



Jumbo Bag Limited

ISO 9001 & 14001

ANNUAL REPORT 2012 - 2013



WE SHARE OUR JOY

CORPORATE INFORMATION**BOARD OF DIRECTORS**

(As on 30th June 2013)

SRI K.J.M. SHETTY , I.A.S. (Retd.)	Chairman
SRI G.P.N. GUPTA	Managing Director
SRI G. RADHAKRISHNA	Director
SRI M. RAMA RAO	Director
SRI G. KRISHNAMURTHY	Director
SRI M.V. ANANTHAKRISHNA	Director
DR. GADDAM KUMAR REDDY	Director
SRI G.S. ANIL KUMAR (Whole-time Director)	Director - Finance
SRI G.P. RAMRAJ (Whole-time Director)	Director – Marketing

AUDIT COMMITTEE

SRI K.J.M. SHETTY	Chairman
SRI G. KRISHNAMURTHY	Member
SRI M.V. ANANTHAKRISHNA	Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. P. PREMA SONA BHARATHI

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

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

STATUTORY AUDITORS:

M/s. M. SRINIVASAN & ASSOCIATES
Chartered Accountants,
No.5, 9th Floor, B Wing, Parsn Manere,
602, Anna Salai, Chennai – 600 006

BANKERS:

State Bank of India
State Bank of Hyderabad

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:

BSE Limited (Formerly - Bombay Stock Exchange Ltd.)
Madras Stock Exchange Limited
National Stock Exchange of India Limited*

* Under MOU between Madras Stock Exchange and National Stock Exchange, the shares of Jumbo Bag Limited are traded in NSE platform.



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

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd ANNUAL GENERAL MEETING of the members of JUMBO BAG LIMITED will be held at Sri Thyaga Brahma Gana Sabha, Sri P. Obul Reddy Hall, Vani Mahal, No. 103, Gopathy Narayana Road, T. Nagar, Chennai – 600 017 at 10.00 A.M. on Monday, the 23rd September, 2013 to transact the following:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as on 31st March, 2013 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. Krishnamurthy who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Sri K.J.M. Shetty, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. The retiring Auditors Messrs. M. Srinivasan & Associates, Chartered Accountants are eligible for re-appointment. In this connection, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT M/s. M. Srinivasan & Associates, Chartered Accountants, (Firm Registration No.004050S) be and are hereby appointed as the auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration as determined by the Board of Directors.”

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any of the Companies Act, 1956 (including any Statutory modification(s) or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto) and such other approvals, as may be necessary, and subject to the limits specified in Schedule XIII of the said Act, Sri G.P.N. Gupta be and is hereby re-appointed as the Managing Director of the Company with effect from 01.04.2013 for a period of three years upon the terms and payment of remuneration as set out in the Explanatory Statement attached to this notice.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions in accordance with the laws in force from time to time and to take all such steps, deeds, matters and things as may be considered necessary to give effect to the above resolution.”

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any Statutory modification(s) or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto) approval of the Company be and is hereby accorded to the re-appointment of Sri G.S. Anil Kumar, as Whole Time Director (Director - Finance) of the Company for a period of three years from 1st October 2013 as set out in the Explanatory statement attached to this notice.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary the terms and conditions in accordance with the laws in force from time to time and to take all such steps, deeds, matters and things, as may be considered necessary to give effect to the above resolutions.”



7. To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any Statutory modification(s) or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto) approval of the Company be and is hereby accorded to the re-appointment of Sri G.P. Ramraj, as Whole Time Director (Director - Marketing) of the Company for a period of three years from 1st October 2013 as set out in the Explanatory statement attached to this notice.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary the terms and conditions in accordance with the laws in force from time to time and to take all such steps, deeds, matters and things, as may be considered necessary, to give effect to the above resolutions.”

Registered Office:

“S.K.Enclave” New No.4, (Old No.47)
Nowroji Road, Chetpet,
Chennai 600 031

Date: 13.08.2013

**By Order of the Board
For Jumbo Bag Limited**

**P.PREMA SONA BHARATHI
COMPANY SECRETARY**

NOTES:

- 1. 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. THE PROXY FORM DULY STAMPED AND EXECUTED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME OF THE COMMENCEMENT OF THE MEETING.**
2. Explanatory Statement as per the provisions of Section 173(2) of the Companies Act,1956 read with Article 69 of the Articles of Association in respect of the items of the Special Business as set out above is annexed.
3. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting. Members are requested to bring their copy of the Annual Report. No additional copies will be provided at the venue.
4. The Ministry of Corporate Affairs has taken a Green Initiative, which permits the company to send Annual Report, Notice via E-mail to all the shareholders. Your Company has for the financial year ended 31.03.2013 sent by E-mail the Notice and the Annual Report to those Shareholders whose E-mail ID are on record. All the shareholders are requested to update / furnish their E-Mail ID with their respective DPs which will enable the company to implement the Green Initiative and make such correspondences by E-Mail in future.
5. Members are requested to intimate to the Company queries, if any, regarding the accounts/notice at least seven days before the meeting to enable the management to keep the required information readily available at the meeting.
6. The Register of Members of the Company will remain closed from 17th September, 2013 to 23rd September 2013 (both days inclusive).
7. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company during working hours between 11.00 a.m. to 1.00 p.m. except on holidays.
8. Shareholders are requested to check, whether they have en-cashed dividend warrants for earlier years. If the dividend warrants are not en-cashed, please apply for cheque/demand draft in lieu of those dividend warrants before the last dates as indicated in the table:

Dividend for the year ended	Rate of Dividend (%)	Dividend warrant dated	Date on which Unpaid amount is required to be transferred to Investor Education & Protection Fund	Shareholders should apply latest by
31.03.2006	10	05.10.2006	25.11.2013	08.11.2013*
31.03.2007	10	10.10.2007	13.12.2014	28.11.2014
31.03.2008	5	08.10.2008	14.12.2015	30.11.2015
31.03.2009	6	12.10.2009	29.11.2016	17.11.2016

A sum of Rs.3,70,981/- which was lying as balance under unpaid dividend account for the year ended 31.03.2004 was credited to the Investor Education and Protection fund on 14.11.2012 as required under Section 205A of the Companies Act, 1956.

