Institutional shareholders i.e. other than Individuals, HUF, NRI etc. are required to log on to https://www.evotingindia.co.in and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- Please follow all steps from s. no. (i) to s. no. (xvii) above to cast vote.
- The voting period begins on 10.08.2018 and ends on 12.08.2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 06.08.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

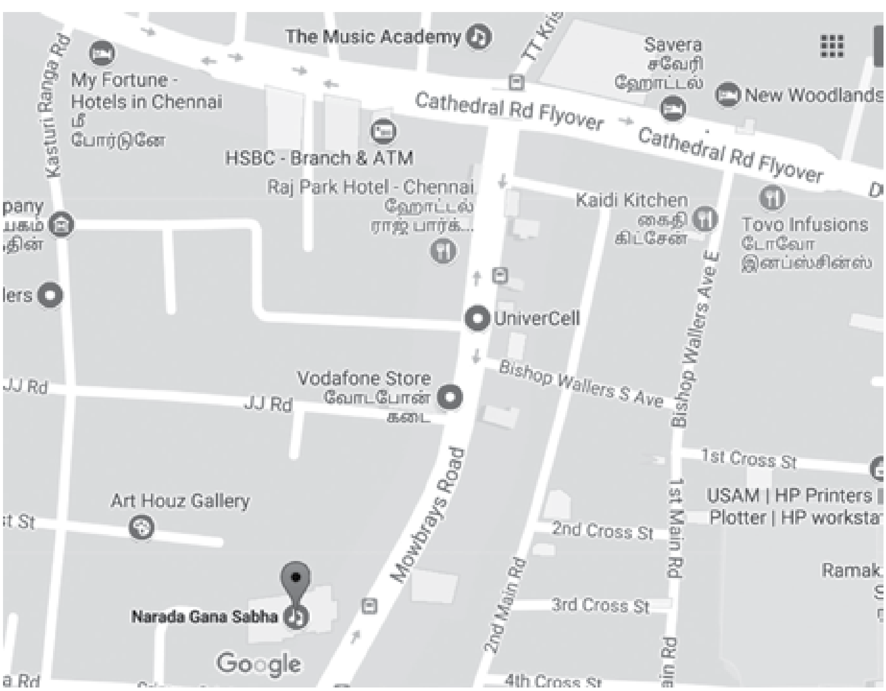
Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:

(i) The manner of voting for the members being present in the General Meeting will be on "proportion principle' i.e. one share – one vote unlike one person one vote principle, further provision of the Companies Act, 2013 relating to demand for poll will not be relevant.

(ii) The option of voting by show of hands will not be available for members present in the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, i.e. voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.

(iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.

For your immediate reference, we also give below the location / route map to reach the venue of the Annual General Meeting of the Company.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 3

Sri G.S. Anil Kumar has been associated with Jumbo Bag Limited since the beginning of his career in 1992 as a management trainee. He was trained in the finance line and was heading the finance portfolio of the company. He was appointed as Managing Director of the Company from 1st April 2016 for a term of three year up to 31st March 2019. His array of exposure has extended to areas like Project Planning and Execution, Finance, Costing and Cost Control, Commercial handling including contracts and Modern Management Initiatives, legal matters, Management Quality System, etc. By his rich and varied experience the company has benefited. Sri G.S. Anil Kumar has played a key role in taking the company to a level up with his professional diligence. He has also been spearheading the IOCL DCA business of the Company.

The Board of Directors of the Company at its meeting held on 26th May, 2018 re-appointed Sri. G.S. Anil Kumar (DIN: 00080712) as Managing Director of the Company for a period of three years with effect from 1st April, 2019 to 31st March, 2022 not liable to retire by rotation on the basis of recommendation of Nomination and Remuneration Committee subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

The principal terms and conditions of re-appointment of Sri. G.S. Anil Kumar (DIN: 00080712) as Managing Director inter alia contain the following.

(1) **Term of Appointment** – 3 years with effect from 1st April, 2019 to 31st March, 2022

(2) **Salary:** Rs.1,25,000/- (Rupees One Lakh Twenty Five Thousand only) per month;

(3) **Perquisites:**

i. Housing: Furnished/ unfurnished residential accommodation or house rent allowance of 60% of salary in lieu thereof; the expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per Income Tax rules, 1962.

ii. Medical Reimbursement: Expenses incurred for Director and his family as per Company's rules;

iii. Leave Travel Concession: For Director and his family, once in a year, incurred in accordance with the Company's rules;

iv. Club Fees: Fees of Clubs, subject to a maximum of two clubs. This will not include admission and life membership fees;

v. Personal Accident Insurance: Premium as per the Company's rules;

vi. Contribution to Provident Fund, Superannuation Fund, Annuity Funds and Gratuity/Contribution to Gratuity Fund under the Company's rules;

vii. Encashment of leave not availed of by Director as per the Company's rules;

viii. Provision of Car and Telephone at his residence for his use; and

ix. Such other benefits, amenities and facilities as per the Company's rules;

A copy of the draft letter of appointment for Managing Director, setting out the terms and conditions for appointment is available for inspection by the Members at the registered office of the Company during business hours on any working day till the date of ensuing Annual General Meeting and is also available on the website of the Company www.jumbobaglimited.com.

Except Sri. G.S. Anil Kumar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

The Board recommends the passing of the Special Resolution as set out in the Item no.3 of the Notice for re-appointment of Sri. G.S. Anil Kumar (DIN: 00080712) as Managing Director.

Item No. 4

Sri. G.P.N Gupta with his experience in the various fields like finance, costing and cost control, commercial handling etc. and in particular in the FIBC industry from being associated in the Company since its early periods has been driving Company's transformation efforts.

He held various positions in the Company as Director Finance, Joint Managing Director and was appointed as the Managing Director of the Company with effect from 1st April, 2008 and was driving the Company as such till 31st March, 2016. In order to transition the Company to the next generation he step down from the position and was appointed as the Whole-Time Director for his continuous guidance to the younger generation in growth of the Company with effect from 1st April, 2016 for a term of 3 years.

The term of Sri. G.P.N Gupta expires on 31st March, 2019 and the Board of Directors of the Company re-appointed G.P.N. Gupta (DIN: 00086174) as Whole-Time Director of the Company for another term of three years with effect from 1st April, 2019 to 31st March, 2022 on the basis of recommendation of Nomination and Remuneration Committee subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

The principal terms and conditions of re-appointment of Sri. G.P.N. Gupta (DIN: 00086174) as Whole-Time Director inter alia contain the following.

(1) **Term of Appointment** – 3 years with effect from 1st April, 2019 to 31st March, 2022

(2) **Salary:** Rs.1,00,000/- (Rupees One Lakh only) per month;

(3) **Perquisites:** Provision of car and reimbursement of fuel charges apart from all travelling and out of pocket expenses that may be incurred by him in relation to the official business of the Company."

A copy of the draft letter of appointment for Whole-Time Director, setting out the terms and conditions for appointment is available for inspection by the Members at the registered office of the Company during business hours on any working day till the date of ensuing Annual General Meeting and is also available on the website of the Company www.jumbobaglimited.com.

Except Sri. G.P.N. Gupta, being an appointee, and Sri. G. Radhakrishna (DIN: 00279233) Director of the Company and relative of the appointee none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

The Board recommends the passing of the Special Resolution as set out in the Item no.4 of the Notice for re-appointment of Sri. G.P.N. Gupta (DIN: 00086174) as Whole-Time Director.

Item No. 5

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company have appointed Sri. M.V. Ananthakrishna (DIN: 00897536) as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

As an Additional Director, Sri. M.V. Ananthakrishna holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") from a Member signifying his intention to propose the appointment of Sri. M.V. Ananthakrishna as a Director of the Company. The Company has also received a declaration from Sri. M.V. Ananthakrishna confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Sri. M.V. Ananthakrishna is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Sri. M.V. Ananthakrishna fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

Sri. M.V. Ananthakrishna is a Certified Management Consultant and Fellow of Institute of Management Consultants. He is a MBA in Computer Information Systems and Strategic Planning and Bachelor of Engineering (Electronics and Communications). He has over three and a half decades of consulting / business development experience in India, USA, Canada, Singapore, Indonesia and Thailand. He has conducted several

Energy Management / Combined Heat and Power (CHP) studies and implemented projects leading to large financial savings. He has strong abilities in computer aided financial analysis, planning business turnaround and monitoring sick companies, designing executive information systems, implementing company/group wide cost improvement programs and formulating energy strategy for on site power generation. Sri. M.V. Ananthakrishna's rich professional experience and background will be a valuable asset to the company and the Board.

Accordingly, the Board recommends passing of Special Resolution as set out in Item no.5 of the Notice for appointment of Sri. M.V. Ananthakrishna as Independent Director, not liable to retire by rotation.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working day and is also available on the website of the Company www.jumbobaglimited.com.

Except Sri. M.V. Ananthakrishna, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

Item No. 6

Pursuant to Section 180(1)(a) of the Companies Act 2013, consent of the Company by Special Resolution is required to be obtained by the Board of Directors to create mortgages or charges or hypothecation on the movable and/or immovable properties and assets of the Company.

The Company has been taking various credit facilities from the banks and is required to create mortgages or charges or hypothecation on the assets to secure those facilities. Hence, it is proposed to seek approval of the shareholders for creating such mortgages and/or charges on the assets and properties of the Company, both present and future for securing borrowings upto a limit Rs.100 crores.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution for approval by the members.

Additional Disclosure for Item No:3 & 4

As required under Part II, Section II of Schedule V of the Companies Act, 2013, the following information is furnished:

I. GENERAL INFORMATION ABOUT THE COMPANY:

• **Nature of Industry:** Manufacturing – FIBC Bags

• **Financial Performance:** Total turnover of the Company during the year 2017-18 crossed Rs. 100 crores and profit after tax during the year is Rs.109.28 lakhs compared to Rs.61.56 lakhs made in the previous year ended 2016-2017.

II. INFORMATION ABOUT THE APPOINTEE:

• **Background details and Recognition or awards**

Sri G.S. Anil Kumar has been associated with Jumbo Bag Limited since the beginning of his career in 1992 as a management trainee. He was trained in the finance line and was heading the finance portfolio of the company. His array of exposure has extended to areas like Project Planning and Execution, Finance, Costing and Cost Control, Commercial handling including contracts and Modern Management Initiatives, legal matters, Management Quality System, etc.

He was appointed as Managing Director of the Company w.e.f 1st April, 2016 when the Company was still recovering from the fire accident in year 2013. Under his leadership and with the guidance of other directors the company cruised to higher performance with implementation of efficient strategies which reflected in higher sales and turnover. He has also been spearheading the IOCL DCA business of the Company which is being highly profitable division of the Company.

Sri. G.P.N Gupta with his experience in the various fields like finance, costing and cost control, commercial handling etc. and in particular in the FIBC industry from being associated in the Company since incorporation has been driving Company's transformation efforts. He was holding various positions in the company at difference periods and was appointed as Managing Director w.e.f from 1st April, 2008. He later step out from the position in 31st March, 2016 and continues to guide the company to effectively hand over the baton. He was appointed as the whole-Time Director of the Company in 2016 and since then he has been guiding the Company with the experience he has gained in the industry.

• Past Remuneration

Sri G S Anil Kumar has drawn Rs. 14.28 lakhs during the year 2017-18

Sri. G P N Gupta has drawn Rs. 12.00 lakhs during the year 2017-18

• Job profile and his suitability

G.S. Anil Kumar

The job involves handling the performance of various departments and managing the day to day operations of the Company and making strategic decisions. Sri. G.S. Anil Kumar being associated with Company from the beginning of his career has in depth knowledge on the working of departments and the market being serviced by the Company. He being a Chartered Accountant has specifically handled finance department during his initial period in the company.

G.P.N. Gupta

The job involves handling the operations of the Company and guiding the management in making strategic decisions having impact on the Company's performance. Sri. G.P.N Gupta has been associated with the Company since its early years and has a deep knowledge about the FIBC market. He has been guiding the Company in making critical decisions with all the experience he has gained through the years.

• Remuneration proposed

Remuneration details are given in the explanatory statement of item no. 3 & 4.

• Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The proposed remuneration Sri. G.S. Anil Kumar and Sri. G.P.N Gupta is reasonable when compared to the prevailing remuneration in the industry of similar size for similarly placed persons. There is no change in Remuneration paid to Sri. G.P.N Gupta and there is no significant difference in the remuneration to Sri. G.S. Anil Kumar compared to the previous years when the company was running under loss.

• Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Sri. G.S. Anil Kumar and Sri. G.P.N Gupta belong to the family of promoters of the Company and are holding 1,15,873 and 32,550 shares respectively. Sri. G.S. Anil Kumar is nephew of Sri. G.P.N Gupta.

III. OTHER INFORMATION:

• Reasons of loss or inadequate profits

In actual terms the net profit before tax of the Company has increased by 33.32% from Rs.108.50 lakhs in 2016-2017 to 144.65 lakhs in 2017-2018. But the company was unable to reach the adequate profits due to pressure on pricing as a result of more competition in the market, slowdown in sales during the period of implementation of GST and increase in prices of raw materials on the back higher petroleum prices. Yet your company has improved its performance post the fire accident in the year 2013 and achieved a turnover over 100 crores and has positive outlook in the coming financial year.

• Steps taken or proposed to be taken for improvement

The Company has increased its sales turnover year by year and shown profits for the straight two years. To further enhance the sales new export markets are being worked out and sales to new regions will be started in the coming years. To reduce the cost of production your company has already commenced a new plant in the year 2017 to internally manufacture the outsourced capacity. These new strategies are expected to increase the sales of the Company in the financial year 2018-2019.

• Expected increase in productivity and profits in measurable terms

Though increase in competition in the market and higher prices of raw material having impact on the margins the above measures are expected to increase the productivity and profits of the Company.

AS PER REGULATION 36(3) OF SEBI LODR 2015 AND AS PER SECRETARIAL STANDARDS ON GENERAL MEETINGS INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED IN ITEM NO. 2, 3, 4 AND 5 IS GIVEN BELOW:

Name of Director	**Sri. GPN Gupta**	**Sri. G.S. Anil Kumar**	**SRI. M.V. Ananthakrishna**	**Sri. G. Radhakrishna**
Date of Birth / Age	72	49	60	66
Qualification	Graduate in Commerce	Chartered Accountant	FIMC, CMC, MBA, B.E	SSLC
Experience	48 years	25 years	32 years	35 years
Terms and Conditions of Appointment/Re-appointment	Re-appointment as Whole-Time for a period of three years w.e.f 1st April, 2019.	Re-appointment as Managing for a period of three years w.e.f 1st April, 2019.	Appointed as independent Director of the Company for a period of 5 years with effect from 26.05.2018	-
Date of First Appointment	29/11/1990	22/10/2007	31/05/2010	01/06/1991
Expertise in specific General Functional area	Corporate Finance and General Management	Corporate Finance and General Management	General Management, Business Development, Integrated Appraisal of Organizations, Cost Improvement	General Management
Shareholding in the Company	115873	32550	-	100495
Relationship with other directors and KMP	Brother of Sri. G Radhakrishna, non-executive director in the Company	Nephew of Sri. G Radhakrishna and Sri. G.P.N. Gupta	Nil	Brother of Sri. G.P.N. Gupta, Whole-Time Director in the Company
No. of Board meetings attended during FY17-18	6	6	3	6

List of outside Directorships held	1. Stanpacks (India) Limited. 2. Ankur Learning Solutions Private Limited	1. Magic land Ventures Pvt. Ltd. 2. Indian Flexible Intermediate Bulk Container Association. 3. Magic Thrills & Adventures Pvt Ltd.	1. VBC Ferro Alloys Ltd 2. VBC Industries Ltd 3. M K Raju Consultants Private Limited	1. JBL Saks Private Limited 2. Dinesh Polyfab Private Limited
Chairman / Member of the Committee of the Board of Directors of the Company	1. Audit Committee-Member 2. Stakeholders' Relationship Committee – Member 3. Share Transfer Committee - Member	Nil	Nil	1. Nomination and Remuneration committee – Member 2. Stakeholders' Relationship Committee – Chairman 3. Share Transfer Committee - Chairman
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director	STANPACKS (INDIA) LIMITED 1. Audit Committee-Member 2. Nomination and Remuneration committee – Member 3. Stakeholders' Relationship Committee – Member 4. Share Transfer Committee - Member	Nil	VBC Ferro Alloys Ltd 1. Audit Committee Chairman 2. Nomination and Remuneration committee – Chairman 3. Investors' Grievance & Share Transfer Committee - Member VBC Industries Ltd Audit Committee-Member	
*Details of Remuneration to be approved	Rs.1,00,000 p.m	Rs.1,25,000 p.m		
*Last approved Remuneration drawn	Rs.1,00,000 p.m	Rs.1,00,000 p.m		

* Note : Refer to explanatory statement for the details of perquisites paid.

DIRECTORS' REPORT

To the Members,

Your Directors present their 28th Annual Report together with the audited statement of accounts of the Company for the financial year ended 31st March 2018

FINANCIAL RESULTS:

(Rs in Lakhs)

PARTICULARS	2017-18	2016-17
SALES AND OTHER INCOME	10741.11	10090.43
PROFIT BEFORE INTEREST, DEPRECIATION & TAXES	703.05	710.60
INTEREST	379.22	433.02
DEPRECIATION	179.18	169.08
PROFIT/ (LOSS) BEFORE TAX	144.65	108.50
TAX EXPENSES	35.37	46.94
PROFIT/ (LOSS) AFTER TAX	109.28	61.56
PROFIT AVAILABLE FOR APPROPRIATION	109.28	61.56

OPERATIONS AND FINANCIAL PERFORMANCE:

The Accounting Standard Ind AS become applicable for the company with effect from 1st April, 2017 and this is the first financial year where yearly accounts are presented based on the new standards. The figures for the previous year 2016-17 has been accordingly adjusted as per the new Ind AS requirements.