* Shareholders who have not collected their Dividend for the year ended 31.03.2006 are informed to collect the same before 8th November 2013 after which it will be credited to the Investor Education and Protection fund as required under section 205A of the Companies Act, 1956.

9. RESUME OF THE DIRECTORS BEING RE-APPOINTED

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, a brief background and the functional expertise of the directors proposed for re-appointment are furnished below along with the details of companies in which they are directors and the committees of which they are members:

	Item No.2	Item No.3
Names of directors	Krishnamurthy Grandhy	K.J.M. Shetty
Age	64 years	79 years
Qualification	B.Com, ACA	M.A. B.L.
Expertise	A gold medalist in Commerce, he started his career as a Banker. He held the post of Chairman and CEO of Bharat Overseas Bank for 6 years. Currently he is associated with M/s.G.R.Thangamaligai group as President-Finance & Corporate Affairs.	He is a retired I.A.S. Officer with rich experience in management and administration for more than 43 years in Central, State Governments and Public Sector Undertakings.
No. of shares held	Nil	Nil
Other directorships	Nil	1. M/s. Savant India Institute of Technology Private Limited 2. M/s. Loyal Textiles Mills Limited 3. M/s. Gateway Distriparks Limited 4. M/s. Gateway Distriparks (South) Private Limited 5. M/s. VKS Solutions Private Limited 6. M/s. Endeka Ceramics India Private Limited
Committee memberships, Chairman (C), member (M)	1. Member-Audit Committee 2. Member-Selection and Remuneration Committee	1. Chairman-Audit Committee 2. Chairman-Selection and Remuneration Committee

BY ORDER OF THE BOARD
For **Jumbo Bag Limited**

P.PREMA SONA BHARATHI
COMPANY SECRETARY

Place : Chennai
Date : 13.08.2013



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO.5

Sri G.P.N. Gupta has been associated with the Company ever since its incorporation and held important positions in 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. Sri G.P.N. Gupta has been instrumental in the growth of the Company to its present level and by his rich and varied experience the company has benefited.

Sri G.P.N. Gupta, born on 20.06.1946 and aged about 67 years is a Commerce Graduate. He held the position of Director-Finance for three years from 01.04.2007. Consequent to the appointment of Sri G.S. Anil Kumar as Additional Director, the Board decided that he should continue to handle portfolio held by Sri G.P.N. Gupta with effect from 22nd October 2007. Consequently, Sri G.P.N. Gupta was designated as Joint Managing Director of the Company effective from 22nd October 2007. Subsequent to the retirement of Sri G. Sudhakar from the post as Managing Director, the Board designated Sri G.P.N. Gupta as Managing Director with effect from 1st April 2008. He was re-appointed after expiry of his first term on 31st March 2010. His present term expired on 31st March 2013 as per the approval accorded by the shareholders at the Extra-ordinary General Meeting held on 3rd March 2010.

Considering his achievements for the benefit of the Company, the Selection/Remuneration Committee in its meeting dated 22nd March 2013 recommended re-appointment of Sri G.P.N. Gupta as Managing Director with the same remuneration as detailed below with effect from 1st April 2013 for a further period of three years. The Board at its meeting held on 22nd March 2013 considered it is necessary to re-appoint Sri G.P.N. Gupta as Managing Director on the terms and conditions as recommended by the Remuneration Committee whereof are contained in the Agreement entered into between him and the Company and recommended the said resolution for the approval of the shareholders.

Both, the Company and Sri G.P.N. Gupta have the right to terminate the Agreement, on giving 6 months prior written notice, without the need to assign any reason for such termination. He is holding 1,15,873 (1.38%) Equity Shares in the Company.

1. SALARY: - Rs.1,00,000/- per month
2. 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;

The Director will not be entitled to sitting fee for meeting of the Board/Committee of the Board attended by him.

The above salary and perquisites shall be subject to the limits specified in Part II of the Schedule XIII of the Companies Act, 1956.

Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Managing Director since the same is within the limits prescribed under Part II of Schedule XIII of the Companies Act, 1956.

Sri G.P.N. Gupta shall not be liable to retire by rotation as a Director.

The Board recommends the said resolution for approval of the shareholders as a SPECIAL RESOLUTION.

The Agreement entered into by the Company with Sri G.P.N. Gupta is available for inspection to the members of the Company from Monday to Friday up to 23rd September 2013 between 11.00 A.M. To 1.00 P.M. at the Registered Office of the Company.

In this regard, as required under Part II, Section II of Schedule XIII of the Companies Act, 1956 the following information is furnished:

I. GENERAL INFORMATION:

Nature of Industry: Manufacturing

The company manufactures Packaging Materials such as Jumbo Bags.

Date of commencement of commercial Production: Not applicable

Financial Performance:

The following are the results of the Company during the last three years, at a glance:

(Rs. in lakhs)

Financial Parameters	2011-12	2010-11	2009-10
Sales/Income from Operations	8,302.90	9,653.96	6,861.55
Total Income	8,330.04	9,708.42	6,897.21
Total Expenditure	8,237.78	9,618.17	6,323.33
Profit before Interest & Depreciation	683.65	581.23	574.87
Profit/(Loss) before tax	96.98	93.65	106.14
Profit/(Loss) after tax	68.15	64.38	59.12

Export performance, net foreign exchange earnings and collaborations:

During 2012-13, the Company's foreign exchange earning on account of exports on FOB basis was Rs. 4,068.89 lakhs and expenditure in foreign currency was Rs. 3,011.43 lakhs inclusive of CIF value of imports.

II. INFORMATION ABOUT THE APPOINTEES:

Background details, recognition/awards:

Educational Qualification – Degree in Commerce

Experience - More than 35 years experience in Business particularly in Packaging Industry, Finance and Accounting field.



Past remuneration in the last two years:

2011-12

Rs. 22, 299,992/-

2010-11

Rs. 22, 299,992/-

Recognition, Awards & Achievements - Nil

Job profile and suitability:

(a) Job profile:

Sri G.P.N. Gupta's responsibilities include:

- Making operations of the Company profitable through effective and optimum utilization of Company's resources.
- To maintain Company's profitability as per Business Plan.
- Increase the level of production.
- Increase in turnover of the Company.
- Development of New Business.
- Planning and implementation of growth of the Company.
- Employee and Customer Satisfaction.
- Enhancing Shareholder value.

(b) Suitability:

Sri G.P.N. Gupta has served the Company for about 6 years as a Managing Director and has handled various assignments with distinction.

In view of the above, and also in view of the high esteem in which he is held in the Corporate Sector for his financial, accounting, commercial knowledge and business acumen, the Board considers Sri G.P.N. Gupta as the most suitable professional for shouldering responsibilities pertaining to various facets governing the operations of the Company.

Remuneration proposed to the Appointee:

Salary: Rs. 1,00,000 p.m. Effective from 1st April, 2013

Perquisites and Allowances: Rs. 91,660 p.m. (excluding Club Fees, Personal Accident Insurance Premium, Encashment of Leave, provision of Car, Telephone, etc.).

Minimum remuneration only in case of absence or inadequacy of profits during any of the three financial years: To be paid by way of salary, perquisites and allowances, subject to the limits specified in Paragraph 1B of Part II, Section II to Schedule XIII of the Companies Act, 1956 and other requisite approvals in this regard.

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

The remuneration structure offered is not higher than what is drawn by Sri G.P.N. Gupta's peers in the industry.

Pecuniary relationship, directly or indirectly with the Company / relationship with Managerial personnel, if any:

Save what is set out herein, Sri G.P.N. Gupta will not be entitled to remuneration from the Company under any other head. He is the Promoter-Director of the Company holding 1,15,873 (1.38%) Equity Share Capital in the company. He is a relative to the Directors Sri G.P. Ramraj, Sri G.S. Anil Kumar and Sri G. Radhakrishna.

III. OTHER INFORMATION:

Reason for loss or inadequate profits, Steps taken or proposed to be taken for improvement, Expected increase in productivity and profits in measurable terms:

The Company has earned profits in the year 2012-13. However, the profits have not been adequate enough due to various factors such as global economic crisis, under-utilization of power and labour resources resulting in reduction in net realizations. The opportunity in the global market has grown only marginally in the past year.

The company has initiated various action plans to bring higher productive efficiency into the process with modification/ refurbishment of some infrastructural facilities and identification & elimination of a number of non-value added activities. There has been various cost reduction exercises to optimize the process and attain better profitability by encouraging innovations and inflict ownership to our employees.

On the positive side the company's production and export has increased by 9% over the previous year. Also, the domestic sales have increased by 9% compared to previous year. The company is hoping for improved performance in the Financial Year 2013-14 and hope to grow at least by 25% over previous year's average.

Sri G.P.N. Gupta, aided by the top managerial personnel, has worked out strategies to meet the challenges ahead and improve the company's financial position. The company has implemented modern management initiatives aimed at exercising tighter controls on costs and overhead expenses.

The company seeks the permission of the shareholders for making payment to the appointee, remuneration in any of the three years of his appointment as laid down in Paragraph 1B of Part II of Section II to Schedule XIII of the Companies Act, 1956, only in the event the company has no profits or inadequate profits in any such financial year.

The resolution set out in Item No.5 of the accompanying Notice is intended to obtain the consent of the shareholders in respect of the reappointment and remuneration payable to Sri G.P.N. Gupta.

Memorandum of concern or interest:

None of the Directors except Sri G.P.N. Gupta, Managing Director, Sri G. Radhakrishna, Director, Sri G.S. Anil Kumar, Director – Finance and Sri G.P. Ramraj, Director – Marketing are in any way, concerned or interested in the said resolution.

ITEM No. 6 & 7

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 at present he is 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. 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.

Sri G.P. Ramraj has also been associated with the company since 1992 and is well trained in the company from the level of Management Executive in Marketing. He is the marketing head of the company at present. Also, he is instrumental in the expansion of market for the company's products. Under his leadership as a Director – Marketing, the company has diversified in terms of geography with bags reaching across 30



countries worldwide. He has been instrumental in bringing variety to Jumbo Bags that are tested in European laboratories which have been helpful in penetrating the western market. He has also been instrumental in procuring advanced equipments for the company which matches the European design.