Despite the constraints due to some external factors such implementation of GST which came to effect from July, 2017 and increasing crude oil prices your company was able to put up satisfactory performance during the financial year 2017-2018.

During the year the Company crossed Rs. 100 crores turnover achieving total revenue of Rs. 10741.11 lakhs. The Company made a net profit of Rs. 109.28 lakhs during the financial year 2017-18 against Rs.61.56 lakhs in the previous year. Though there has been continuous pressure on margins due to increase in raw material prices and intense competition the Company showed improved results by increasing the efficiency of the units and implementing various cost control measures. The new unit of the Company at Thiruvallur District of Tamil Nadu which commenced production in May 2017 also contributed in increased turnover of the Company.

During the year the Company initiated legal proceedings for the insurance claim on fire accident occurred in the year 2013 at its factory in Athipedu, Tamil Nadu. The Company has made claims from insurance companies with respect to loss of stock and fixed asset during the fire. A partial claim of Rs. 1.73 crores was already received while there has been no further payment on the remaining claims.

On the performance of the trading division where the Company is a distributor for Indian Oil Corporation Limited (IOCL), during the year division recorded increase in sales of 4.86% against the drop of 38% in the previous financial year 2016-17. Though the sales were affected due to implementation new tax reforms (GST) in the 1st quarter and shutdown of IOCL plant due to maintenance in the 2nd quarter the overall performance of the division has improved. The new plant that is being constructed by IOCL at Paradip is expected to start operations in this financial year which will further improve the availability of stocks to meet the market requirement.

DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with section 152 of the Companies Act, 2013 Sri G. Radhakrishna (DIN: 00279233) will retire by rotation at this ensuing Annual General Meeting. He being eligible, offers himself for re-appointment. The subject forms part of the ordinary business in the Notice of the 28th Annual General Meeting.

During the financial year the Company had to bear a huge loss with the death of Sri. K.J.M Shetty (DIN: 00033296) Independent Director and Chairman of the Board on 14th October, 2017. The Board expresses its heart felt grief on this irreparable loss.

Smt. Renuka Mohan Rao (DIN: 07542045) has been guiding the Board after her appointment as Chairman with effect from 12th December, 2017.

Sri M.V. Ananthakrishna (DIN: 00897536) Independent Director resigned from the Board of your Company with effect from 6th November, 2017. He has been re-appointed by the Board for the second term with effect from 26th May, 2018 which forms part of the notice for shareholders approval.

Sri Mutyala Rama Rao (DIN: 01172111) resigned from the Board with effect from 17th November, 2017.

The Board of Directors placed on record their appreciation for the valuable contribution made by Sri Mutyala Rama Rao for the growth of the Company during their tenure as Director of the Company.

Your Directors have re-appointed Sri. G.S. Anil Kumar (DIN:00080712) Managing Director with effect from 1st April, 2019 for a further period of 3 years and Sri. G.P.N. Gupta Whole-Time Director (DIN: 00086174) with effect from 1st April, 2019 for a further period of 3 years. The subjects form part of the special business in the Notice of the 27th Annual General Meeting for approval.

DIVIDEND:

The Board of Directors have not recommended any dividend for the financial year ended 31st March 2018 due to indequate profits. Yet the Company is very positive about the future outlook with increase in sales and profits.

UNPAID / UNCLAIMED DIVIDEND:

In compliance with the provisions of Section 124 of the Companies Act, 2013 and rules made thereunder the Company had transferred all the unclaimed dividends to Investor Education and Protection Fund and there is no unclaimed dividends lying in the Company's Unpaid Dividend Account.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013:

For the financial year ended 31st March 2018, the Company has proposed to carry an amount of Rs.5.81 Lakhs to General Reserve Account.

COMMISSION RECEIVED BY DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANY

The Company neither has any holding nor is any subsidiary company, therefore, disclosure under Section 197 (14) of the Companies Act, 2013 not applicable.

MATERIAL CHANGES AND COMMITMENTS:

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

ANNUAL EVALUATION OF BOARD'S PERFORMANCE:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually and Committees of the board viz., Audit and Nomination and Remuneration Committee.

A structured questionnaire has been prepared covering various aspects of Board's functioning such as conducting of board meetings at regular intervals, Proper transaction of agenda items in the meeting, Co-ordination between independent Directors and other committees of board etc.

The Directors were individually evaluated on various criteria like Contribution to board discussion, maintaining confidentiality of important decisions taken at the Board, Communication with other Board members, adhering to Companies policies and procedures etc.

Pursuant to the provisions of the Companies Act, 2013 a Separate Meeting of Independent Directors was held during the year, in which the Independent Directors evaluated the performance of the non-independent Directors, the Board as a whole including the Chairman of the Company who was evaluated on the criteria such as Demonstration of leadership qualities, Providing ease of raising of issues and concerns by the Board members, Promoting constructive debate and effective decision making at the board, Considering Shareholders and other stakeholders interest etc.

NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE:

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performances of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. The details of number of board meetings and other committee meetings held during the Financial Year 2017-18 are as follows:

1. No. of Board Meetings: 6

30th May 2017	8th September 2017	14th September 2017
12th December, 2017	9th February 2018	29th March, 2018

The interval between two Board Meetings was well within the maximum period mentioned under section 173 of the Companies Act, 2013, and SEBI Listing (Disclosures and Obligations Requirements) Regulations, 2015.

2. No. of Audit Committee Meetings: 4

30th May 2017	14th September 2017
12th December, 2017	9th February 2018

3. No. of Nomination & Remuneration Committee Meetings: 1 (30.05.2017)

4. Stakeholder Relationship Committee:

As required under Section 178(5) of the Companies Act, 2013, Stakeholders' Relationship Committee was constituted with Sri G Radhakrishna as the Chairman and Sri G P N Gupta as the member. There were no investors' grievances received and hence no meeting was held during the year.

5. Share Transfer Committee:

The Committee overseas share transfers, share transmission, issue of duplicate share certificates etc.. The Committee constitutes of Sri G Radhakrishna as the Chairman and Sri G P N Gupta as the member. During the year the committee meeting was held on below dates.

No. of meetings: 10

10th April 2017	20th April 2017
3rd May 2017	18th September 2017
23rd November 2017	05th January 2018
17th January 2018	12th February 2018
6th March 2018	20th March 2018

DECLARATION OF INDEPENDENCE:

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 which has been relied on by the Company and placed at the Board Meeting of the Company. As required under Schedule IV of the Companies Act, 2013, the Independent Directors held a meeting on 9th February, 2018 without the attendance of the non- independent directors and members of the management.

NOMINATION AND REMUNERATION POLICY:

Pursuant to Section 178(3) of the Companies Act, 2013, the Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. The policy also lays down the criteria for selection and appointment of Board Members. The Remuneration Policy is available on the website of the company. The salient features of the policy are given below:

Nomination & remuneration Policy:

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

1. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. The Committee shall identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
4. The Board shall carry out evaluation of performance of every Director, Managerial Person, KMP and Senior Management Personnel at regular interval (yearly).
5. The remuneration/ compensation/ commission etc. to the Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.
6. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders.
7. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
8. The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
9. Commission to Non-Executive/ Independent Directors may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

RISK MANAGEMENT:

The main objective of the company's risk management policy is to ensure the effective identification and reporting of risk exposures, involvement of all departments and employees in risk management, to ensure continuous growth of business and protect all the stakeholders of the Company. With this in view your company is maintaining a strong risk management system through the process of internal audit.

The Audit Committee and Board of Directors consider the risk exposure before approving various strategic decisions taken by the Company. Further the Company has strong internal control system in place to identify the risks at any stage of the business. This internal control system is further reviewed by the internal auditors of the Company and a report is submitted to the Audit Committee. The Committee based on the report of internal auditors advises on the necessary action to be taken in case of any deviation from required standards.

AUDITORS:

M/s. J.V. Ramanujam & Co (Firm Registration No. 002947S) are the Statutory Auditors of the Company who were appointed at the 27th Annual General Meeting held on 8th September, 2017 to hold office until the conclusion of 32nd Annual General Meeting.

The Auditors have made the below remarks in their report on the financials of the Company and Management has provided its explanation.

REMARKS MADE IN THE AUDITORS REPORT:

'Emphasis of matter' of the Independent Auditor's Report

We draw attention to Note no.4 to notes forming part of the financial statements in respect of the status of the insurance claim which is self explanatory. Our opinion is not modified in respect of this matter.

MANAGEMENTS' REPLY:

As mentioned in Note.4 the Company has filed legal suits with respect both the stock and fixed asset claims. The Company believes that it has a strong case which is also supported by an opinion taken from an expert. Since an appropriate legal action has already been taken further provisioning would not be required now and the same can be decided based on further proceedings of the case.

COST AUDIT:

Pursuant to notification of Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) amendment rules, 2014, the Company's product does not fall under the purview of Cost Audit.

MANAGEMENT DISCUSSION ANALYSIS REPORT:

The report has been presented separately detailing the overall status of economy, industry and business of the Company in Annexure [I].

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s Lakshmmi Subramanian & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the year 2017-18 is included as "Annexure [IV]" and forms an integral part of this Report.

There is no secretarial audit qualification for the year under review.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as "Annexure [II]" to this Report.

RELATED PARTY TRANSACTIONS:

During the financial year 2017-18, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

The details of the related party transactions as required under Accounting Standard are set out in Note to the standalone financial statements forming part of this Annual Report.

LOANS AND INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statement.

VIGIL MECHANISM:

Your Company has in place Whistle Blower Policy approved by Board of Directors in compliance with provisions of Section 177 (10) of the Companies Act, 2013. The policy provides a mechanism to the Directors and Employees to voice their concerns regarding irregularities in the Company in an effective manner. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The policy has been uploaded in the website of the Company at www.jumbobaglimited.com.

AUDIT COMMITTEE RECOMMENDATION:

During the year all the recommendations of the Audit Committee were accepted by the Board. Pursuant to Section 177(8) of the Companies Act, 2013, the Composition of Audit Committee is given as under:

Smt. Renuka Mohan Rao	Chairman cum Member
Smt. Subhashini Subramanian	Member
Sri G P N Gupta	Member

Secretary of the Company shall be the Secretary of the Committee. The Composition of Committee was reconstituted during the year. Smt. Subhashini Subramanian (DIN: 03561759) Independent Director in the Board has been appointed as the member of Audit Committee with effect from 12.12.2017.

DEPOSITS

The company has not accepted any deposits from the public during the period 2017-2018 within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. All the outstanding deposits were repaid along with interest without any default and as such, there are no outstanding at the end of the year.

INTERNAL COMPLAINTS COMMITTEE:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy. No Complaints were received and disposed off during the year under review.

Following is the constitution of committee at Head Office and Factory:

Constitution of committee at the Head Office:

Name	Position
Ms. Meena Vijayaraghavan	Presiding Officer
Ms. Rathi Kumari	Independent Member
Sri R. Pramod Kumar	Member
Ms. Chitra	Member

Constitution of committee at Factory Units:

Name	Position
Ms. Chitra	Presiding Officer
Ms. Rathi Kumari	Independent Member
Sri R. Pramod Kumar	Member
Ms. Chandrakala N	Member

CORPORATE GOVERNANCE:

The disclosures as required under proviso IV in Part II, Section II of Schedule V of the Companies Act, 2013 with regard to appointment of Managing Director and Whole-time Director are set out in detail in form MGT 9 – Extract of the Annual Return.

As prescribed under the provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, your Company does not fall under the purview of complying with the provisions of Corporate Governance. During the year, with the approval of Board of Directors, your Company has informed the non-applicability provision to the Bombay Stock Exchange.

Since, the provision of Corporate Governance is not applicable for the entire Financial Year 2017-18, a separate report of Corporate Governance is not disclosed in the Annual Report 2017-18.

LISTING FEES:

The Company confirms that it has paid the annual listing fees for the year 2018-19 to the Bombay Stock Exchange.

CLOSURE OF REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS:

The Register of Members and Share Transfer books of the company will be closed with effect from 7th August, 2018 to 13th August, 2018 (both days inclusive).

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(C) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2018 and of the statement of profit and loss of the Company for the financial year ended 31st March, 2018;
- Proper and sufficient care has been taken 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;
- The annual accounts have been prepared on a 'going concern' basis;

- Proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

PERSONNEL:

None of the employees of the Company drew remuneration which in the aggregate exceeded the limits fixed under Section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished hereunder:

(Rs in Lakhs)

S. No	Name	Designation	Remuneration for FY 2017-18	Remuneration for FY 2016-17	Increase in remuneration from previous year	Ratio / times per median of employee remuneration
1	G.S. Anilkumar	Managing Director	14.28	14.42	-0.14	7.95
2	G.P.N. Gupta	Whole-time Director Cum CFO	12.00	12.00	0.00	6.68
3	R. Pramod Kumar	Company Secretary	4.58	4.42	0.16	

Note:

1. The remuneration payable to the KMP / Whole time directors are in accordance with the Industry and Geographical standards and as per the Remuneration policy of the Company.
2. The percentage increase in the median remuneration of employees in the financial year is 8.36%.
3. The number of permanent employees on the rolls of company as on 31st March 2018 is 227.
4. The average increase in salaries of employees other than managerial personnel in 2017-18 was 12.9%.
5. No remuneration is paid to the Independent Directors of the Company other than the sitting fees of Rs.10,000/- for attending Board / Committee Meetings. The details of sitting fees paid to the Directors are set out in Extract of Annual Return (Annexure II)

CONSERVATION OF ENERGY AND TECHNOLOGY OBSORPTION:

The information on conservation of energy, technology absorption as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out herewith as "Annexure [III]" to this Report.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year, the Company has not received any significant and material orders passed by the Regulators or courts or tribunals which would affect the going concern status of the Company and its future operations.

INTERNAL FINANCIAL CONTROLS:

The Company has put in place its internal financial control taking into account the proces involved in the manufacturing and trading divisions of the Company. Various processes like procurements, maintenance, production, marketing, Accounting etc.. are reviewed periodically both internally and by the internal auditors in a way which is commensurate with size & complexity of its operations of the Company.

The above process helps the company in taking precautionary measures, making the existing process more efficient, bringing accuracy in accounting which enables orderly conduct of the business.

PARTICULARS OF EMPLOYEES

There are no employees falling within the provisions of section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

INDUSTRIAL RELATIONS:

Human Resource is an important asset for the Company and there is cordial relationship exist between the management and the employees across all the plants of the Company. Many of the workers in the plants come from a under privileged segment and they are provided with proper training and equal opportunities in work for their growth.

SOCIAL RESPONSIBILITY:

Your Company believes in importance of education in the growth of individuals and the economy as whole. With an intention to support the education of children's from under privileged segment you company runs a school in the name of Gorantla Ramalingaiah Vivekananda Vidyalaya providing education to over 1100 students at concessional fees. Many children's have benefited from this initiative of the Company.

CAUTIONARY STATEMENT

Shareholders and Readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on the material impacts on the Company's operations, but it is not exhaustive as they contain forward-looking statements which are extremely dynamic and increasingly fraught with risk and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein.

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the continued co-operation, support and assistance extended to the Company by Government of India, Government of Tamil Nadu, State Bank of India and the Shareholders.

Your Directors also place on record their appreciation for the continued and dedicated performance and commitment by Officers and Staff of the Company.

For and on behalf of the Board

Place : Chennai
Date : 26.05.2018

RENUKA MOHAN RAO
Chairman
DIN: 07542045

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE - I

World Economic Conditions:

In the year 2017 the world economy grew by 3% the highest growth rate since 2011 and the developing countries including India are the major drivers of the global growth. The major developed economies also experienced an upturn in growth in 2017. The global economy is experiencing upturn supported by favorable market sentiment, accommodative financial conditions and improvement in global commodity prices.

On the inflation front developed economies had average 1.5 per cent in 2017, up from 0.7 per cent in 2016 as a result increase in energy prices but still well below central bank inflation targets due to low demand in the market. By contrast price pressures have eased in many developing economies allowing several countries to cut interest rates in 2017 supporting economic activity.

The recovery in the price of oil from the lows seen in early 2016 has brought some respite to oil-exporting countries. However, given that oil prices stand at roughly half their average level in 2011– 2014, growth prospects of the oil exporters will remain subdued over the forecast horizon, reinforcing the need for economic diversification.

Against the backdrop of stronger economic growth and benign inflationary pressures in developed countries, the world economy has reached a turning point in macroeconomic policy conditions. Many of the world's major central banks are now able to start withdrawing the exceptional stimulus measures that have been in place for nearly a decade.

Alongside a curbing of monetary stimulus, the fiscal stance in most developed economies has become less restrictive, moving away from the tight fiscal austerity programmes in place in many countries since 2010.

The current stable economic environment leaves lot of scope for the policy makers by focusing on sustainable development of the economy with combination of short term and long term policies since all the post crises issues in the last decade have settled down.