Sri G.S. Anil Kumar and Sri G.P. Ramraj have been holding their present position as Director – Finance and Director – Marketing respectively, since 1st October 2007 for six years. They were re-appointed after expiry of their first term on 30th September 2010 for a further period of three years. Their present term expires on 30th September 2013 as per the approval accorded by the shareholders at the 20th Annual General Meeting held on 31st August 2010.

Considering their achievements for the benefit of the Company, the Selection/Remuneration Committee in its meeting dated 13th August 2013 recommended re-appointment of Sri G.S. Anil Kumar and Sri G.P. Ramraj as Director – Finance and Director – Marketing respectively with the remuneration as detailed below with effect from 1st October 2013 for a period of three years. The Board at its meeting held on 13th August 2013 considered it as necessary to re-appoint Sri G.S. Anil Kumar as Director – Finance and Sri G.P. Ramraj as Director – Marketing on the terms and conditions as recommended by the Remuneration Committee and recommended the said resolution for the approval of the shareholders.

1. SALARY: - Rs.75,000/- per month, per person subject to review by Selection and Remuneration Committee on an yearly basis.
2. PERQUISITES:
 - i. Housing: Furnished/ unfurnished residential accommodation or house rent allowance of 60% of salary in lieu thereof;
 - ii. The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per Income Tax rules, 1962.
 - iii. Medical Reimbursement: Expenses incurred for Director and his family as per Company's rules;
 - iv. Leave Travel Concession: For Director and his family, once in a year, incurred in accordance with the Company's rules;
 - v. Club Fees: Fees of Clubs, subject to a maximum of two clubs. This will not include admission and life membership fees;
 - vi. Personal Accident Insurance: Premium as per the Company's rules;
 - vii. Contribution to Provident Fund, Superannuation Fund, Annuity Funds and Gratuity/Contribution to Gratuity Fund under the Company's rules;
 - viii. Encashment of leave not availed of by Director as per the Company's rules;
 - ix. Provision of Car and Telephone at his residence for his use; and
 - x. Such other benefits, amenities and facilities as per the Company's rules;

The Directors will not be entitled to sitting fee for meeting of the Board/Committee of the Board attended by them.

The above salary and perquisites shall be subject to the limits specified in Part II of the Schedule XIII of the Companies Act, 1956.

Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Whole Time Directors since the same is within the limits prescribed under Part II of Schedule XIII of the Companies Act, 1956.

Sri G.S. Anil Kumar and Sri G.P. Ramraj shall not be liable to retire by rotation as a Director.

The Board recommends the said resolutions for approval of the shareholders as a SPECIAL RESOLUTION.

The Agreements entered into by the Company with Sri G.S. Anil Kumar and Sri G.P. Ramraj are available for inspection to the members of the Company from Monday to Friday up to 23rd September 2013 between 11.00 A.M. and 1.00 P.M. at the Registered Office of the Company.

In this regard, as required under Part II, Section II of Schedule XIII of the Companies Act, 1956 the following information is furnished:

I. GENERAL INFORMATION:

Nature of Industry: Manufacturing

The company manufactures Packaging Materials such as Jumbo Bags.

Date of commencement of commercial Production: Not applicable

Financial Performance:

The following are the results of the Company during the last three years, at a glance:

(Rs. in lakhs)

Financial Parameters	2011-12	2010-11	2009-10
Sales/Income from Operations	8,302.90	9,653.96	6,861.55
Total Income	8,330.04	9,708.42	6,897.21
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Profit before Interest & Depreciation	683.65	581.23	574.87
Profit/(Loss) before tax	96.98	93.65	106.14
Profit/(Loss) after tax	68.15	64.38	59.12

Export performance, net foreign exchange earnings and collaborations:

During 2012-13, the Company's foreign exchange earning on account of exports on FOB basis was Rs. 4,068.89 lakhs and expenditure in foreign currency was Rs. 3,011.43 lakhs inclusive of CIF value of imports.

II. INFORMATION ABOUT THE APPOINTEES:

Background details, recognition/awards:

Educational Qualification – G.S. Anil Kumar – A.C.A, Commerce Graduate

G.P. Ramraj – Commerce Graduate

Experience – They have over two decades of experience in their respective profiles of finance and marketing.

Past remuneration in the last two years:

	2011-12	2010-11
G.S. Anil Kumar	Rs. 17,25,000/-	Rs. 14,29,172/-
G.P. Ramraj	Rs. 17,25,000/-	Rs. 14,29,172/-



Recognition, Awards & Achievements

G.S. Anil Kumar:

- Sri G.S. Anil Kumar was member of various expert committees of Madras Chamber of Commerce for the years 2004, 2005 and 2006.
- He was a member of General Committee of Madras Chamber of Commerce since the year 2007 upto the year 2010. Further he was once again elected as member for the period 2011-2012 and for the present period 2013-2014.
- He is member in TAPMA since 22nd December 2007 & he was in the committee between 2007-2009.
- He was the Vice President in the years 2007-08 and 2008-09 and the President in the years 2009-10 and 2010-11 of IFIBCA.
- He is a member of the Managing Committee of Andhra Chamber of Commerce.

G.P. Ramraj:

- He is a member of Young Entrepreneur Organization.