Uncertainties and risks

Though many economies are showing uptrend in their growth and there is being stability in the market yet the investment and productivity may get affected due to rising geopolitical tensions and trade wars between the countries to boost their own economy which would lead to unilateral policies affecting the global free trade.

Recent changes in major trade relationships, such as the United Kingdom of Great Britain and Northern Ireland's decision to withdraw from the European Union and the United States of America's decisions to renegotiate the North American Free Trade Agreement and to reassess the terms of its other existing trade agreements, have raised concerns over a potential escalation in trade barriers and disputes. These could be amplified if met by retaliatory measures by other countries. An increasingly restrictive trade environment may hinder medium-term growth prospects.

Indian Economic Conditions

As per Economic Survey report 2018 the Indian economy GDP growth will be around 6.75 in 2017-18 and will grow by 7-7.5% in 2018-19. The growth during 2017-18 was mainly affected due to GST (Goods and Services Tax) and demonetization in first half while it picked up in the second half of the financial year.

The growth in India is mainly supported by the strong private consumption while the investment growth slowed. The Manufacturing and Construction were the most affected by implementation of the GST and demonetization and showed recovery in the last three quarters of 2017-2018.

As per World Economic Situation and Prospects 2018 despite the slowdown in the economy in 2017 and issues post demonetization policy, the outlook for India remains positive aided by robust private consumption and public investment and the ongoing structural reforms. As per the report the GDP expected to accelerate from 6.7 per cent in 2017 to 7.2 per cent in 2018 and 7.4 per cent in 2019.

In the downside the slowdown in private investment has been a concern. The Gross fixed capital formation as a share of GDP dropped from around 40 percent in 2010 to less than 30 percent in 2017 due to subdued credit growth, low capacity utilization in some industrial sectors and balance sheet problems in the banking and corporate sectors. Thus in the current environment public investment in infrastructure is more required to improve the overall investment growth.

With respect to job creation as per IMF World Economic Outlook April 2018 India has to ease labor market rigidities, reduce infrastructure bottlenecks, and improve educational outcomes for lifting constraints on job creation so that the demographic dividend of the country is not wasted.

Packaging and FIBC Industrial Trend

The CAGR for the global flexible industrial packaging is expected to be over 6% during the next four years 2018-2022. The demand for FIBC bags is likely to remain robust on the back of strong growth of food and minerals industry in International Markets, cost effective handling and transportation advantages. Particularity due to low cost the Indian FIBC industry is favored hub for FIBC globally. There is also enormous growth potential for plastic products considering that the per capital consumption is less than half of the global average.

Bringing out innovative FIBCs will be one of the key factors that will contribute to the growth of market in the forthcoming years. Customized FIBCs are offered by the vendors to cater to the customer necessities. The rising demand for FIBCs in several industries have led the vendors to provide various FIBCs that are suitable for packaging various industrial products. Also, the product variants that are being offered by vendors has been rising by integrating more innovative FIBC products. Vendors provide new innovative bulk bag solutions that can additionally lessen the packaging cost. To stay ahead in the market your Company has been producing different kinds of bags as per market requirements such as Pallet free bags to avoid wooden pallet for food and pharma industry, Flame retardant bags, Baffle Lined Jumbo Bags etc..

Emerging Trend in FIBC:

The trend of the increasing demand for sustainable, flexible packaging solutions will drive the growth of the market during the upcoming year. FIBCs and sacks are vital, flexible industrial packaging solutions used for the storage and shipment of raw materials and goods. These products are made of PP and polyethylene that are important raw materials for flexible industrial packaging solutions. However, various stringent government regulations and policies regarding the disposal of plastic materials using landfills are driving the demand for bio-degradable packaging solutions. In line with this the company has been marketing Recyclable bags in the name of Jumbo Eco Pallet with inbuilt pallets which increases pay loads and reduce freight costs.

Strengths and Opportunities:

Your Company's core competency lies in manufacturing of Flexible Intermediate Bulk Containers (FIBC). Over the years, the Company consistently augmented the scale of operations, built capabilities of people, and developed indigenous, specialized products.

The Companies new unit in Thiruvallur Distrct of Tamil Nadu which was started in May 2017 has been running in full swing. The unit was mainly established to produce the outsourced capacity internally with an intention to have control over the price and quality. This allows the Company to stay competitive in the market with strategic pricing to retain existing markets and capture new markets.

The company is also exporting to various countries such as USA, Middle East, Europe, Australia, Africa, South East Asia, South America, China which constituted 44% of total turnover of the Company in the year and sees opportunities in new global markets by leveraging domain expertise and ability to customize products as per market requirements.

With increasing demand for food globally year by year the requirement for packaging will also increase creating more demand in this segment. The Company has a separate unit at Athipedu in Thiruvallur District of Tamil Nadu which manufactures bags for food grade products. The unit maintains utmost hygienic conditions to ISO22000 standards(Food Safety Management Systems) in the unit. With increasing opportunity in the food packaging segment the company has in place the capacity to cater to the demand in the coming years.

Weakness and Threats:

Increase in input prices: Constant fluctuation in the raw material prices due to increase in the crude oil rates globally mandates adjustment in prices to customers accordingly. The Company has to absorb some part of the increase since it cannot be passed entirely to the customers.

Availability of labour: The FIBC industry being highly labour intensive the retaining of workers has been high priority for the Company. Attrition of workers may affect the production and also involves cost and time in inducting and training of new appointees. The Company provides all the necessary benefits and facilities to the workers to retain them for a longer period.

Competition from peers: Due to existence of many competitor companies in the market both domestic and global your company has to keep the prices low putting pressure on the margins. Further alternative form of packaging such paper and wood are also competing to capture the market which is preferred because of its light weight and biodegradable nature.

Currency fluctuation: The volatility in the value of the domestic currency can hamper Company's business since the Company makes exports to various countries. To deal with the cost pressures arising out of adverse currency movements, the Company has adopted a prudent foreign exchange policy.

Segment Wise Performance:

Manufacturing: - based on financials

The revenue from the manufacturing segment of the Company has increased in the year compared to the previous financial year 2017-18 reflecting higher sales. Yet the profit from the segment has declined compared to the previous year due to pressure on margins with increasing competition in the market. The price needs to be kept competitive to survive in the market and the company has been improving its efficiency with installation of new machines, training of workers, better utilization of working capital to bring down the cost of production and have better margins.

With the above efforts the Company for first time crossed 500 tonnes of production in the month of March 2018 and it is taking all the efforts to sustain this in the upcoming year.

Trading:

Your company is a Del – Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited for Tamil Nadu, Pondicherry and Kerala since 2009. The division continues to contribute to the profitability of the company.

During the financial year the sales were affected due various reasons like GST implementation, IOCL plant maintenance in the month of July and IOCL plant fire accident in the month of February. But Inspite of those constraints the division recorded higher sales compared to the previous financial year.

However in the 1st quarter of the financial year 2018-19 prices of polymer materials have surged due to increase in global crude oil prices impacting the sales. Yet with good demand in the market, GST issues settling down and the new plant of IOCL at Paradeep nearing completion which will improve availability of volumes, the financial year 2018-2019 is expected to have positive outlook for the division.

Financial Performance

The Financial and Operational performance of the Company are on growing trend and details of the same are mentioned in the Financial Statements as well as Board report.

Internal Control System

Your Company has an efficient inbuilt system to monitor the compliance of standards at each stage of the production process. The system enables the management to quickly identify any deviations from the required standards and to take appropriate action for correction. The compliance to the standards is also reviewed by the management at the monthly meetings.

The above system is further audited by the internal auditor appointed by the Board of Directors who give quarterly reports to the Audit Committee on the level of compliance. The deviations if any are also reported on which the committee recommends further course of action.

The system helps the company to identify the risks at an early stage so that necessary action could be taken for control.

Material developments in Human Resources / Industrial Relations front, including number of people employed.

The FIBC industry is highly labour intensive and thus the Company understands the importance of employees in the success of the Company. The employees are provided with better training and good facilities to ensure their long term association with Company and sharing the benefits of success. There have been no major disputes during the financial year and the Company enjoys cordial relationship with all its employees.

Risks and Concerns

The price of Crude oil which has been on the lower side for the past many years is continuously trending high from 2017-2018. This in effect has increased the prices of its by products which is used by the Company in its manufacturing and trading business. The FIBC market is highly competitive with pricing being one of the major deciding factors to capture the market. In the financial year 2017-2018 the Company brought in certain outsourced capacity to its own units allowing better management of the pricing to stay competitive in the market.

Future Outlook:

FIBCs are increasingly used in the storing, handling, or transporting of industrial products due to their lightweight and durability. Further in addition, the utilization of FIBCs provides cost reduction by nearly 45%-55% to the packaging companies compared to traditional packagings. These advantages of FIBCs over other kinds of packaging will continue to drive the demand for FIBCs in the industrial applications.

Cautionary Statement:

Statements contain in this report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement because of many factors like economic condition, availability of labour, price conditions, domestic and international market, etc.

References:

- Global Economic Prospects January 2018
- IMF Country Report India – February 2018
- World Economic Situation and Prospects 2018
- World Bank India Development Update January 2018
- IMF World Economic Outlook April 2018
- Economic Survey report 2017-2018

For and on behalf of the Board

Place : Chennai
Date : 26.05.2018

RENUKA MOHAN RAO
Chairman
DIN: 07542045

ANNEXURE II
EXTRACT OF ANNUAL RETURN
FORM MGT 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014)

Financial Year ended on 31.03.2018

I. REGISTRATION AND OTHER DETAILS:

CIN	L36991TN1990PLC019944
Registration Date	29.11.1990
Name of the Company	Jumbo Bag Limited
Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
Address of the Registered office and contact details	"S.K.Enclave", No.4, Nowroji Road, Chetpet, Chennai – 600 031 Ph: 044 26452325
Whether listed company	Yes (Listed in BSE)
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s.Cameo Corporate Services Ltd No.1, Club House Road, Mount Road, Chennai – 600 002 Contact - 044-28460390

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:-

S. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Flexible Intermediate Bulk Container	63053200	92.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1006597	0	1006597	12.02	1009497	0	1009497	12.06	0.04
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp	2632200	0	2632200	31.43	2632200	0	2632200	31.43	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):	**3638797**	**0**	**3638797**	**43.45**	**3641697**	**0**	**3641697**	**43.49**	**0.04**
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2):	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total shareholding of Promoter(A)= (A)(1)+(A) (2)	**3638797**	**0**	**3638797**	**43.46**	**3641697**	**0**	**3641697**	**43.49**	**0.03**
B. Public Shareholding									
1.Institutions									
a) Mutual Funds	0	15600	15600	0.19	0	15600	15600	0.19	0.00
b) Banks/FI	100	0	100	0.00	100	0	100	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h)Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1):	**100**	**15600**	**15700**	**0.19**	**100**	**15600**	**15700**	**0.19**	**0.00**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corporate i) Indian	114456	5600	120056	1.43	127498	5600	133098	1.59	0.16
ii) Overseas									
b)Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1,00,000	1816961	732488	2549449	30.45	1711116	719588	2430704	29.03	(1.42)
ii) Individual shareholders holding nominal share capital in excess of Rs.1,00,000	1712026	178000	1890026	22.57	1800589	178000	1978589	23.63	1.06
c) Others :									
i)Clearing Members	900	0	900	0.01	477	0	477	0.01	0.00
ii)Hindu Undivided Families	136630	0	136630	1.63	149582	0	149582	1.79	0.16
iii)Non-Resident Indians	4642	17500	22142	0.26	6353	17500	23853	0.28	0.02
Sub-total (B)(2):	**3785615**	**933588**	**4719203**	**56.36**	**3795615**	**920688**	**4716303**	**56.32**	**(0.04)**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**3785715**	**949188**	**4734903**	**56.54**	**3795715**	**936288**	**4732003**	**56.52**	**(0.04)**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	**7424512**	**949188**	**8373700**	**100**	**7437412**	**936288**	**8373700**	**100**	**0.00**

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% 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 to total shares	
1	Balaji Trading Enterprises Private Limited	2632200	31.43	0.00	2632200	31.43	0.00	0.00
2	G.P.N.Gupta	115873	1.38	0.00	115873	1.38	0.00	0.00
3	G.Radhakrishna	100495	1.20	0.00	100495	1.20	0.00	0.00
4	Dr.Gaddam Kumar Reddy	75230	0.90	0.00	75230	0.90	0.00	0.00
5	G.S.Anilkumar	32550	0.39	0.00	32550	0.39	0.00	0.00
6	G.P.Ramraj	33500	0.40	0.00	35500	0.42	0.00	0.02
7	G.Sudhakar	49400	0.59	0.00	50300	0.60	0.00	0.01
8	G.V.Balaji	40500	0.48	0.00	40500	0.48	0.00	0.00
9	G.V.Gopinath	28000	0.33	0.00	28000	0.33	0.00	0.00
10	G.V.Jayalakshmi	88250	1.05	0.00	88250	1.05	0.00	0.00
11	G.S.Jwala	6000	0.07	0.00	6000	0.07	0.00	0.00
12	G.R.Latharani	72500	0.87	0.00	72500	0.87	0.00	0.00
13	G.S.Rajasekar	51550	0.62	0.00	51550	0.62	0.00	0.00
14	G.P.Ravichandran	25100	0.30	0.00	25100	0.30	0.00	0.00
15	G.S.Sarojini	50750	0.61	0.00	50750	0.61	0.00	0.00
16	G.R. Mahalakshmi	20004	0.24	0.00	20004	0.24	0.00	0.00
17	G.R.Pragathi	48100	0.57	0.00	48100	0.57	0.00	0.00
18	G.S.Sridhar	31550	0.38	0.00	31550	0.38	0.00	0.00
19	G.S.Srinivas	31550	0.38	0.00	31550	0.38	0.00	0.00
20	G.V.Chalapathi	12800	0.15	0.00	12800	0.15	0.00	0.00
21	G.B.Rachitha	6667	0.08	0.00	6667	0.08	0.00	0.00
22	G.Sangeetha	19167	0.23	0.00	19167	0.23	0.00	0.00
23	G.S.Vijayalakshmi	6000	0.07	0.00	6000	0.07	0.00	0.00
24	G.R.Reena	6000	0.07	0.00	6000	0.07	0.00	0.00
25	G.A.Nandini	6000	0.07	0.00	6000	0.07	0.00	0.00
26	G.Ahalya	29900	0.36	0.00	29900	0.36	0.00	0.00
27	G.V.Satish Kumar	18161	0.22	0.00	18161	0.22	0.00	0.00
28	G.R.Achyutha	1000	0.01	0.00	1000	0.01	0.00	0.00

(iii) Change in Promoters' Shareholding

S.No.	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**SUDHAKAR G**				
	At the beginning of the year	49400	0.59	49400	0.59
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Purchase 21.04.2017 200 11.08.2017 700	0.01 0.01	49600 50300	0.60 0.60
	At the End of the year	50300	0.60	50300	0.60
2	**G.P.RAMRAJ**				
	At the beginning of the year	33500	0.40	33500	0.40
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Purchase 07.04.2017 2000	0.02	35500	0.42
	At the End of the year	35500	0.42	35500	0.42

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

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		No. of shaares	% of total shares of the company	Date of Purchase/ Sale	Increase/ Decrease in Shareholding	Reason	No. of shares	% of total shares of the company
1	Mukesh Kanooga S	173702	2.07	24.11.2017	972	Purchase	174674	2.09
				01.12.2017	4914	Purchase	179588	2.14
				08.12.2017	2526	Purchase	182114	2.17
				29.12.2017	31838	Purchase	213952	2.56
				05.01.2018	18097	Purchase	232049	2.77
				12.01.2018	7400	Purchase	239449	2.86
				19.01.2018	42683	Purchase	282132	3.37
				25.01.2018	-977	Sale	281155	3.36
				02.02.2018	7250	Purchase	288405	3.44
				09.02.2018	5373	Purchase	293778	3.51
				16.02.2018	750	Purchase	294528	3.52
				16.03.2018	1985	Purchase	296513	3.54

2	DR Sheela Swamy	212262	2.53				212262	2.53
3	Kamal Kumar Keshwani	162128	1.94				162128	1.94
4	Mita Dipak Shah JT1 : Dipak Kanayalal Shah JT2 : Sharad Kanayalal Shah	126000	1.50	05.05.2017	-118	Sale	125882	1.50
				05.05.2017	118	Purchase	126000	1.50
				20.10.2017	400	Purchase	126400	1.51
				31.10.2017	5000	Purchase	131400	1.57
				10.11.2017	1000	Purchase	132400	1.58
				24.11.2017	2000	Purchase	134400	1.60
				01.12.2017	-8400	Sale	126000	1.50
				01.12.2017	8400	Purchase	134400	1.60
				05.01.2018	2000	Purchase	136400	1.63
				12.01.2018	2000	Purchase	138400	1.65
				25.01.2018	-4000	Sale	134400	1.60
				25.01.2018	4000	Purchase	138400	1.65
				23.02.2018	1600	Purchase	140000	1.67
				02.03.2018	-1600	Sale	138400	1.65
				02.03.2018	1600	Purchase	140000	1.67
5	Muralidhar G	116575	1.39	16.06.2017	-1500	Sale	115075	1.37
				23.06.2017	740	Purchase	115815	1.38
				06.10.2017	-500	Sale	115315	1.38
				27.10.2017	198	Purchase	115513	1.38
				15.12.2017	-100	Sale	114513	1.37
				22.12.2017	-500	Sale	114013	1.36
				29.12.2017	-10	Sale	114003	1.36
				12.01.2018	197	Purchase	114200	1.36
6	T V Subba Rao	95000	1.13			95000	1.13	1.13
7	Subramanian P	71600	0.86				71600	0.86
8	Ravikant Chowdhary JT1 : Rajshree Chowdhary	64548	0.77				64548	0.77
9	Ramswarup M Gorantla	50500	0.60				50500	0.60
10	Pushpa Devichand Jain Devichand Mangilal Jain	48211	0.57				48211	0.57