Job profile and suitability:

Sri G.S. Anil Kumar as Director – Finance is responsible for finance related areas in production, trading and resource management together with Accounts function. He is responsible for mobilization of funds, debt re-structuring and prudent utilization of funds at least cost. With the requisite knowledge and experience as detailed in the background and considering the talents and skills acquired in the course of his career development in handling corporate finance, it is considered that the appointee is suitable for the assignment.

Sri G.P. Ramraj as Director – Marketing is responsible for expansion of market for the company's products at global level. His responsibilities include innovation in product design, developing marketing strategies and customer relationship management. With the requisite knowledge and experience as detailed in the background and considering the talents and skills acquired in the course of his career development both in India and overseas, it is considered that the appointee is suitable for the assignment.

Remuneration proposed to the Appointees:

Salary:	Rs.75,000/- per month, per person effective from 1 st October, 2013 subject to review by Selection and Remuneration Committee on an yearly basis
Perquisites and Allowances:	Rs.45,000/- per month per person (excluding Club Fees, Personal Accident Insurance Premium, Encashment of Leave, provision of Car, Telephone, etc.).
Minimum remuneration only in case of absence or inadequacy of profits during any of the three financial years:	To be paid by way of salary, perquisites and allowances, subject to the limits specified in Paragraph 1B of Part II, Section II to Schedule XIII of the Companies Act, 1956 and other requisite approvals in this regard.

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

Taking into consideration (a) the size of the organization (b) level of operation (c) the invaluable experience by the incumbents (d) adverse business scenario faced by the Company in view of ever increasing oil prices and tight market situation (e) efforts required to be put in by the incumbents to bring back the Company to be profit making and (f) industrial norms on remuneration package to Whole-time Directors, the remuneration package is considered very reasonable.

Pecuniary relationship, directly or indirectly with the Company/relationship with Managerial personnel, if any:

Save what is set out herein, Sri G.S. Anil Kumar and Sri G.P. Ramraj will not be entitled to remuneration from the Company under any other head. They are the Promoter-Directors of the Company holding 32,550 (0.39%) and 33,500 (0.40%) Equity Share Capital in the company respectively. They are relatives of Directors Sri G.P.N. Gupta and Sri G. Radhakrishna.

III. OTHER INFORMATION:

Reason for loss or inadequate profits, Steps taken or proposed to be taken for improvement, Expected increase in productivity and profits in measurable terms

The Company has earned profits in the year 2012-13. However, the profits have not been adequate enough due to various factors such as global economic crisis, under-utilization of power and labour resources resulting in reduction in net realizations. The opportunity in the global market has grown only marginally in the past year.

The company has initiated various action plans to bring higher productive efficiency into the process with modification/ refurbishment of some infrastructural facilities and identification & elimination of a number of non-value added activities. There has been various cost reduction exercises to optimize the process and attain better profitability by encouraging innovations and inflict ownership to our employees.

On the positive side the company's production and export has increased by 9% over the previous year. Also, the domestic sales have increased by 9% compared to previous year. The company is hoping for improved performance in the Financial Year 2013-14 and hope to grow at least by 25% over previous year's average.

Sri G.S. Anil Kumar and Sri G.P. Ramraj, aided by the top managerial personnel, have worked out strategies to meet the challenges ahead and improve the company's financial position. The company has implemented modern management initiatives aimed at exercising tighter controls on costs and overhead expenses.

The company seeks the permission of the shareholders for making payment to the appointees, remuneration in any of the three years of their appointment as laid down in Paragraph 1B of Part II of Section II to Schedule XIII of the Companies Act, 1956, only in the event the company has no profits or inadequate profits in any such financial year.

The resolution set out in Item No. 6&7 of the accompanying Notice is intended to obtain the consent of the shareholders in respect of the reappointment and remuneration payable to Sri G.S. Anil Kumar and Sri G.P. Ramraj.

Memorandum of concern or interest:

None of the Directors except Sri G.P.N. Gupta, Managing Director, Sri G. Radhakrishna, Director, Sri G.S. Anil Kumar, Director – Finance and Sri G.P. Ramraj, Director – Marketing are in any way, concerned or interested in the said resolution.

Registered Office:

"S.K.Enclave" New No. 4, (Old No.47)

Nowroji Road, Chetpet,

Chennai 600 031

Date: 13.08.2013

**By Order of the Board
For Jumbo Bag Limited**

**P. PREMA SONA BHARATHI
COMPANY SECRETARY**

**DIRECTORS' REPORT**

To the Members,

Your Directors present the 23rd Annual Report together with the audited statement of accounts of the Company for the financial year ended 31 March 2013.

FINANCIAL RESULTS:**(Rs in Lakhs)**

PARTICULARS	2012-13	2011-12
SALES AND OTHER INCOME	8,776	8,334
PROFIT BEFORE INTEREST, DEPRECIATION & TAXES	657	688
INTEREST	444	398
DEPRECIATION	202	193
PROFIT BEFORE TAX	11	97
TAX	1.25	29
PROFIT AFTER TAX	9.28	68
PROFIT OF EARLIER YEARS	499	430
PROFIT AVAILABLE FOR APPROPRIATION	508	499

OPERATIONS AND FINANCIAL PERFORMANCE

The consolidated revenue of Jumbo Bag Limited stands at Rs.87.76 Crores for the financial year ended 31st March 2013 as compared to the revenue of Rs. 83.34 crores in the previous year resulting in an enhancement of 4%. The Profit Before Tax (PBT) stands at Rs.10.53 Lakhs for the current year as against Rs. 96.98 Lakhs in the previous year. The Profit After Tax (PAT) was Rs.9.28 Lakhs for the current year as against Rs.68.15 Lakhs in the previous year.