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Sri G.P.N.Gupta**				
	At the beginning of the year	115873	1.38	115873	1.38
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	115873	1.38	115873	1.38
2	**Sri G.S.Anil Kumar**				
	At the beginning of the year	32550	0.39	32550	0.39
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	32550	0.39	32550	0.39
3	**Sri G.Radhakrishna**				
	At the beginning of the year	100495	1.20	100495	1.20
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year	100495	1.20	100495	1.20
4	**Sri. Gaddam Kumar Reddy**				
	At the beginning of the year	75230	0.90	75230	0.90
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	75230	0.90	75230	0.90

V. INDEBTEDNESS

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

(Rs. in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5209.34	183.85	-	5393.19
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**5209.34**	**183.85**	**-**	**5393.19**
Change in Indebtedness during the financial year				
· Addition	82.29	64	-	146.29
· Reduction	-660.40	-76.52	-	-736.92
Net Change	**-578.11**	**-12.52**	**-**	**-590.63**
Indebtedness at the end of the financial year				
i) Principal Amount	4631.23	171.33	-	4802.56
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**4631.23**	**171.33**	**-**	**4802.56**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Sri G.P.N.Gupta	Sri G.S.Anil Kumar	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.00	13.20	25.20
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission			
	- as % of profit	0.00	0.00	0.00
	- others			
5.	Others – Retirement Benefits	0.00	1.08	1.08
	Total (A)	**12.00**	**14.28**	**26.28**
	Ceiling as per the Act	84.00	84.00	-

B. REMUNERATION TO OTHER DIRECTORS:

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	Sri K.J.M. Shetty	Sri M.V. Anantha krishna	Sri M. Rama Rao	Sri Gaddam Kumar Reddy	Smt. Renuka Mohan Rao	Smt. S Subhashini	
	· Fee for attending board/committee meetings · Commission · Others	0.00 - -	0.60 - -	0.00 - -	0.10 - -	1.00 - -	0.80 - -	2.5 -
	Total (1)	**0.00**	**0.60**	**0.00**	**0.10**	**1.00**	**0.80**	**2.5**
2.	Other Non-Executive Directors	Sri G.Radha krishna						
	· Fee for attending board/committee meetings · Commission · Others	1.70 - -	-	-	-		-	1.70 - -
	Total (2)	**1.70**	**-**	**-**	**-**	**-**	**-**	**1.70**
	Total (B)=(1+2)	**-**	**-**		**-**	**-**		**4.20**
	Total Managerial Remuneration (A+B)	**-**	**-**		**-**	**-**		**30.48**
	Overall Ceiling as per the Act							-

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

(Rs. in lakhs)

S.No.	Particulars of Remuneration	Key Managerial Personnel	
		CS	**Total**
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.58	
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others	-	-
5.	Others	-	-
	Total	**4.58**	**-**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place : Chennai
Date : 26.05.2018

RENUKA MOHAN RAO
Chairman
DIN: 07542045

ANNEXURE III

INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

A. CONSERVATION OF ENERGY

Company continues to put all the efforts in conserving and optimizing the use of energy. The effort has benefited in savings to the Company and in protecting the environment around its units. The followings measures are in place to optimize the energy consumption.

1. Use of energy efficient LED lights.
2. Re-use of treated water.
3. Rain water harvesting.
4. Use of water saving taps in canteens.
5. Optimization of the operations etc…

All efforts made to conserve and optimize use of energy are continuously monitored and maintained to ensure maximum energy savings.

The Total energy consumption per unit of production is as follows:-

Particulars	2017-18	2016-2017
Power and Fuel Consumption		
Electricity (includes from TNEB, Wind and Coal)		
(a) Purchased:		
Unit	5383102	4990322
Total amount	33829957	35574264
Rate/unit	6.28	7.13
(b) Through diesel generator		
(i) Through diesel generator		
Unit	123377	117851
Unit per liter of Diesel oil	3.1	2.94
Cost/unit	20.31	18.04
Diesel (in liters)	39799	40069

B. RESEARCH AND DEVELOPMENT (R&D)

Particulars	2017-18	2016-2017
Expenditure on R & D:	(Rupees in lakhs)	
Capital Expenditure	Nil	Nil
Revenue	-	-
Total	-	-
Total R&D expenditure as a percentage of total turnover	-	-

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2017-18	2016-17
Foreign exchange outgo:	(Rupees in lakhs)	
C.I.F Value of Imports	602.50	582.31
Travel	0.47	1.29
Commission (for export sales)	5.65	Nil
Testing charges	Nil	1.86
Total	**608.62**	**585.46**
Foreign exchange Earned		
F.O.B. Value of Exports	4339.76	4775.36

For and on behalf of the Board

Place : Chennai
Date : 26.05.2018

RENUKA MOHAN RAO
Chairman

ANNEXURE IV

SECRETARIAL AUDIT REPORT

for the financial year ended 31.03.2018

[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

Jumbo Bag Limited
S.K. Enclave, New No. 4 (Old No.47)
Nowroji Road, Chetpet,
Chennai - 600 031

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jumbo Bag Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Jumbo Bag Limited ("the Company") for the financial year ended on 31st March, 2018 according to the provisions as applicable to the Company during the period of audit:

i. The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 to the extent applicable;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015;

   c) 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;

v. The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

vii. In our opinion and as identified and informed by the Management, the company has no specific laws applicable since it is engaged in manufacturing of bags and other allied products except the following identified by the management

   1. Indian Boilers Act, 1923 and Rules made thereunder

   2. The Petroleum Act, 1934 and Rules and Regulations Made thereunder

   3. Hazardous waste (Management, Handling and Transboundary Movement) Rules, 2008

4. Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder
5. Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder
6. Environment (Protection) Act, 1986 and Rules made thereunder
7. Legal Metrology Act, 2009 and Rules made thereunder

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines.

We further report that there were no actions/events in the pursuance of

a) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999;

b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

e) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, with regard to point (vii) above, the company has adequate systems and processes to monitor and ensure compliance with other applicable general laws viz., Industrial Laws, Environmental, Human Resources and labour laws, including the following laws :

1. Employees Provident Fund and Miscellaneous Provisions Act, 1952
2. Employees’ State Insurance Act, 1948
3. The Contract Labour (Regulation & Abolition) Act, 1970
4. The Factories Act, 1948
5. The Industrial Disputes Act, 1947
6. The Industrial Employment (Standing Orders) Act 1946
7. The Workmen’s Compensation Act, 1923 & Rules
8. Payment of Gratuity Act 1972 & Rules
9. The Payment of Bonus Act, 1965
10. The Minimum Wages Act, 1948
11. The Maternity Benefit Act, 1961
12. Apprentices Act, 1961

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that:

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

Notices is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period the following event has occurred, which has a major bearing on the Company's affairs:

- The Company has entered into an agreement which came into effect on 02.05.2018 with M/s SCENT TRANS PRIVATE LIMITED (Target Entity) for acquisition of 1600 shares at the face value of Rs. 10/- aggregating to 16% of the share capital of the Target Entity. The acquisition is made for the purpose of power purchase from the target entity.
- The Company has initiated two separate litigations against insurance companies with respect to the claim for the fire accident at Athipedu factory which took place during the year 2013.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Lakshmmi Subramanian
Senior Partner
FCS No. 3534
C.P.NO. 1087

Place: Chennai
Date: 26.05.2018

ANNEXURE - A

To the Members

Jumbo Bag Limited
S.K. Enclave, New No. 4 (Old No.47)
Nowroji Road, Chetpet,
Chennai - 600 031

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.

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

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Lakshmmi Subramanian
Senior Partner
FCS No. 3534
C.P.NO. 1087

Place: Chennai
Date: 26.05.2018

INDEPENDENT AUDITORS' REPORT

To the Members of Jumbo Bag Limited

Report on the Financial Statement

We have audited the accompanying standalone financial statements of Jumbo Bag Limited, Chennai, which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statement

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 of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India

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 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 standalone financial statements based on our audit. In conducting our Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the company as at March 31, 2018; and its Profit, Total Comprehensive Income, the changes in Equity, and Cash Flows for the year ended on that date.

Emphasis of Matters:

We draw attention to Note no.4 to notes forming part of the financial statements in respect of the status of the insurance claim which is self explanatory. Our opinion is not modified in respect of this matter.

Report on the 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 paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those;

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes 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 standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law and Accounting standards, for material foreseeable losses, if any, on long-term contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the Company.

For **J. V. RAMANUJAM & Co.,**
Chartered Accountants
FRN: 02947S

Place : Chennai
Date : 26th May, 2018

(J VEDANTHA RAMANUJAM)
Partner, M. No: 022188

"ANNEXURE A" TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of Jumbo Bag Limited, Chennai ("the Company"), for the year ended March 31, 2018)

i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment (PPE).

(b) According to the information and explanations given to us, physical verification of PPE is being conducted in a phased manner by the management under a programme designed to cover all the PPE over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of the PPE has been physically verified by the management during the year and no material discrepancies between the books records and the physical PPE have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.

ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion, the company has maintained proper records of inventory. We are informed that no major discrepancies were noticed on verification between the physical stock and book records.

iii) According to the information given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clauses (iii) (a), (iii) (b) and (iii) (c) of Paragraph 3 of the Order are not applicable to the Company.

iv) The Company has complied with the provisions of the section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

v) The Company has not accepted any deposits from public during the year hence the directives issued by RBI and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2015, are not applicable.

vi) The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for maintenance of Cost Records under sub-section (1) of section 148 of the Act.

vii) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, and records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues mentioned above were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the particulars of dues of Excise Duty, and Sales Tax which have not been deposited with the appropriate authorities on account of any dispute are as follows:

EXCISE DUTY/ SERVICE TAX: Rs. in lakhs

Sl No.	Name of the Statute	Nature of Dues	Demand (incl Penalty)	Amount Not provided	Forum where the dispute is pending
1	Excise Duty	Whether Value of Deemed Export shall be considered for Arriving At DTA Sale Eligibility (Difference Of Duty For Disallowed Deemed Export Portion	12.69	12.69	Appeal pending with Supreme Court
2	Excise Duty	Advance release order (ARO)-non-payment of CVD	26.55	26.55	Case remanded in Tribunal
3	Excise Duty	Third Party Export On Payment Of Duty Refund Sanctioned & Duty Demanded	2.77	2.77	Appeal filed in the High Court at Chennai on 6/7/2011
4	Excise Duty	Rebate Claim Original Docs Missed-Unit-2	3.55	3.55	Case closed & Order passed in our favor , but Dept has filed review petition before The Secretary, Government Of India
5	Income Tax Act	Notice u/s 148 Scrutiny /C C IV (2)/11-12 dt. 01.08.2011 for AY 2005-06	39.85	39.85	Appeal made with CIT
6	Income Tax Act	Notice u/s 148 Scrutiny /C C IV (2)/11-12 dt. 01.08.2011 for AY 2006-07	16.24	16.24	Appeal made with CIT
7	Income Tax Act	Notice u/s 143/(3) dt 14.03.14 for AY 2011-12	53.38	53.38	Appeal made with CIT
8	Income Tax Act	Order passed u/s 154 dt 14.02.2017 for AY 2013-14	4.99	4.99	Pursued with I.T authorities.
		TOTAL	**160.02**	**160.02**	

viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, or dues to debenture holders

ix) Based on our audit procedures and according to the information and explanations given to us, the Company did not raise any money by way of further public offer (including debt instruments) during the year. According to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained.

x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and 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 course of our Audit.

xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

xii) In our Opinion, the company is not a Nidhi Company. Therefore clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, and therefore clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **J. V. RAMANUJAM & Co.,**
Chartered Accountants
FRN: 02947S

Place : Chennai
Date : 26th May, 2018

(J VEDANTHA RAMANUJAM)
Partner, M. No: 022188

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Jumbo Bag Limited

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

We have audited the internal financial controls over financial reporting of M/s Jumbo Bag Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 and jointly controlled companies, which are companies incorporated in India, as of that date.

For **J. V. RAMANUJAM & Co.,**
Chartered Accountants
FRN: 02947S

Place : Chennai
Date : 26th May, 2018

(J VEDANTHA RAMANUJAM)
Partner, M. No: 022188

BALANCE SHEET AS AT 31ST MARCH 2018

(Rs. in Lakhs)

Particulars	Note	As at 31st March 2018 (Ind AS)	As at 31st March 2017 (Ind AS)	As at 1st April 2016 (Ind AS)
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	2.1	2,750.29	2,650.14	2,697.19
(b) Capital Work-In-Progress		-	12.06	-
(c) Financial Assets				
i) Investments	2.2	5.86	5.93	2.80
ii) Loans	2.3	138.65	114.75	96.23
(d) Other Non-current Assets	2.4	28.14	20.69	58.60
		2,922.94	**2,803.57**	**2,854.82**
(2) Current liabilities				
(a) Inventories	2.5	2,525.52	2,582.30	2,629.65
(b) Financial Assets				
i) Trade receivables	2.6	2,799.50	3,513.66	3,249.08
ii) Cash and cash equivalents	2.7	235.40	183.62	171.19
iii) Loans	2.8	730.44	432.79	425.39
(c) Other Current Assets	2.9	952.48	955.12	1,026.40
(d) Assets held for Sale	2.10	64.08	64.08	64.08
		7,307.42	**7,731.57**	**7,565.79**
Total Assets		**10,230.36**	**10,535.14**	**10,420.61**
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	2.11	878.17	878.17	878.17
(b) Other Equity	2.12	1,964.51	1,886.69	1,827.87
		2,842.68	**2,764.86**	**2,706.04**
Liabilities				
(2) Non-Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	2.13	176.90	176.51	201.86
(b) Provisions	2.14	27.62	11.18	12.46
(c) Deferred Tax Liabilities (net)	2.15	243.87	242.92	238.33
(d) Other Non-current liabilities	2.16	57.22	51.43	69.41
		505.61	**482.04**	**522.06**
(3) Current Liabilities				
(a) Financial liabilities				
i) Borrowings	2.17	4,620.67	5,212.08	4,947.83
ii) Trade payables	2.18	1,813.09	1,588.77	1,583.56
(b) Provisions	2.19	400.31	435.40	568.03
(c) Other current liabilities	2.20	48.00	51.99	93.09
		6,882.07	**7,288.24**	**7,192.51**
Total Equity and Liabilities		**10,230.36**	**10,535.14**	**10,420.61**

Significant accounting policies & Notes to accounts 1 to 18

The schedule referred to above form an integral part of these financial statements

As per our report attached

For and on behalf of the Board

for **J.V.RAMANUJAM & CO**
Chartered Accountants
Firm's registration no. 002947S

J. VEDANTHA RAMANUJAM
Partner
Membership No. 022188

G S ANIL KUMAR
Managing Director
DIN:00080712

GPN GUPTA
WTD & CFO
DIN: 00086174

Place: Chennai
Date: 26.05.2018

R.PRAMOD KUMAR
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(Rs. in Lakhs)

Particulars	Note	For the year ended March 31, 2018 (Ind AS)	For the year ended March 31, 2017 (Ind AS)
Revenue from operations	2.21	10,696.49	10,002.67
Other income	2.22	44.62	87.76
Total Income		**10,741.11**	**10,090.43**
Expenses			
Cost of materials consumed	2.23	6,337.73	5,445.15
Changes in inventories and finished goods	2.24	17.49	103.77
Employee benefits expenses	2.25	970.81	881.47
Excise duty		122.46	358.39
Depreciation and amortization expense	2.1	179.18	169.08
Finance costs	2.26	379.22	433.02
Other expenses	2.27	2,589.57	2,591.05
Total expenses		**10,596.46**	**9,981.93**
Profit / (loss) before exceptional items and tax		**144.65**	**108.50**
Exceptional items		-	-
Profit / (loss) before tax		**144.65**	**108.50**
Current tax		53.64	42.34
Less: Tax adjustment of Prvs year		(19.22)	-
Deferred tax		0.95	4.60
Total tax expense		**35.37**	**46.94**
Profit / (loss) for the year		**109.28**	**61.56**
Other comprehensive income		-	-
Items that will not be reclassified subsequently to (profit) or loss			
Remeasurements of defined benefit liability (asset)		**(31.46)**	**(2.75)**
Other comprehensive income for the year, net of income tax		**(31.46)**	**(2.75)**
Total comprehensive income / (loss) for the year		**77.82**	**58.81**
Earnings per share			
Basic earnings per share		1.31	0.74
Diluted earnings per share		1.31	0.74

Significant accounting policies & Notes to accounts 1 to 18

The schedule referred to above form an integral part of these financial statements

As per our report attached

for **J.V.RAMANUJAM & CO**
Chartered Accountants
Firm's registration no. 002947S

J. VEDANTHA RAMANUJAM
Partner
Membership No. 022188

Place: Chennai
Date: 26.05.2018

For and on behalf of the Board

G S ANIL KUMAR
Managing Director
DIN:00080712

GPN GUPTA
WTD & CFO
DIN: 00086174

R.PRAMOD KUMAR
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.3.2017

Rs. in lakhs

(A) Equity share capital	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 Mar 2017
8373700 Equity shares of Rs.10 each	837.37	-	837.37
408000 forefeited shares @ Rs.10 each	40.80	-	40.80
	878.17	-	878.17

Rs. in lakhs

(B) Other Equity	Opening balance as at 1 Apr 2016	Changes in accounting policy/ prior period errors	Restated balance as at 1 April 2016	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change (to be specified)	Closing balance as at 31 Mar 2017
Equity component of other financial instrument								
Reserves								
Capital Reserves	196.33	-	196.33	-	-	-	-	196.33
Capital Redemption Reserves	86.75	-	86.75	-	-	-	-	86.75
Securities premium A/c.	294.45	-	294.45	-	-	-	-	294.45
General Reserves	20.00	-	20.00	-	-	-	5.82	25.82
Revaluation Reserves	1,294.12	-	1,294.12	-	-	-	(5.82)	1,288.30
Other comprehensive income / loss	-	-	-	(2.75)	-	-	-	(2.75)
Surplus / (deficit) balance in the statement of profit and loss account	(63.78)	97.04	33.26	61.56	-	-	-	94.82
Total reserves	**1,827.87**	**97.04**	**1,924.91**	**58.81**	**-**	**-**	**0.00**	**1,983.72**

As per our report attached

for **J.V.RAMANUJAM & CO**
Chartered Accountants
Firm's registration no. 002947S

J. VEDANTHA RAMANUJAM
Partner
Membership No. 022188

Place: Chennai
Date: 26.05.2018

For and on behalf of the Board

G S ANIL KUMAR
Managing Director
DIN:00080712

GPN GUPTA
WTD & CFO
DIN: 00086174

R.PRAMOD KUMAR
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.3.2018

Rs. in lakhs

(A) Equity share capital	Opening balance as at 1 Apr 2017	Changes in equity share capital during the year	Closing balance as at 31 Mar 2018
8373700 Equity shares of Rs.10 each	837.37	-	837.37
408000 forefeited shares @ Rs.10 each	40.80	-	40.80
	878.17	-	878.17

Rs. in lakhs

(B) Other Equity	Opening balance as at 1 Apr 2017	Changes in accounting policy/ prior period er-rors	Restated balance as at 1 Aprl 2017	Total compre-hensive income for the year	Divi-dends	Trans-fer to retained earnings	Any other change (to be speci-fied)	Closing balance as at 31 Mar 2018
Equity component of other financial instrument								
Reserves								
Capital Reserves	196.33	-	196.33	-	-	-	-	196.33
Capital Redemption Reserves	86.75	-	86.75	-	-	-	-	86.75
Securities premium A/c.	294.45	-	294.45	-	-	-	-	294.45
General Reserves	25.82	-	25.82	-	-	-	5.81	31.63
Revaluation Reserves	1,288.30	-	1,288.30	-	-	-	(5.81)	1,282.49
Other comprehensive income / loss	(2.75)	-	(2.75)	(31.46)	-	-	-	(34.21)
Surplus / (deficit) balance in the statement of profit and loss account	(2.21)	-	(2.21)	109.28	-	-	-	107.07
Total reserves	**1,886.69**	**-**	**1,886.69**	**77.82**	**-**	**-**	**0.00**	**1,964.51**

As per our report attached

for **J.V.RAMANUJAM & CO**
Chartered Accountants
Firm's registration no. 002947S

J. VEDANTHA RAMANUJAM
Partner
Membership No. 022188

Place: Chennai
Date: 26.05.2018

For and on behalf of the Board

G S ANIL KUMAR
Managing Director
DIN:00080712

GPN GUPTA
WTD & CFO
DIN: 00086174

R.PRAMOD KUMAR
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Pursuant to clause 32 of the Listing Agreement)

(Rs. in Lakhs)

		Apr'17 to Mar'18		Apr'16 to Mar'17	
A	**Cash Flow from Operating Activities :**				
	Profit before tax		144.65		108.50
	Adjustments for :				
	Prior period adjustments - Profit / (Loss)	-		-	
	Depreciation	179.18		169.08	
	Deferred tax liabilities (net)	0.95		(24.20)	
	Foreign exchange (gains)/Losses	-		-	
	(Profit) / Loss on sale of asset	4.14		6.97	
	Interest Expenses	379.22		433.02	
	Interest Income	(33.10)		(1.13)	
			530.39		583.74
	Operating profit before working capital		675.04		692.24
	Adjustments for Changes in				
	Trade payables - Increase / (Decrease)	224.32		5.21	
	Long term provisions- Increase / (Decrease)	(15.01)		(4.03)	
	Short term provisions - Increase / (Decrease)	(35.09)		(132.63)	
	Other current liabilities- Increase / (Decrease)	(4.39)		(45.70)	
	Other long term liabilities - Increase / (Decrease)	4.84		6.22	
	Trade receivables - (increase) / Decrease	714.16		(264.58)	
	Inventories - (increase) / Decrease	56.78		47.35	
	Long term Loans and advances - (Increase) / Decrease	(23.89)		(18.53)	
	Short term loans and advances - (increase) / Decrease	(297.66)		(7.40)	
	Other current assets - (increase) / Decrease	2.64		71.28	
	Other non current assets - (increase) / Decrease	(7.45)		37.91	
			619.25		(304.90)
	Cash generated from operations		1,294.29		387.34
	Income taxes paid (Net of refunds)		(34.42)		(42.34)
	Net Cash from Operating activities		**1,259.87**		**345.00**
B	**Cash Flow from Investing Activities :**				
	Purchase of fixed assets / WIP	(271.41)		(141.04)	
	Proceeds from sale of fixed assets	-		-	
	Purchase of Investments	0.07		(3.13)	
	Sale of investments	-		-	
			(271.34)		(144.17)
	Net cash used in Investing Activities		**(271.34)**		**(144.17)**

	Apr'17 to Mar'18		Apr'16 to Mar'17	
C Cash Flow from Financing Activities :				
Proceeds from issuance of Share Capital	-		-	
Proceeds from Share premium	-		-	
Proceeds / (Repayment) of Long Term borrowings	81.90		-	
Borrowings for working capital purposes	(591.41)		269.25	
Finance / Lease Liabilities - Increase / (Decrease)	(81.12)		(25.75)	
Investment in Subsidiaries	-		-	
Interest Expenses	(379.22)		(433.02)	
Interest Income	33.10		1.13	
Dividend paid (Including Tax on dividend)	-		-	
		(936.75)		(188.39)
Net cash used in Financing Activities		**(936.75)**		**(188.39)**
D Net Increase in Cash and Cash Equivalents (A+B+C)		**51.78**		**12.44**
Cash and Cash equivalents as at 01.04.2017		183.62		171.19
Cash and Cash equivalents as at 31.03.2018		235.40		183.62
E Net (Increase) / Decrease in Cash and Cash Equivalents		**(51.78)**		**(12.44)**

As per our report attached

for **J.V.RAMANUJAM & CO**
Chartered Accountants
Firm's registration no. 002947S

J. VEDANTHA RAMANUJAM
Partner
Membership No. 022188

Place: Chennai
Date: 26.05.2018

For and on behalf of the Board

G S ANIL KUMAR
Managing Director
DIN:00080712

GPN GUPTA
WTD & CFO
DIN: 00086174

R.PRAMOD KUMAR
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1

CORPORATE INFORMATION

Jumbo Bag Limited is a part of BLISS Group. Jumbo Bag Ltd. was established in the year 1990 with an initial capacity of 720,000 jumbo bags (FIBCs).

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Recent Accounting Pronouncements

Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying the standard Ind AS 115 'Revenue from Contracts with Customers' and amendments to Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'. The notified standard and the amendment are applicable to the Company from 1 April 2018.

Ind AS 115 'Revenue from Contracts with Customers'

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after 1 April 2018 and will be applied accordingly.

The Company has evaluatred the potential impact of the adoption of Ind AS 115 on accounting policies followed in its financial statements and it expects no material impact on adoption of the same.

Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amendment to Ind AS 21 applies to entities for foreign currency consideration paid or received in advance. The amendment requires such advance paid or deferred liability to be restated using the spot rate as of the date of such a transaction.

The Company has evaluated the potential impact of the adoption of Ind AS 21 on accounting policies followed in its financial statements and it expects no material impact on adoption of the same.

1.2 Basis Of Accounting And Preparation Of Financial Statements

1.3 Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015.

Beginning April 1, 2017, the company has for the first time adopted Ind AS with a transition date of April 1, 2016. The financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

1.4 Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on above basis, except for lease transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below -

1.5 Property, Plant and Equipment (PPE)

a) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

b) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. For qualifying assets, borrowing costs are capitalised in accordance with Ind AS 23 - Borrowing costs. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

c) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

d) Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. 'The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

e) Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be irregular are capitalized and depreciated over the residual useful life of the respective assets.

f) Individual assets whose cost is less than Rs. 5,000 are fully depreciated.

g) Leasehold land / Improvements thereon are amortized over the primary period of lease.

h) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as deemed cost as of the transition date.

1.6 Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Intangible assets comprising of software is amortised over estimated useful life of 4 years.

Derecognition of intangible assets:

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Investments in associates and joint ventures

An associate is entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of parties sharing control.

1.7 Inventories

Inventories are valued at the lower of cost and estimated net realizable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. In case of raw materials and traded goods, cost (net of CENVAT/ VAT/GST credits wherever applicable) is determined on a moving weighted average basis.

1.8 Cash and cash equivalents (for the purpose of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.9 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.10 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for customer returns, taxes on sales, estimated rebates and other similar allowances.

i) Revenue from sale of goods is recognized when the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership of the goods to the buyer which generally coincides with the delivery of goods,
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over goods sold;
- the amount of revenue can be measured reliably:
- it is probable that the economic benefits associated with the transaction will flow to the Company;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Service income is recognised on completion of service.

1.11 Other Income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.12 Foreign currency transactions and translations

Foreign currency transactions are recorded at rates of exchange prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the rate of exchange prevailing at the year-end. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

1.13 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets. Revenue grant is recognised as an income in the period in which related obligation is met.

Export Incentives earned in the year of exports are treated as income and netted off from cost of raw material imported.

1.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.15 Employee benefits

Employee benefits include wages & salaries, provident fund, employee state insurance scheme, gratuity fund and Superannuation.

1.15.1. Defined contribution plans

Contributions to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

1.15.2. Defined benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and

- re-measurement

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

1.15.3. Other Short-term and long-term employee benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.16 Segment reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Finance lease:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs . Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease:

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.19 Taxes on income

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.19.1.'Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of the country in which the respective entities in the Company are incorporated. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1.19.2. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

1.19.3. Current and Deferred tax for the year

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

1.19.4. Mat Credit

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

1.20 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease .

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase

1.21 Provisions

A provision is recognized when the Company has a present obligation (legal / constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for the expected cost of sales related obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management’s best estimate of the expenditure required to settle the Company’s obligation.

Warranties: Provisions for the expected cost of warranty obligations under the local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors best estimate of the expenditure required to settle the Company’s obligation.

1.22 Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.23 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

1.23.1 Classification of financial asset

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss (FVTPL) (except for investments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for investments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  All other financial assets are subsequently measured at fair value.

1.23.2 Amortised cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the Other Income."

1.23.3 Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve tor equity instruments through other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

1.23.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Debt instrument that do not meet the amortised cost criteria or fair value through other comprehensive income criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the fair value through other comprehensive income criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the other income line item .Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

1.23.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial assets, and financials guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instruments.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12- month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 - Revenue, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

1.23.6 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

1.24 Financial Liabilities And Equity Instruments

1.24.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

1.24.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

1.24.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company are measured in accordance with the specific accounting policies set out below.

1.24.4 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

1.24.5 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.25 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

1.26 Hedge Accounting

The company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'Other income' line item. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability ,such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non -financial asset or non-financial liability.

In cases where the designated hedging instruments are options and forward contracts, the company has an option, for each designation, to designate on an instrument only the changes in intrinsic value of the options and spot element of forward contracts respectively as hedges. In such cases, the time value of the options is accounted based on the type of hedged item which those options hedge.

In case of transaction related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e. Reserve for time value of options and forward elements of forward contracts in hedging relationship. This separate component is removed and directly included in the initial cost or other carrying amount of the asset or the liability (i.e. not as a reclassification adjustment thus not affecting other comprehensive income) if the hedged item subsequently results in recognition of a non-financial asset or a non-financial liability. In other cases, the amount accumulated is reclassified to profit or loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect profit or loss.

In case of time-period related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e. Reserve for time value of options and forward elements of forward contracts in hedging relationship. The time value of options at the date of designation of the options in the hedging relationships is amortised on a systematic and rational basis over the period during which the options' intrinsic value could affect profit or loss. This is done as a reclassification adjustment and hence affects other comprehensive income.

In cases where only the spot element of the forward contracts is designated in a hedging relationship and the forward element of the forward contract is not designated, the company makes the choice for each designation whether to recognise the changes in forward element of fair value of the forward contracts in profit or loss or to account for this element similar to the time value of an option .

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

1.27 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.28 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

1.29 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.30 First-Time Adoption - Mandatory Exceptions & Optional Exemptions

1.30.1 Overall Principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required under Ind AS, not recognising items of assets and liabilities which are not permitted under Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

1.30.2 Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

1.30.3 Classification of debt instruments

The company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

1.30.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

1.30.5 Deemed cost for property, plant and equipment and investment property

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

1.30.6 Determining whether an arrangement contains a lease

The company has applied Appendix C of Ind AS 17 - Leases determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

1.31 Critical Accounting Judgements And Key Sources Of Estimation Uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make certain judgements and estimates that may effect the application of accounting policies, reported amounts and related disclosures.

These judgments and estimates may have an impact on the assets and liabilities, disclosure of contingent liabilities at the date of the financial statements, and income and expense items for the period under review. Actual results may differ from these judgements and estimates.

All assumptions, expectations and forecasts that are used as a basis for judgments and estimates in the financial statements represent as accurately an outlook as possible for the group. These judgements and estimates only represent our interpretation as of the dates on which they were prepared. Important judgments and estimates relate largely to provisions, pensions, tangible and intangible assets (lives, residual values and impairment), deferred tax assets and liabilities and valuation of financial instruments.

NOTE 1.32

(i) Reconciliation of Balance Sheet as previously reported under Indian GAAP to IND AS

Rs. in lakhs

	Particulars	Notes	As on March 31, 2017			As on April 01, 2016		
			Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet
A	**ASSETS**							
1	**Non-current assets**							
	(a) Property, Plant & Equipment		2,714.22	(64.08)	2,650.14	2,761.27	(64.08)	2,697.19
	(b) Intangible assets		-	-	-	-	-	-
	(c) Capital work-in-progress		12.06	-	12.06	-		-
	(d) Financial Assets					-		
	(i) Investments		5.93	-	5.93	2.80		2.80
	(ii) Loans		114.75	-	114.75	96.23		96.23
	(ii) Other financial assets	(a)	-	-	-	-		-
	(e) Other non-current assets	(a)	20.69	-	20.69	58.60		58.60
	(f) Tax assets (net)		-	-	-	-	-	-
	Total Non-Current Assets		**2,867.65**	**(64.08)**	**2,803.57**	**2,918.90**	**(64.08)**	**2,854.82**
2	**Current assets**							
	(a) Inventories		2,582.30	-	2,582.30	2,629.65		2,629.65
	(b) Financial Assets		-	-	-	-	-	-
	(i) Trade receivables		3,513.66	-	3,513.66	3,249.08		3,249.08
	(ii) Cash and cash equivalents		183.62	-	183.62	171.19		171.19
	(iii) Other bank balance		-	-	-	-		-
	(iv) Loans	(a)	432.79	-	432.79	425.39		425.39
	(v) Other financial assets	(a)	-	-	-	-		-
	(c) Other current assets	(a)	955.12	-	955.12	1,026.40		1,026.40
			7,667.49	**-**	**7,667.49**	**7,501.70**	**-**	**7,501.71**
	Assets classified as held for sale		-	64.08	64.08	-	64.08	64.08
	Total Current Assets		**7,667.49**	**64.08**	**7,731.57**	**7,501.70**	**64.08**	**7,565.79**
	TOTAL ASSETS		**10,535.14**	**-**	**10,535.14**	**10,420.60**	**-**	**10,420.61**
B	**EQUITY AND LIABILITIES**							
1	**Equity**							
	(a) Equity Share capital		878.17	-	878.17	878.17		878.17
	(b) Other Equity	(c)	1,818.44	68.24	1,886.68	1,730.83	97.04	1,827.87
	Total Equity		**2,696.61**	**68.24**	**2,764.85**	**2,609.00**	**97.04**	**2,706.04**
2	**Non-current liabilities**							
	(a) Financial Liabilities							
	(i) Borrowings		176.51	-	176.51	201.86		201.86
	(b) Provisions	(b)	11.18	-	11.18	12.46		12.46
	(c) Deferred Tax Liabilities		311.17	(68.24)	242.93	335.37	(97.04)	238.33
	(d) Other non-current liabilities	(b)	51.43	-	51.43	69.41		69.41
	Total Non-Current Liabilities		550.29	(68.24)	482.05	619.10	(97.04)	522.06
3	**Current liabilities**							
	(a) Financial liabilities							
	(i) Borrowings		5,212.08	-	5,212.08	4,947.83		4,947.83
	(ii) Trade payables		1,588.77	-	1,588.77	1,583.56		1,583.56
	(iii) Others financial liabilities	(b)	-	-	-	-		-
	(b) Other current liabilities	(b)	51.99	-	51.99	568.03		568.03
	(c) Provisions		435.40	-	435.40	93.09		93.09
	Total Current Liabilities		**7,288.24**	**-**	**7,288.24**	**7,192.51**	**-**	**7,192.51**
	TOTAL EQUITY AND LIABILITIES		**10,535.14**	**-**	**10,535.14**	**10,420.61**	**-**	**10,420.61**