The year 2012-13 witnessed problems in manufacturing due to power shortage as is rampant in Tamil Nadu at present and your company had to hugely depend on DGs to keep the machinery running non-stop. However, your company has taken efforts to curb the issue and is exploring alternate energy sources to ensure uninterrupted supply of power.

On the positives your company's manufacturing and export has increased by 9% over the previous year. The export for the year 2012-13 has increased to Rs.42.73 crores from 39.30 crores in the previous year. The opportunity in the global market has grown in the past year only marginally. Also, the domestic sales have increased by 9% compared to previous year.

Your company was able to garner support from its bankers in terms of reduced borrowing costs. The banker reduced the mark up on Base Rates considerably. This is expected to result in substantial savings. This should help in the current Financial Year 2013-14.

The commission income in the IOCL trading business for this year has doubled up to Rs.83 Lakhs when compared to Rs.43 Lakhs in the previous year.

DIVIDEND:

Considering the low profitability of your company during the year, the Board is not recommending any dividend for the year 2012-13.

PREFERENTIAL ALLOTMENT OF SECURITIES:

During the financial year 2011-12, your company had allotted 4 lakhs Equity Shares of Rs.10 each (at a premium of Rs.16.00 per share) through preferential allotment to M/s. Balaji Trading Enterprises Private Limited, a promoter group company, which was approved by the Shareholders in the Annual General Meeting, held on August 02, 2011.

The above-mentioned shares got listing approval from Bombay Stock Exchange Limited and Madras Stock Exchange Limited on 14.02.2013 and 18.02.2013 respectively.

DIRECTORS:

Pursuant to Section 256 of the Companies Act, 1956 read with Article 98 (b) of the Articles of Association of the Company, Messrs. K.J.M. Shetty and G. Krishnamurthy, Directors, retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

A brief resume, expertise and details of other directorships of these Directors are attached along with the Notice convening the ensuing Annual General Meeting.

AUDITORS:

M/s. M. Srinivasan & Associates, Chartered Accountants, Chennai, Statutory Auditors, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

The Board proposes that M/s. M. Srinivasan & Associates, Chartered Accountants, Chennai bearing registration No.004050S be re-appointed as the Statutory Auditors of the Company to hold office till the conclusion of the next Annual General Meeting of the Company. M/s. M. Srinivasan & Associates, Chartered Accountants, Chennai have forwarded a certificate to the Company, stating that their re-appointment, if made, will be within the limit specified in that behalf in sub-section (1B) of section 224 of the Companies Act, 1956.

COST AUDITORS:

Ms. S. Subhashini, Cost Accountant was appointed as the Cost Auditor of your Company for the financial year 2012-13 pursuant to Section 233B of the Companies Act, 1956 to carry out the audit of your Company's cost records.

DEPOSITS:

The total amount of Fixed Deposits from the Public and Shareholders of the Company as at 31st March 2013 was Rs. 70,30,000/-. There was no default in repayment of deposits or interest thereon on the due dates and there was no overdue/unclaimed deposit at the end of the year.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion & Analysis Report, Corporate Governance Report and Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors hereby state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;



- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act,1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors prepared the annual accounts for the financial year on a “going concern” basis.

PARTICULARS OF EMPLOYEES:

None of the employees of the company were in receipt of remuneration which in the aggregate exceeded the limits fixed under sub-section (2A) of Section 217 of the Companies Act,1956 read with Companies (Particulars of Employees) Rules,1975 as amended.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act,1956, are attached to form part of the Report.

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 & State Bank of Hyderabad 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 : 13.08.2013

K.J.M. SHETTY
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

WORLD ECONOMIC OUTLOOK:

The global economy is still recovering from the crisis of 2008-2009. Global growth dropped to almost 3 percent in 2012. This slowing trend is likely to continue through 2013. Though the advanced economies are still on the recovery stage from the fallout of 2008-09, emerging markets did not pick up the slack in 2012, and the same trend is expected to be followed in 2013. With the on-going fiscal debate in the US, transition in Chinese leadership and reforms in the Euro Area, there is uncertainty across the regions which will continue to have global impacts in sluggish trade and lukewarm foreign direct investment.

Overall, growth in developing and emerging economies is projected to drop from 5.5 percent in 2012 to 5.0 percent in 2013, with growth falling in China from 7.8 to 7.5 percent and in India from 5.5 to 4.7 percent. A more significant slowdown is expected for emerging economies over the next year and beyond.

INDIAN ECONOMIC CONDITIONS:

The Indian economy is caught between low growth and stubbornly high inflation. Growth and more particularly industrial growth has slowed down. But the decline appears to have bottomed out. Overall economic growth is expected to rise to 6.4 per cent in 2013-14 from 5 per cent in the previous year, the slowest pace since 2003. Indian exports to Euro-zone, which constitute around 17% of the total exports, appear to be impacted due to the decreasing demand from Euro countries. Economic activity in manufacturing sector also further slowed down with softer domestic orders. Inflation, high interest rates, policy paralysis and fragile global demand have hampered the growth to a larger extent.

INDUSTRIAL TREND AND FIBC MARKET OUTLOOK:

The Indian packaging industry is currently US\$ 18.8 billion approx with a growth rate of about 15% per annum. Growth rate is expected to be doubled within next two years. India's per capita packaging consumption is less than worldwide average which offers mammoth business opportunity to Indian Packaging Industry. The large and fast growing Indian middle class population and the growth of organized retail sector are the catalysts to growth in packaging.