(ii) Reconciliation of Profit or Loss as previously reported under IGAAP to Ind AS for the year ended March 31, 2017

Rs. in lakhs

	Particulars	Notes	Previous GAAP	Effect of transition to Ind AS	Ind AS
1	**Revenue from operations - Gross**	(d)	10,002.67	-	10,002.67
	Excise duty		(358.39)	358.39	-
	Revenue from operations - Net		9,644.28	358.39	10,002.67
2	Other income		87.76	-	87.76
3	**Total revenue (1+2)**		9,732.04	358.39	10,090.43
4	**Expenses**				
	(a) Cost of materials consumed		5,445.15	-	5,445.15
	(b) Changes in inventories of finished goods and work-in-process		103.77	-	103.77
	(c) Excise duty	(d)	-	358.39	358.39
	(d) Employee benefits expense	(c)(i)	884.22	(2.75)	881.47
	(e) Finance costs		433.02	-	433.02
	(f) Depreciation and amortisation expense		169.08	-	169.08
	(g) Other expenses		2,591.05	-	2,591.05
	Total expenses		**9,626.29**	**355.64**	**9,981.93**
5	**Profit before tax (3 - 4)**		105.75	2.75	108.50
6	**Tax expense:**				
	(a) Current tax expense		42.34	-	42.34
	(b) Deferred tax		(24.20)	28.80	4.60
	Net tax expense		**18.14**	**28.80**	**46.94**
7	**Profit after Tax (5 - 6)**		**87.61**	**(26.05)**	**61.56**
8	**Other Comprehensive Income**				
	Items that will not be reclassified to Profit or loss				
	(a) Actuarial Loss on Gratuity		-	(2.75)	(2.75)
	(b) Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		-		-
9	**Total comprehensive loss for the year (7 + 8)**		**87.61**	**(28.80)**	**58.81**

(iii) Reconciliation of Statement of Cash Flows for the year ended March 31, 2017 Rs. in lakhs

	Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
	Net cash flows from operating activities	345.00	-	345.00
	Net cash flows from investing activities	(144.17)	-	(144.17)
	Net cash flows from financing activities	(188.39)	-	(188.39)
	Net increase (decrease) in cash and cash equivalents	12.44	-	12.44
	Cash and cash equivalents at the beginning of the Year	171.19	-	171.19
	Cash and cash equivalents at end of the Year	183.63	-	183.63

(iv) Equity reconciliation

Rs. in lakhs

Particulars	As on March 31, 2017	As on April 01, 2016
Equity as per previous GAAP	878.17	878.17
Impact on Ind AS adjustments	-	-
Equity as per Ind AS	878.17	878.17

Notes to reconciliations:

(a) Under the previous GAAP, there was no concept of financial assets. Assets were classified as Investments, Loans and Advances, Other Assets as the case may be. As per Ind AS 109, concept of financial assets has been introduced and based on the definition, the following reclassification have been made:

i) Reclassification of capital advances, advances to vendors for materials/services, prepaid expenses, balances with government authorities, derivative assets from Loans to Other Assets.

ii) Reclassification of security deposits, tool development costs recoverable and insurance claims receivable from Loans and Advances to Other financial assets.

iii) Reclassification of advance tax (net of provisions) from Loans and Advances to Tax assets (net).

(b) Under the previous GAAP, there was no concept of financial liabilities. Liabilities were classified as Borrowings, Provisions, Other liabilities as the case may be. As per Ind AS 109, concept of financial liabilities has been introduced and based on the definition, the following reclassification have been made:

i) Reclassification of trade deposits received, current maturities of long term borrowings, interest accrued but not due, payables on purchase of fixed assets from Other Liabilities to Financial liabilities.

(c) Other Equity:

i) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurernent of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under lnd AS instead of profit or loss.

(d) Excise Duty:

Under previous GAAP, revenue from sale of products was presented net of excise duty under revenue from operations. Whereas, under Ind AS, revenue from sale of products includes excise duty. The corresponding excise duty expense is presented separately on the face of the statement of profit and loss. The change does not affect total equity as at April 1, 2015 and March 31, 2016, profit before tax or total profit for the year ended March 31, 2016.

2. NOTES ON ACCOUNTS

The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

2.1 PROPERTY, PLANT & EQUIPMENT

Rs. in lakhs

	Gross Block						Depreciation for April 17 to Mar 18					Net block	
Description	As at 1 April 2017	Addi tions	Dele tion	Sub total	Dis posals	As at 31 Mar 2018	Accumulated Depreciation 1.4.2016 to 31.3.2017	Revaluation Depreciation 1.4.2016 to 31.3.2017	Depreciation charge for 1.4.2017 to 31.3.2018	Revaluation charge for 1.4.2017 to 31.3.18	As at 31 Mar 2018	As at 31 Mar 2018	As at 31 Mar 2017
Land													
Owned	1,200.00			1,200.00	-	1,200.00	-					1,200.00	1,200.00
Buildings													
Owned	715.02	28.25		743.27		743.27	32.26	5.82	34.39	5.81	78.28	664.99	676.94
Assets and Lease													
Leasehold improvements													
Plant and Equipment													
Owned	791.13	228.33		1,019.46		1,019.46	104.74		114.66		219.40	800.06	686.38
Assets under lease													
Furniture and Fixtures													
Owned	12.05	1.52		13.57		13.57	4.22		2.50		6.72	6.85	7.83
Assets under lease													
Vehicles													
Owned	17.03	0.39		17.42		17.42	6.65		4.00		10.65	6.77	10.38
Assets under lease	22.49			22.49		22.49	0.23		2.67		2.90	19.59	22.26
Office equipment													
Owned	36.80	14.48		51.28		51.28	5.71		11.79		17.50	33.78	31.09
Assets under lease													
Electrical & Electronic equipments													
Owned	24.68	6.36		31.04		31.04	9.44		3.35		12.79	18.25	15.25
Assets under lease													
	2,819.20	279.33	-	3,098.53		3,098.53	163.25	5.82	173.36	5.81	348.24	2,750.29	2,650.13

Capital work in progress

Note:1. Revaluation of Fixed Assets as approved by the Board on 23.9.2015 has been given effect from 1st Jan 2016. 2) WDV as on 1.4.2016 considered as cost of asset as opening balance as per Ind AS

PROPERTY, PLANT & EQUIPMENT - FOR THE PERIOD 2016-17

Rs. in lakhs

Description	Gross Block					Depreciation for April 16 to Mar 17						Net block	
	As at 1 April 2016	Reval uation	Addi tions	Deletion	As at 31 Mar 2017	Opening Accumulated Depreciation	Accumulated Revaluation Depreciation	Depreciation charge for 1.4.2016 to 31.3.2017	Revaluation charge for 1.4.2016 to 31.3.2017	Deductions / Other adjustments	As at 31 Mar 2017	As at 31 Mar 2017	As at 31 Mar 2016
Land													
Owned	1,200.00				1,200.00			-				1,200.00	1,200.00
Buildings													
Owned	660.20		54.82		715.02			32.26	5.82		38.08	676.94	660.20
Leasehold improvements													
Plant and Equipment													
Owned	778.23		12.92	0.02	791.13			104.74			104.74	686.39	778.23
Assets under lease													
Furniture and Fixtures													
Owned	11.46		0.59		12.05			4.22			4.22	7.83	11.46
Assets under lease													
Vehicles													
Owned	19.18			2.15	17.03			6.65			6.65	10.38	19.18
Assets under lease	-		22.49		22.49			0.23			0.23	22.26	-
Office equipment													
Owned	5.48		31.32	-	36.80			5.71			5.71	31.09	5.48
Assets under lease													
Electrical & Electronic equipments													
Owned	22.63		2.05		24.68			9.44			9.44	15.24	22.63
Assets under lease													
	2,697.18	-	124.19	2.17	2,819.20	-	-	163.25	5.82	-	169.07	2,650.13	2,697.18

2.2 Investments (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Investment in Equity instruments- Unquoted-at cost			
In Jumbo Bag LLC	2.29	2.28	2.27
Engineered power resources india pvt Ltd., 2062 Shares @Rs.10 per share	0.20	0.28	0.53
Investment on Tulsyan NEC Limited, 11250 shares @Rs.30 per share	3.37	3.37	-
	5.86	**5.93**	**2.80**

2.3 Loans (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Other loans and advances			
unsecured, considered good			
Advance Tax on FBT	-	0.87	0.87
Electricity & other deposits	62.21	49.27	65.56
Rental deposits	76.25	64.43	29.63
Telephone deposits	0.19	0.18	0.18
	138.65	**114.75**	**96.24**

2.4 Other non current assets (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Long term trade receivables (including trade receivables on deferred credit terms)			
Unsecured, considered good	14.07	20.69	58.60
Unsecured, not considered good	-	-	-
Provision for doubtful debts	14.07	-	-
	28.14	**20.69**	**58.60**

2.5 Inventories (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Raw Materials and components (Valued at lower of cost or Net Realisable value)	181.70	235.81	183.35
Goods-in transit	67.87	80.62	133.36
Net	**249.57**	**316.43**	**316.71**
Work-in-progress (Valued at lower of cost or Net Realisable value)	1,883.72	1961.43	2024.59
Net	**1,883.72**	**1961.43**	**2024.59**
Finished goods (Valued at lower of cost or Net Realisable value)	285.71	211.95	200.81
Net	**285.71**	**211.95**	**200.81**
Scrap (Valued at lower of cost or Net Realisable value)	0.56	1.35	0.36
	0.56	**1.35**	**0.36**
Stores and spares (Valued at lower of cost or Net Realisable value)	105.96	91.14	87.18
	105.96	**91.14**	**87.18**
	2,525.52	**2,582.30**	**2,629.65**

2.6 Trade receivables (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Debts outstanding for period exceeding six months			
Unsecured, considered good	59.39	20.69	9.74
	59.39	**20.69**	**9.74**
Unsecured, considered good	2,740.11	3,492.97	3,239.34
	2,740.11	**3,492.97**	**3,239.34**
	2,799.50	**3,513.66**	**3,249.08**

Trade Receivable stated above include debts due by the group under the same management

(Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Stanpacks (India) Ltd.,	88.37	56.46	-
JBL Saks (P) ltd.,	-	-	-
Jumbo Bag LLC	86.74	321.56	364.58
GF Impex Pvt Ltd.,	31.82	25.40	16.35
Balaji Trading Enterprises Pvt Ltd.,	509.32	784.27	625.26
Dinesh Polyfab Pvt Ltd.,	-	-	-
Master material suppliers FZE	36.23	-	-
	752.48	**1,187.69**	**1,006.19**

2.7 Cash and cash equivalents (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Cash Balance	1.45	2.82	1.67
Balance with banks	6.54	6.62	2.32
Other Bank balances			
Earmarked Balances (eg/- unpaid dividend accounts)	-	-	3.84
Margin money	227.41	174.18	163.36
Bank deposits with more than 12 months maturity	-	-	-
	235.40	**183.62**	**171.19**

2.8 loans (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Others			
Unsecured, considered good			
Rental deposits	33.04	33.04	33.04
Advance for Capital Goods	-	-	-
Cenvat receivable	11.94	41.82	83.47
VAT / GST receivable	139.90	(0.48)	0.12
Service tax receivable	-	19.96	19.42
TCS receivable	0.54	0.47	0.51
Interest receivable on bank deposits / others etc.	-	-	10.63
GST refund receivable	267.07	-	-
Interest/EPI receivable on customers	27.00	21.09	10.26
Prepaid expenses	39.41	40.95	36.02
ECGC premium	1.66	(1.45)	(2.86)
Rebate Claim & Duty Drawback receivable	17.00	84.80	33.36
Focus products scheme	96.42	88.28	92.50
Staff advance / others	20.31	16.42	4.15
Provision for taxation(Net)	76.15	87.89	104.76
	730.44	**432.79**	**425.39**

2.9 Other current assets (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Claims receivables- Tuff	-	2.64	2.64
Insurance Claim Receivables on (Fixed Assets+Stocks)	952.48	952.48	1023.76
	952.48	**955.12**	**1,026.40**

2.10: Property held for sale (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
Karagpur Land	64.08	64.08	64.08
	64.08	**64.08**	**64.08**

2.11 Equity Share Capital (Rs. in Lakhs)

Particulars	As at 31 Mar 2018	As at 31 March 2017	As at 1 April 2016
(a) Authorised			
Equity shares			
140,00,000 (previous year 140,00,000), Rs.10 par value	1,400.00	1,400.00	1,400.00
Preference shares			
6,00,000 (previous year. 600,000) cumulative, redeemable preference shares of Rs 100 par value	600.00	600.00	600.00
	2,000.00	**2,000.00**	**2,000.00**
(b) Issued			
Equity shares			
83,73,700 (previous year 83,73,700), Rs. 10 par value	837.37	837.37	837.37
	837.37	**837.37**	**837.37**
(c) Subscribed and fully Paid up			
Equity shares			
83,73,700 (previous year83,73,700), Rs .10 fully paid up	837.37	837.37	837.37
	837.37	**837.37**	**837.37**
Forfeited shares			
408,000(previous year 408,000) equity shares of Rs 10 par value	40.80	40.80	40.80
	878.17	**878.17**	**878.17**

Clause (a) (b) (c) – The Authorised Capital comprises of equity shares and non convertible redeemable preference shares. The Issued and Fully Paid-up Capital comprise of equity shares having a par value of Rs.10 each.

Clause (d) The reconciliation of the number of equity shares outstanding is set out below;

(in Nos)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
Shares outstanding at the beginning of the year	83,73,700	83,73,700	83,73,700
Shares Issued during the year			
Shares bought back during the year			
Shares outstanding at the end of the year	**83,73,700**	**83,73,700**	**83,73,700**

Clause (e) – Rights, preference and restrictions attached to shares

Equity Shares:

The Company has one class of equity shares having a par value of Rs.10 each. Each share holder is eligible for one vote per share held. The dividend (if any) proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Clause (f) – Shares held by holding company or its ultimate holding company including thier subsidiaries – Not applicable Not Applicable

Clause (g) – particulars of shares held by shareholders holding more than 5% of the aggregate shares in the company :

Name of Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Balaji Trading Enterprises Private Limited	2,632,200	31.43	2,632,200	31.43	2,632,200	31.43

Clause (h) – Shares reserved for issue under options and contracts/ commitments for the sale of shares – Not applicable

Clause (i) – Shares allotted in the preceding five years without payment being received in cash / by way of bonus shares / shares bought back – Not Applicable

Clause (j) – Terms of any securities convertible into issued along with the earliest date of conversion – Not Applicable

Clause (k) – Calls unpaid – Not Applicable

Clause (l) – Forfeited shares

(Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
EQUITY SHARES			
4,08,000 (previous year 4,08,000) shares of Rs.10 par value	40.80	40.80	40.8

2.12 Other Equity

(Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Capital Reserves			
Opening Balance	196.33	196.33	196.33
Add: Amount transferred from statement of profit and loss account	-	-	-
Less: Amount utilized	-	-	-
Closing Balance	**196.33**	**196.33**	**196.33**
Capital Redemption Reserve			
Opening Balance	86.75	86.75	86.75
Add: Amount Transferred	-	-	-
Less: Amount utilised	-	-	-
Closing Balance	**86.75**	**86.75**	**86.75**
Securities Premium Account			
Opening Balance	294.45	294.45	294.45
Add: Amount Transferred	-	-	-
Less: Amount utilised	-	-	-
Closing Balance	**294.45**	**294.45**	**294.45**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
General Reserve			
Opening Balance	25.82	20.00	20.00
Add: Amount Transferred	5.81	5.82	-
Less: Amount utilised	-	-	-
Closing Balance	**31.63**	**25.82**	**20.00**
Revaluation Reserve			
Opening Balance	1,288.30	1,294.12	-
Add: Additions on revaluation during the year	-	-	1,373.51
Less: Amount utilised	5.81	5.82	79.39
Closing Balance	**1,282.49**	**1,288.30**	**1,294.12**
Other comprehensive Income / Loss			
Opening Balance	(2.75)	-	-
Add: Additions duriing the year	(31.46)	(2.75)	-
Closing Balance	**(34.21)**	**(2.75)**	**-**
Other Reserves Total	**1,857.44**	**1,888.90**	**1,891.65**
Surplus / (deficit) balance in the statement of profit and loss account			
Opening Balance	(2.21)	(63.78)	(94.01)
Add: Profit/ (Loss) for the year	109.28	90.36	(63.78)
Add : Amount transferred from deferred tax as per Ind AS working for 15-16 & 16-17	-	(28.79)	94.01
Closing Balance	107.07	(2.21)	(63.78)
	1,964.51	**1,886.69**	**1,827.87**