The industrial growth for polypropelene tape products like sack bags, Flexible Intermediate Bulk Containers (FIBCs), fabrics, geotextiles etc. as per the Compounded Annual Growth Rate (CAGR) is more than 10%. In recent times, these products have also been used for food grains and sugar. As the production of cement, fertilizers and petrochemicals is mounting in the country, PP/PE woven tape products are having vivid outlook.

The INR 140 bn. flexible bulk packaging industry that includes woven sacks, leno bags, wrapping fabric and flexible intermediate bulk container (FIBC) is growing at over 20% with FIBC containers expected to grow three fold in the next 5 years riding an increased industrial production and a shift towards higher-value containers offering enhanced performance and supply chain efficiency. In fact, the global slowdown has been an opportunity for the Indian FIBC manufacturers as the production cuts by the companies in Europe and USA has resulted in the source shifting to India adding an important factor for growth in India.

SWOT ANALYSIS:

STRENGTHS AND OPPORTUNITIES:

Your Company is a pioneer in the Indian Packaging Industry and in the manufacturing of FIBCs in India. The major strengths of the company are that it has a diverse market with customers in over 30 countries. The impact due to crisis in USA, Europe played a vital role in changing the dynamics of the Domestic market. The competitors who were dedicated exporters to Europe Market suddenly found themselves with lot of excess capacity resulting in turning their focus towards domestic market. With the above challenges your company moved its focus towards Middle East and African markets. As part of market development, your company is currently working with the Seed and Pharmaceutical industries where more engineered Jumbo bags are



in demand. In Research & Development, your company has launched its new product - JUMBO ECO PALLET BAGS, the trials of which have also been successful.

Your company complies with the international standard quality and hygiene, and believes in research and development to accelerate production without compromising on quality. Jumbo Bag Limited with strong product line and a customer friendly outlook is undoubtedly one of the market leaders in the FIBC industry in India.

WEAKNESSES AND THREATS:

Fluctuating prices of raw materials – The main raw material used in the manufacture of FIBC is polypropylene, which is a crude derivative, and subject to price fluctuations.

Underutilization of available capacity – Your company is having a healthy order book, it is however not able to utilize the capacity to the fullest due to lack of power and shortage in man power.

Labour shortage – Manufacturing of FIBC bags is a labour intensive activity.

Power Shortage – The power shortage in Tamil Nadu for over two years has posed a serious threat to the production capacity of the company.

STRATEGIES:

To overcome the problem of power, your company has sought an alternative source of power. Apart from wind power that the company is obtaining under group captive scheme, it is exploring alternate energy sources like thermal energy to ensure uninterrupted supply of power throughout the year.

REVIEW OF OPERATIONS:

Though your Company's top line performance has increased by 4% from Rs.83 crores to Rs. 87 crores, it did not increase in the bottom line due to high manufacturing cost and volatile raw material prices. Although the order positions have never been a problem, the major concern for the company remains shortage of labour and power.

FINANCIAL ANALYSIS:

The Company mobilised additional working capital limits both fund and non fund based. The company had also gained considerably from the forex market to the tune of Rs.52 Lakhs.

SEGMENT WISE PERFORMANCE:

Manufacturing

The manufacturing sector in India has been witnessing decline for the past two years owing to sluggish growth in investment; slow down in rate of growth of credit flows and the frail global economic recovery. There has also been a decline in capacity utilization. The same situation prevails with regard to your company as well. The major factors which hampered the performance of the company were fluctuating raw material and fuel prices, lack of power, non-availability of skilled and semi-skilled workers which has led to underutilization of the available capacity.

Trading

Your company had been appointed as the Del – Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited for Tamil Nadu, Pondicherry and Kerala in the year 2009. The journey as a trader for IOCL Polymer products has been encouraging so far and has contributed significantly to the profitability of your company. The profit from trading has doubled from Rs. 43 Lakhs in the previous year to Rs.83 Lakhs in the current year i.e. increase of 93% in comparison to the previous year. The Company boasts a good customer base and is further initiating expansion by exploring new markets within the three southern states.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your company believes in continuous improvement and constantly strives to optimize the control and monitoring systems. The Control and Monitoring Systems in place to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and all transactions are authorized, recorded and reported correctly. Periodic review of control systems by the internal auditors M/s. A. Raghunathan & Co., Chartered Accountants, Chennai ensures their adequacy and effectiveness. All shortcomings identified by the internal audit team are placed before the Audit Committee and the Board and prompt corrective action is taken.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT:

Relations between the Management and Labour were cordial, throughout the year under review.

INDUSTRIAL RELATIONS:

Industrial relations continued to be cordial. However, the Company had during the end of November 2012 declared partial lay off due to paucity in power and reduction in order books and the same was called off in the second half of January 2013 with improvement in order flows which had resulted in improved productivity for the month, despite inconsistent power situation.

The Directors place on record their deep appreciation for the sincere and dedicated teamwork of all employees at all levels to meet the quality, cost and delivery requirements of the customers.

SOCIAL RESPONSIBILITY:

Integration of social, environmental, ethical and human rights makes an enterprise meet the fullest level of social responsibility. Keeping this in mind, Jumbo Bag Limited commits itself to the environment by meeting the environmental regulation, best utilization of natural resources and creating awareness on prevention of pollution through training and communication.