2.13 Borrowings (Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured- Considered good			
Term loans			
from banks			
State Bank Of India	81.90	-	-
(secured by fixed assets of the Company on pari passu charge with State Bank of Hyderabad and Guaranteed by directors in their personnel capacity)			
In case of continuing default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
Long term maturities of finance lease obligations	9.17	14.16	-
(Secured by motor Vehicle under Hypothecation)			
Repayment tenure of 60 months ending Mar 2022			
In case of continuing default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
	91.07	**14.16**	**-**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured -considered good			
Public Deposits	-	-	11.00
Repayable on maturity depending on the period of deposit more than 1 year			
In case of continuing default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
Loans and advances from related parties			
from Group Company-Balaji Trading Enterprises Private Limited	85.83	162.35	190.86
Repayable for a period of 3 years with the rate of Interest			
In case of continuing default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
	85.83	**162.35**	**201.86**
	176.90	**176.51**	**201.86**

2.14: Provisions (Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Others (Specify nature)			
Provision for pending sales tax forms and other sales tax disputes	13.55	11.18	12.46
Provisions for Contingencies	-	-	-
Others provision (Reserve for bad debts)	14.07	-	-
	27.62	**11.18**	**12.46**

2.15 Deferred tax liabilities (Net) (Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
As per last Balance Sheet	242.92	238.33	335.37
Add : Deferred tax liability for the year (Net)	0.95	4.59	(97.04)
Closing Balance	**243.87**	**242.92**	**238.33**

2.16 Other non current liabilities (Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade Payables			
- others creditors	9.86	30.04	51.36
Others			
Security Deposit	47.36	21.39	18.05
	57.22	**51.43**	**69.41**

2.17 Borrowings

(Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured- Considered good			
Loans repayable on demand			
from banks			
State Bank Of India	3,642.15	3,962.93	3,594.07
(Includes Rs. Nil as buyers credit on short term repayable with in one year).			
(Secured by pari passu first charge on the entire current assets Viz, RM,SIP,FG,Receivables, spares, consumables and other current assets of the Company with State Bank of Hyderabad and also Guaranteed by the directors in their personnel capacity)			
In case of continuing default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
- State Bank of India	874.66	1,227.65	1,302.27
(Includes Rs Nil as buyers credit on short term repayable with in one year).			
(Secured by pari passu first charge on the entire current assets Viz, RM,SIP,FG,Receivables, spares, consumables and other current assets of the Company with State Bank of Hyderabad and also Guaranteed by the directors in their personnel capacity)			
In case of continuing default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
Other loans and advances (specify nature)			
Term loan (State Bank of India)	18.36	-	-
(secured by fixed assets with a specific mention in case guaranteed by any director or others)			
In case of default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
	4,535.17	**5,190.58**	**4,896.34**
Unsecured			
Loans repayable on demand			
Others			
from other parties	-	-	-
In case of default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
Deposits			
Public Deposits	-	-	5.00
Repayable on maturity depending on the period of deposit less than 1 year			
In case of continuing default as on the balance sheet date in repayment of loans and interest			
1. Period of default NIL			
2. Amount NIL			
Loan from directors	85.50	21.50	46.49
	85.50	**21.50**	**51.49**
	4,620.67	**5,212.08**	**4,947.83**

2.18 Trade payables (Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade Payables			
- due to micro and small enterprises	-	-	-
- others creditors	1,813.09	1,588.77	1,583.56
	1,813.09	**1,588.77**	**1,583.56**

2.19 Provisions (Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for employee benefits			
Salary & Reimbursements	65.81	72.10	66.00
Contribution to PF / ESIC	22.28	18.13	69.19
Gratuity	51.78	64.71	66.71
Superannuation	-	-	0.12
Leave travel & Medical expenses-Directors	6.04	5.58	11.89
Professional tax payable	1.07	-	0.04
Employee related	0.88	-	-
Others (Specify nature)			
Provision for Electricity Charges	25.06	30.39	44.03
provision for Freight & Clearing	2.80	6.42	1.15
Provision for Excise duty on Finished Goods	-	23.55	22.31
Provision for Commission on sales	-	-	29.70
Provision for Job work charges	-	-	0.92
provision for Expenses	224.59	214.52	255.97
	400.31	**435.40**	**568.03**

2.20 Other Current Liabilities (Rs. in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current maturities of long-term debt	-	-	-
(secured by fixed assets of the Company on pari passu charge with State Bank of Hyderabad and Guaranteed by directors in their personnel capacity)			
Current maturities of finance lease obligations	4.99	4.60	-
(Secured by motor Vehicle under Hypothecation)			
Repayment tenure of 60 months ended March 2022			
Interest accrued but not due on borrowings			
Other payables			
Sales Tax / GST Payable	0.86	29.00	83.17
TDS payable	4.13	6.48	4.92
Unclaimed dividends	-	-	3.84
Sundry creditors for purchase of Fixed Assets	38.02	11.91	1.16
	48.00	**51.99**	**93.09**

2.21: Revenue from Operations

Sale of Products (Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Sales - Exports	4,311.46	4,946.39
Sales - Domestic	5,437.45	3,987.56
Sub Total	**9,748.91**	**8,933.95**
Add: Excise Duty	122.46	358.39
Gross Turnover	**9,871.37**	**9,292.34**

Sale of Services (Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Income from Job work charges	140.61	35.75
Commission on sales	94.88	97.39
Early payment incentive	73.64	55.23
	309.13	**188.37**

Other operating revenues (Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Sale of scrap (net)	155.33	117.27
Focus product Scheme	119.14	102.60
Interest Income (IOCL operations)	62.38	83.25
Exchange gain (net)	179.14	218.84
	515.99	**521.96**
	10,696.49	**10,002.67**

2.22: Other income

(Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Interest Income (bank FD+others)	33.10	1.13
Miscellaneous Income / Other Income	11.52	86.63
	44.62	**87.76**

2.23: Cost of material consumed

(Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Raw materials and packing materials consumed		
Opening stock	235.81	183.35
Add: Purchases	6,283.62	5,497.61
Less: Closing stock	181.70	235.81
	6,337.73	**5,445.15**

2.24: Changes in inventories and Finished goods (Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Opening stock		
Finished goods	211.95	200.81
Work-in-progress	1,961.43	2,024.59
Goods in transit	80.62	133.36
Scrap	1.35	0.36
Less: Closing stock		
Finished goods	285.71	211.95
Work-in-progress	1,883.72	1,961.43
Goods in transit	67.87	80.62
Scrap	0.56	1.35
	17.49	**103.77**

2.25: Employee benefits expense (Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Salaries, wages	642.01	564.76
Bonus and Exgratia	33.98	23.03
Contribution to provident fund / ESIC	58.09	105.86
Contribution to Gratuity fund.	12.37	5.75
Workmen and staff welfare expenses	197.96	146.52
Directors remuneration	26.40	35.55
	970.81	**881.47**

2.26: Finance Cost (Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Medium Term Loan	14.15	-
Cash Credit	150.95	157.68
Packing Credit	80.46	83.51
Bills Discounting (FUBD)	75.22	113.02
Interest paid on Hire Purchase	1.47	0.18
Public deposits	-	1.25
Others (Other + interest on unsecured loan)	56.97	77.38
	379.22	**433.02**

2.27: Other Expenses (Rs. in Lakhs)

Particulars	31st Mar 2018	31st Mar 2017
Consumption of stores, loose tools and spare parts	123.00	142.26
Power and fuel	355.61	377.01
Rent	106.29	70.74
Repairs and maintenance:		
- buildings	0.21	0.33
- plant and machinery	10.15	10.26
- others	20.74	20.96
Rates and taxes, excluding, taxes on income	33.26	18.15
Watch & Ward	24.36	18.48
Insurance	30.70	25.32
Job work charges paid	1,413.66	1,352.30
Traveling and conveyance (Domestic)	37.04	32.42
Traveling and conveyance (Foreign)	1.31	1.29
Communication	25.62	33.30
Legal and professional fees	48.96	53.94
Auditor's remuneration	4.75	3.68
Internal Audit fees/others	2.00	1.36
Freight and clearing outward	178.21	197.33
ECGC premium paid	17.45	25.37
Sales promotion	1.89	4.05
Certification fees	0.09	0.05
Sales commission	7.43	2.18
Bank charges	105.95	102.18
Testing charges	1.76	3.65
Loss on sale of fixed assets (net)	4.14	6.97
Bad debts written off	5.71	38.46
Rebate & discount on sales	-	5.22
Training and seminar expenses	1.24	1.33
Provision for bad debts	14.07	-
Books and periodicals	0.33	0.14
Advertisements	1.22	0.29
Management meeting expenses	0.23	0.25
Printing and stationery	11.08	12.46
Office Electricity	2.69	2.83
Membership and subscriptions	2.42	6.75
Sitting Fees	4.09	5.06
Office Maintenance	12.28	10.31
Excise duty on finished goods at stock valued (16-17)	(23.55)	1.24
Listing & Filing fees	2.97	2.90
Donations	0.20	0.20
Miscellaneous expenses	0.01	0.03
	2,589.57	**2,591.05**

3. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES:

The management has written to vendors requesting them to inform whether they would fall under the preview of Micro, Small and Medium Enterprises Act, 2001. Based on disclosure received, amount payable to such enterprises as at 31st March 2018 is Nil. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company which has been relied upon by the auditors.

4. STATUS ON FIRE ACCIDENT CLAIM:

The claim relates to fire accident in the year 2013 at one of the units. The Company has filed cases against the insurance companies for the claims with respect to loss of stock and fixed assets in the fire since only a partial claim of the Company has been paid as final settlement.

Stock Claim

The total claim of the Company with respect to loss of Stock Rs.897 lakhs was repudiated by the insurance company in the year 2014. The basis on which the claim was repudiated was not acceptable to the Company. Hence representations were made putting forth the stand of the Company to the insurance company and further to all the available modes of grievance redressal system. Since they didn’t provide expected outcome the Company decided for legal course of action. A suit has been filed in the Hon’ble High Court of Madras against the repudiation by the insurance company. The Company strongly believes that it has a case in favour of it.

Machinery Claim:

The total claim made by the company with respect to loss of fixed assets is 360.89 lakhs and the insurance company has paid Rs. 172 lakhs as final settlement. The Company was not satisfied with the assessment report since there were some discrepancies and hence requested the insurance company for reassessment by the surveyor. The discrepancies that were reassessed have not provided any resolution, hence after providing more than the reasonable time it was decided to resolve the dispute via arbitration. A petition has been filed at the Hon’ble High Court of Madras for appointment of arbitrator which in progress.

5. Earnings per share

EARNINGS PER SHARE	2017-2018	2016-2017
Profit available for equity share holder (Rs. in lakhs)	77.82	58.81
Number of Equity shares (Basic and diluted)	83,73,700	83,73,700
Earnings per Share (in Rs.)	1.31	0.74
Cash Earnings per Share (in Rs.)	3.10	2.70

6. Unhedged foreign Currency Exposure

Particulars	currency	Foreign Currency	31st March 2018	31st March 2017
Unhedged Foreign currency (Export/ Import)	US $	US$ 1,35,873	INR Lacs 88.38	US$1,73,831 INR 113.83 lacs

7. Particulars of demands by Income Tax, Sales Tax, Excise in Dispute and their status is as under:-

7.1. EXCISE DUTY/ SERVICE TAX:

Sl. No	Description	Demand (including penalty) Rs. in lakhs	Amount not provided	Present status
1.1	Whether Value of Deemed Export shall be considered for Arriving At DTA Sale Eligibility(Difference Of Duty For Disallowed Deemed Export Portion	12.69	12.69	Appeal pending with Supreme Court
1.2	Advance release order (ARO)-non-payment of CVD.	26.55	26.55	Case remanded in Tribunal

1.3	Third Party Export On Payment Of Duty Refund Sanctioned & Duty Demanded	2.77	2.77	Appeal filed in the High Court at Chennai on 6/7/2011
1.4	Cenvat Credit Of Service Tax Of Fumigation services-Unit-1	-	0.18	Order passed in our favour
1.5	Cenvat Credit Of Service Tax Of Fumigation services-Unit-1	-	0.06	Order passed in our favour
1.6	Rebate Claim Original Docs Missed-Unit-2	3.55	3.55	Case closed & Order passed in our favor, but Dept has filed review petition before The Secretary, Government Of India
1.7	Cenvat Credit of Service Tax Of Fumigation services-Unit-2	-	0.12	Order passed in our favour.
	TOTAL	**45.56**	**45.92**	

7.2. INCOME TAX:

Sl No.	Description	AY	Demand (including Penalty ` lacs)	Present Status
2.1	Notice u/s 148 Scrutiny /C C IV (2)/11-12 dt. 01.08.2011	2005-2006	39.85	Appeal made with CIT
2.2	Notice u/s 148 Scrutiny /C C IV (2)/11-12 dt. 01.08.2011	2006-2007	16.24	Appeal made with CIT
2.3	Notice u/s 143/(3) dt 14.03.14 – AY 2011-12	2011-2012	53.38	Appeal made with CIT
2.4	Order passed u/s 154 dt 14.02.2017 – AY 2013-14	2013-2014	4.99	Pursued with I.T authorities.
	TOTAL		**114.46**	

8. Defined Contribution Plans:-

(a) Contribution to Provident Fund /ESI : 58.09 lacs

(b) Contribution to Superannuation Fund : 3.07 lacs

Defined Benefit Plans:-

Gratuity:

The Gratuity liability is covered by a Master Policy taken out with LIC of India under the Cash Accumulation scheme. The company during the year has done actuarial valuation as on 31.03.2018 and the estimated liability amounted to Rs.43.82 lacs. As per IND AS Rs.31.46 lacs was transferred to Other comprehensive loss and the balance amount of Rs.12.37 lacs was debited to statement of Profit and Loss.

Retirement Benefits:

The amounts recognized in the statement of Statement of Profit and Loss are as follows:

Sl No.	Particulars	2017-18 (Rs. in lakhs)	2016-17 (Rs. in lakhs)
(i)	Present value of obligation at the beginning of the year	107.10	92.83
	Interest Cost	8.57	7.43
	Current Service Cost	8.36	7.73
	Benefits paid	(8.04)	(3.63)
	Actuarial (gain) / loss on obligation	31.46	2.75
	Present Value of obligation at the end of the year	147.44	107.10
(ii)	Fair value of plan assets at the beginning of the year	41.39	32.58
	Expected return on plan assets	4.56	2.94
	Contribution	55.76	9.50
	Benefits paid	(8.04)	(3.63)
	Actuarial gain / (loss) on plan assets	NIL	NIL
	Fair value of plan assets at the end of the year	93.67	41.39
(iii)	Amounts recognized in the balance sheet		
	Present Value of obligation as at the end of the year	147.44	107.10
	Fair Value of plan at the end of the year	93.67	41.39
	Funded status of the plan – (asset) / liability	(53.77)	(65.70)
	Net Assets / (liability) recognized in Balance Sheet	(53.77)	(65.70)
(iv)	Amounts recognized in the statement of Profit and Loss		
	Current Service Cost	8.36	7.73
	Interest Cost	8.57	7.42
	Expected return on plan assets	(4.56)	(2.94)
	Expenses recognized in the statement of profit and loss	12.37	12.21
	Other Comprehensive Income		
	Net Actuarial (gain)/loss recognized in the year	31.46	2.75
	Principal actuarial assumptions		
	Discount Rate	8%	8%
	Salary Escalation	5%	5%
	Expected Return on plan assets	8%	8%
	Expected rate of attrition	1.08%	1.08%
	Mortality	IALM (2006-2008)	IALM (2006-2008)

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes:

(a) Estimates of future salary increase take account of inflation, seniority, promotion and other relevant factors.

(b) The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated term of the obligation.

(c) The Company's gratuity funds are managed by the Life Insurance Corporation of India and therefore the composition of the fund assets in not presently ascertained.

9. Segmental Reporting

Company's business segments are as under:

Manufacturing:

Manufacture of Flexible intermediate bulk container packaging material used for industrial purposes.

Trading:

Trading of Polymers.

Segment Accounting Policies:

a. Segment accounting disclosures are in line with accounting policies of the Company.

b. Segment Revenue includes Sales and other income directly identifiable with / allocable to the segment.

c. Expenses that are directly identifiable with allocable to segments are considered for determining the Segment Result.

d. Major portion of segment liabilities and Assets relates to manufacturing segment

e. The company has no Secondary Reportable Segment.

f. Regrouping done wherever necessary.

Segment-wise Reporting as per the format under the Listing agreement

Particulars	Year to Date figures for current period ended 31.03.2018 Rs. in lakhs	Year to Date figures for current period ended 31.03.2017 (Rs. in lakhs)
(i) Segment Revenue		
(Net Sales / Income from each segment should be disclosed under this head)		
(a) Segment A - Manufacturing Business	10505.17	9853.50
(b) Segment B - Trading Business	235.94	236.93
(c) Unallocated	-	-
Total	10741.11	10090.43
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	**10741.11**	**10090.43**
(ii) Segment Results - Profit (+) / Loss (-) before tax and interest from each segment		
(a) Segment A - Manufacturing Business	346.63	366.84
(b) Segment B - Trading business	177.24	174.68
(c) Unallocated	-	-
Total	523.87	541.52
Less: (i) Interest	379.22	433.02
(ii) Other Un-allocable Expenditures Net off	-	-
(iii) Unallocable Income	-	-
Total Profit before tax	**144.65**	**108.50**
(iii) Capital Employed		
Segment (A) Polymer		
Assets	1433.64	1886.49
Liabilities	1440.96	1374.42
Segment (B) Manufacturing		
Assets	8796.72	8648.65
Liabilities	5702.85	6152.94

10. RELATED PARTIES with whom transactions have taken place during the year 2017-18

Rs. in lakhs

Sl No	Name of the Party	Nature of Relationship	Nature of Transaction	Transactions during the Year		Closing Balance as on Cr / (Dr)	
				2017-18	**2016-17**	**31.3.2018**	**31.3.2017**
(i)	Stanpacks (India) Limited	Associate Company	Job Work Charges Paid	77.29	90.92		
			Purchase of goods	300.31	3.97	(88.37)	(56.46)
			Sale of Goods	635.15	221.99		
			Interest received				
			Rent Received		0.24		
(ii)	JBL Saks (P) Ltd	Associate Company	Sale of Goods	48.01	0.13		
			Job Work Charges recvd.		31.36		
			Interest received				
			Purchase of Goods		1.63		
			Job work charges paid				
(iii)	Jumbo Bag LLC	Associate Company	Sale	1204.68	1608.53	(86.74)	(321.56)
(iv)	G. Sudhakar	Key Management Personnel	Retainer Fees				
			Rent	1.77			
(v)	G P N Gupta	Key Management Personnel	Remuneration	12.00	11.38		
			Interest Paid	-	2.46		
(vi)	G S Anil kumar	Key Management Personnel	Salary	12.00	13.09		
			Interest Paid		0.82		
(vii)	G P Ramraj	Key Management Personnel	Salary		9.19		
			Interest paid		2.47		
(viii)	G.Sangeetha	Relative of Key Management Personnel	Rent	4.31	4.31		
(xi)	G.R. Latha Rani	Relative of Key Management Personnel	Rent	8.44	8.00		
(x)	Balaji Trading Enterprises Pvt Ltd	Associate Company	Loan Received Interest paid	14.98	30.70	85.83	162.35
			Loan Received/ Interest paid				
			Purchase	91.38			
			Interest received	88.13	95.04	(509.32)	(784.27)
(xi)	Dinesh polyfab Pvt. Ltd.	Associate Company	Interest received				
(xii)	G.F.IMPEX	Associate Company	Interest received	0.35	0.44	(31.82)	(25.40)
(xiii)	Master Material	Associate Company	Sales	268.64		(36.23)	
			Total	**2767.45**	**2136.37**		

11. Operating Lease arrangements

Future Non-Cancellable minimum lease commitments Rs.in lacs

Particulars	31-Mar-18	31-Mar-17	31-Mar-16
Not later than one year	116.01	44.88	52.80
Later than one year and not later than five years	421.91	-	29.70
Later than five years	130.07	-	-

Expenses recognised in the Statement of Profit and Loss Rs.in lacs

Particulars	31-Mar-18	31-Mar-17	31-Mar-16
Minimum Lease Payments	106.29	70.74	66.84
Sub-lease payments			
Contingent rents (state basis)			

12. Deferred Tax - Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet

Rs. in lakhs

Particulars	For the Year ended 31 March 2018			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities Property, Plant and Equipment	(268.08)	8.20	-	(259.88)
Tax effect of items constituting deferred tax assets				
Employee Benefits	25.15	(9.15)	-	16.00
Other Items	-	-	-	-
Brought forward business loss and unabsorbed depreciation	-	-	-	-
Total	**25.15**	**(9.15)**	**-**	**16.00**
Net Tax Asset / (Liabilities)	**(242.93)**	**0.95**	**-**	**(243.88)**

Rs. in lakhs

Particulars	For the Year ended 31 March 2017			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities Property, Plant and Equipment	(264.08)	(4.00)	-	(268.08)
Tax effect of items constituting deferred tax assets				
Employee Benefits	25.75	(0.60)	-	25.15
Other Items	-	-	-	-
Brought forward business loss and unabsorbed depreciation	-	-	-	-
Total	**25.75**	**(0.60)**	**-**	**25.15**
Net Tax Asset / (Liabilities)	**(238.33)**	**(4.60)**	**-**	**(242.93)**

13. Financial Instruments

A. Capital risk management

The capital structure of the company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the company which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

The company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

Rs. in lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Debt	4,797.57	5,388.59	5,149.69
Cash and Bank Balance	(235.40)	(183.62)	(171.19)
Total Debt	**4,562.17**	**5,204.97**	**4,978.50**
Total Equity	2,842.68	2,764.86	2,706.04
Net Debt to equity ratio	**1.60**	**1.88**	**1.84**

Categories of Financial Instruments

(a) Financial Assets

Rs. in lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Measured at fair value through profit or loss (FVTPL)			
-Investments	5.86	5.93	2.80
Measured by FVOCI	-	-	-
Measured at amortised cost			
- Investments	-	-	-
- Trade receivables	2,799.50	3,513.66	3,249.08
- Cash and Bank balance	235.40	183.62	171.19
- Loans	869.09	547.54	521.62
- Other financial assets	-	-	-

(b) Financial Liabilities :

Rs. in lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Measured at fair value through profit or loss (FVTPL)			
Measured at amortised cost			
- Borrowings	4,797.57	5,388.59	5,149.69
- Trade payables	1,813.09	1,588.77	1,583.56
- Other financial liabilities	-	-	-

B. Financial Risk Management

a) Market risk

The company's activities expose it primarily to the financial risk of changes in interest rates. There have been no changes to the company's exposure to market risk or the manner in which it manages and measures the risk in recent past.

i) Currency risk

The company's exposure arises mainly on import (of raw material and capital items). Management uses forward contracts to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Rs. in lakhs

Currency	As on Mar'18			As on Mar'17			As on Mar'16		
	Exposure Hedged	Exposure Unhedged	Total	Exposure Hedged	Exposure Unhedged	Total	Exposure Hedged	Exposure Unhedged	Total
Trade payable									
USD	-	-	-	-	-	-	42,900	-	42,900
EURO	38,880.00	-	38,880	73,267.87	-	73,268	38,880	-	38,880
Borrowings									
USD	710,587	-	710,587	710,587	-	710,587	710,587	-	710,587
Trade Receivable									
USD	549,865.00	755,788	1,305,653	822,644.56	1,102,653	1,925,298	628,826	1,383,474	2,012,300

Foreign currency sensitivity analysis

The Company is mainly exposed to US Dollars and Euro

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies. 1% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR Strengthens 1% against the relevant currency. For a 1 % weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

Currency	As at March 31, 2018	Sensitivity +1%	Sensitivity -1%	As at March 31, 2017	Sensitivity +1%	Sensitivity -1%	As at April 1, 2016	Sensitivity +1%	Sensitivity -1%
USD	755,788	7,558	(7,558)	1,102,653	11,027	(11,027)	1,383,474	13,835	(13,835)
Euro	-	-	-	-	-	-	-	-	-

Notes :

1. This is mainly attributable to the exposure of payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

ii) Interest rate risk

The company is exposed to interest rate risk as the company borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings.

iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining advances, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, concentrated in the Chemicals, Pharmaceuticals and Minerals industry. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, advances are received from customers.

At 31 March 2018, the company did not consider there to be any significant concentration of credit risk which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

iv) Liquidity Risk

The company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the company. The company has established an appropriate liquidity risk management framework for it's short term, medium term and long term funding requirement.

The below tables summarise the maturity profile of the company's financial assets and financial liabilities

i. Non Derivative financial assets Rs. in lakhs

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Investments	5.86	-	-	5.93	-	-	2.80	-	-
Trade receivables	2,799.50	28.14	-	3,513.66	20.69	-	3,249.08	58.60	-
Cash and cash equivalents	235.40	-	-	183.62	-	-	171.19	-	-
Bank balance other cash and cash equivalents stated above	-	-	-	-	-	-	-	-	-
Loans	730.44	138.65	-	432.79	114.75	-	521.62	96.23	-
Other financial assets	-	-	-	-	-	-	-	-	-

ii. Non Derivative financial liabilities Rs. in lakhs

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Long Term Loan	18.36	176.90	-	-	176.51	-	51.49	201.89	-
Short term loan	4,602.31	-		5,212.08			4,896.31		

iii. Derivative assets / (liabilities) Rs. in lakhs

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Net settled:									
Foreign currency forward contracts	56.83	-	-	-	-	-	-	-	-
Total	56.83	-	-	-	-	-	-	-	-

The below tables summarise the fair value of the financial assets / liabilities

i. Fair value of derivative instruments carried at fair value Rs. in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	Fair value hierarchy (Level 1, 2 or 3) *
Derivative financial assets (a)				
- Cross currency rate swaps	-	-	-	-
Derivative financial liabilities (b)				
- Foreign currency forward contracts	(56.83)	-	-	2
- Interest rate swaps	-	-	-	-
Total	**(56.83)**	-	-	-
Net derivate financial assets / (liabilities) (a - b)	**(56.83)**	-	-	-

ii. Fair value of financial assets / liabilities (other than investment in subsidiaries) that are not measured at fair value;

The management considers that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the balance sheet approximates their fair value.

Level 1 - Quoted price in an active market.

Level 2 - Discounted cash flow. Future cash flows are estimated based on forward exchange rates and contract rates, discounted at a rate that reflects the credit risk of various counterparties.

Level 3 - Discounted cash flow method is used to capture the present value of the expected future economic benefits that will flow to the company.

Details of outstanding forward exchange contracts #

Currency pair	Currency	Currency value	Average exchange rate	Nominal value (Rs)	Buy/Sell
As at March 31, 2018					
USD/INR	US Dollar	550,000	66.56	3,66,08,000	Buy
As at March 31, 2017					
USD/INR	US Dollar	585,000	69.23	4,04,99,550	Buy
As at April 1, 2016					
USD / INR	US Dollar	580,000	67.14	3,89,41,200	Buy

14. Contingent Liabilities

Contingent Liabilities not provided for	As at 31st March, 2018 (Rs. in Lakhs)	As at 31st March, 2017 (Rs. in lakhs)
a. In respect of guarantees given by the Company	608.75	612.35
b. Letter of credit for purchase of raw-materials	776.97	830.88
c. Claims not acknowledged as debts	Nil	Nil
d. Estimated amount of contracts remaining to be executed on Capital accounts, not provided for	Nil	Nil
e. Disputed amount of Central Excise	45.56	45.92
f. Disputed amount on Income Tax	114.46	114.46
g. Disputed TDS	10.45	10.22

No provision has been made in the accounts in respect of disputed amount of sales tax as the company has contested the case and is hopeful of getting the verdict in its favor. Certain claims/show cause notices disputed have neither been considered as contingent liability nor acknowledged as claim, based on the opinion obtained, since the possibility of loss is remote.

15. Expenditure in Foreign Exchange

Expenditures in Foreign Currency	2017-18 (Rs. in Lakhs)	2016-17 (Rs. in lakhs)
i) CIF value of Imports	602.50	582.31
ii) Travel	0.47	1.29
iii) Commission for export sales	5.65	NIL
iv) Others (Testing Charges)	-	1.86

16. Foreign Exchange Earnings

Earnings in Foreign Currency	2017-18 (Rs. in Lakhs)	2016-17 (Rs. in lakhs)
i) FOB Value of Exports	4339.76	4775.36

17. Balances of sundry debtors, creditors, advances & deposits received/paid are as per the books of accounts. Letters have been sent seeking confirmation of balances and replies from most of the cases are awaited. Adjustments, if any, will be made in the books of accounts on receipt of such confirmations.

18. Capacity and Production during the year 2017 – 2018:

Capacity & Production	2017-18 (Rs. in Lakhs)	2016-17 (Rs. in lakhs)
Class of Goods : Intermediate Flexible Containers, Fabric, Components of Jumbo Bags, Liner & Small Bags		
Licensed Capacity (in MT)	8870.00	8870.00
Installed Capacity (in MT)	7200.00	6000.00
Actual Production (in MT)	6211.83	5694.61

The Installed capacity is technically evaluated as certified by the management and accepted by auditors (per year on a continuous shift basis)

Description	2017-18		2016-17	
	Quantity in MT	**(Rs. in lakhs)**	**Quantity in MT**	**(Rs. in lakhs)**
a. Poly Propylene Granules	4656.63	3558.51	4414.50	3078.92
b. Others	2252.72	2675.58	1973.39	2363.45
Total	**6909.35**	**6234.09**	**6387.89**	**5442.37**
ii) Consumption of Imported & Indigenous Raw Material, Stores and Spares Parts and the percentage of each to the Consumption:-	**% of Consumption**	**Total Value**	**% of Consumption**	**Total Value**
a. Raw Material				
Import	19.61%	1243.01	22.37%	1227.12
Indigenous	80.39%	5096.20	77.63%	4257.88
Total	**100.00%**	**6339.21**	**100.00%**	**5485.00**
b. Stores and Spares				
Import	12.72%	17.18	5.47%	8.49
Indigenous	87.28%	117.86	94.53%	146.66
Total	**100.00%**	**135.04**	**100.00%**	**155.15**

Description	2017-18		2016-17	
	Quantity in MTS	**Value (Rs. in lakhs)**	**Qty in MTS**	**Value (Rs. in lakhs)**
P. P. Bags , Fabric , Components of Jumbo Bags & Small Bags	5362.50	8972.86	5072.50	8594.12
	Closing Stock as on 31.03.2018		**Closing Stock as on 31.03.2017**	
	Qty in MTS	**(Rs. in lakhs)**	**Qty in MTS**	**(Rs. in lakhs)**
Finished Goods (Inclusive of Excise Duty)	157.70	285.71	106.94	211.95

The relevant information regarding Turnover, Production, Opening Stock and Closing Stock are given only in aggregate and no detailed breakup thereof is given as the items are too numerous to be conveniently grouped.

PREVIOUS YEAR FIGURES

As stated in Note 1.3, the Company has adopted Indian Accounting Standards (Ind AS) with effect from April 01, 2017 with date of transition to Ind AS being April 01, 2016. Accordingly, previous year figures in the financial statements have been restated to Ind AS.

As per our report attached

for **J.V.RAMANUJAM & CO**
Chartered Accountants
Firm's registration no. 002947S

J. VEDANTHA RAMANUJAM
Partner
Membership No. 022188

Place: Chennai
Date: 26.05.2018

For and on behalf of the Board

G S ANIL KUMAR
Managing Director
DIN:00080712

GPN GUPTA
WTD & CFO
DIN: 00086174

R.PRAMOD KUMAR
Company Secretary

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Jumbo Bag Ltd

CIN: L36991TN1990PLC019944

Regd Office: "S.K.Enclave" New No. 4 (Old No. 47),
Nowroji Road, Chetpet, Chennai - 600031

ATTENDANCE SLIP

Name of the Member ....

Name of Proxy if attending on behalf of the member ....

I certify that I am a Registered Shareholder / proxy for the Registered Shareholder of the Company. I hereby record my presence at the 28th Annual General Meeting of the Company held at Narada Gana Sabha Trust Mini Hall, No.314, T.T.K. Road, Chennai - 600018 at 10.00 A.M. on Monday, the 13th August, 2018.

Ledger Folio No.	
DP Id No. *	
Client Id No. *	
No. of shares held	
Mr. / Mrs. / Miss	

* Applicable for members holding shares in dematerialized form

....

Member's/ Proxy's name (IN BLOCK LETTERS) — Member's / Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the Entrance of the Meeting Hall.

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Jumbo Bag Ltd

CIN: L36991TN1990PLC019944
Regd Office: “S.K.Enclave” New No. 4 (Old No. 47), Nowroji Road, Chetpet, Chennai - 600031

PROXY FORM

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

Name of the Member(s)	
Registered Address:	
E-mail ID:	
Folio/DP ID - Client ID:	

I/We being the member(s), holding ____________ shares of the above named Company hereby appoint:

(1) Name:______________________________

Address:______________________________

E-mail ID:______________________________

Signature: ________________________, or failing him;

(2) Name:______________________________

Address:______________________________

E-mail ID:______________________________

Signature: ________________________ or failing him;

(3) Name:______________________________

Address:______________________________

E-mail ID:______________________________

Signature: ________________________ or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Monday, the 13th August 2018 at 10:00 a.m. at Narada Gana Sabha Trust Mini Hall, No.314, T.T.K. Road, Chennai - 600018 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional*		
Ordinary Business:		**For**	**Against**	**Abstain**
1	Adoption of Annual Accounts for the year ended 31st March 2018			
2	Appointment of Director in the place of Sri. G. Radhakrishna (DIN:00279233) who retires by rotation and being eligible, offers himself for re-appointment.			
Special Business:				
4	Re-appointment of Sri. G.S. Anil Kumar (DIN: 00080712) as Managing Director.			
5	Re-appointment of Sri. G.P.N. Gupta (DIN: 00086174) as Whole-Time Director.			
6	Appointment of M.V. Ananthakrishna (DIN: 00897536) as Independent Director.			
7	Special Resolution under Section 180(1) (a) of the Companies Act, 2013.			

Note:

1. *It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or Abstain column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.

Signed this _____ day of ____________________ 2018

Signature of shareholder

____

Signature of Proxy holder

____

Affix Rs.1/-
Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company-, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 28th Annual General Meeting.
4. Please complete all details including details of member(s) in above box before submission.

   Affix Rs.1/- Revenue Stamp

To

Registered Book Post/Courier

If undelivered, please return to:

JUMBO BAG LTD.

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Printed at Chennai Micro Print Pvt. Ltd., Ph : 044-23740099