Your company continued to endeavor and participated actively in the welfare of the community. Your company had during the year conducted dental camp at Vivekanandha School and distributed school bags to the students of Athipedu Panchayat Village. Your Company also contributed in cleaning and painting and participated in tree plantation in the school and surroundings around the village of Sayanavaram. Your company also conducted Shri Gorantla Ramalingaiah Rolling Trophy Cricket Tournament at Sridevi College. Your company continues to support Gorantla Ramalingaiah Vivekananda Vidyalaya in various ways. This school has strength of over 600 students at present and many employees' children are enjoying the benefits of concessional fees studying in the above-mentioned school.

CAUTIONARY STATEMENT:

In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, 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.

For and on behalf of the Board

Place: Chennai
Date : 13.08.2013

K.J.M. SHETTY
Chairman



ANNUEXURE I

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

FORM A

CONSERVATION OF ENERGY:

Jumbo Bag Limited is always looking for an opportunity to save energy and every available opportunity is utilized;

The Company has replaced less energy efficient drives and Goddet Roller with energy efficient latest equipments.

S.No.	Particulars	2012-13	2011-12
A	Power and Fuel Consumption		
1	Electricity		
	(a) Purchased:*		
	Unit	39,01,570	40,42,057
	Total amount	2,83,74,626	2,25,34,352
	Rate/unit	7.27	5.57
	(b) Own generation:		
	(i) Through diesel generator		
	Unit	18,35,864	8,85,666
	Unit per liter of Diesel oil	3.02	2.72
	Cost/unit	15.13	15.88
	Diesel (in liters)	6,08,612	3,26,477

Note: DG units consumption increased due to TNEB-weekly off declaration for power and peak hour cut.

* The units stated under the 'purchased' head include units consumed under Group Captive consumption purchased from third party through supply of these units done through the EB Grids. The no. of units purchased from third party is 32,16,828

FORM - B

RESEARCH AND DEVELOPMENT (R&D)

S.No	Particulars	2012-13	2011-12
A	Expenditure on R & D:	(Rupees in lakhs)	
B	Capital Expenditure	Nil	Nil
C	Revenue	7.24	Nil
	Total	7.24	Nil
D	Total R&D expenditure as a percentage of total turnover	0.09%	Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

S.No.	Particulars	2012-13	2011-12
A	Foreign exchange outgo:		
B	C.I.F Value of Imports	2,964.46	2,180.34
C	Travel	40.37	49.67
	Commission (paid for previous yrs. liability)	6.11	13.07
D	Testing charges	0.49	1.77
	Total	3,011.43	2,244.85
	Foreign exchange Earned		
	F.O.B. Value of Exports	4,068.89	3,757.04

For and on behalf of the Board

Place: Chennai
Date : 13.08.2013

K.J.M. SHETTY
Chairman



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2012-13

(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

1. COMPANY'S PHILOSOPHY ON CORPORATE CODE OF GOVERNANCE:

A Company, apart from its financial strengths, is valued by its ethics, trust, accountability, transparency, fairness, integrity, discipline, professionalism and customer satisfaction. Corporate Governance is a combination of mandatory and non-mandatory disclosure compliances, as listed in Clause 49 of the Listing Agreement, which brings transparency leading to effective control and management in an organisation. Corporate Governance practices emanates from a company's commitment to enhance its value. Your Company truly believes in Values and strives hard to be a highly Valued company. Your company's philosophy of corporate governance is to provide the highest level of assurance and satisfaction in relation to the internal working of the company to all its shareholders and stake holders.

2. BOARD OF DIRECTORS:

All the Directors in your company are eminently qualified and are committed to the highest personal & professional ethics and integrity in the interest of the shareholders.

Board Composition as on 31st March 2013:

As on 31st March 2013, the Board of Directors of the Company had 9 (nine) members. Your company's Board has an appropriate mix of executive and non-executive Directors. Staying in congruence with the listing agreement five out of the nine Directors are Independent Directors. Sri K.J.M. Shetty, a retired IAS officer and an Independent Director is the Chairman of the Board. Sri G.P.N. Gupta is the Managing Director of the Company. No Director is a member of more than ten committees nor is any Director a Chairman of more than five Companies.

Board Meetings:

During the financial year, the Board met 7 times on the following dates:

29th May 2012, 21st June, 2012, 7th August 2012, 24th September, 2012, 1st November 2012, 11th February, 2013 and 22nd March 2013. Not more than four months lapsed between any two meetings.

Attendance of each Director at the Board Meetings and Last AGM and details of other Directorship as on 31st March 2013:

Name of the Directors	Category of Directorship	No of shares held as on 31 st March 2013	Attendance Particulars		No of other Directorship and Committee membership	
			Board Meetings	Last AGM	Other Directorships*	Other Committee membership#
Sri K.J.M. Shetty, I.A.S. (Retd.)	Chairman (NEI)	Nil	6	Yes	2	5
Sri G.P.N. Gupta	Managing Director (E)	115873	7	Yes	1	4
Sri G. Radhakrishna	Director (NE)	99495	7	Yes	1	2
Sri M. Rama Rao	Director (NEI)	Nil	4	Yes	2	Nil
Dr. Gaddam Kumar Reddy	Director (NEI)	75230	Nil	No	Nil	Nil
Sri G. Krishnamurthy	Director (NEI)	Nil	6	Yes	Nil	2
Sri M.V. Ananthakrishna	Director (NEI)	Nil	7	Yes	4	4
Sri G.S. Anil Kumar	Director-Finance (E)	32550	7	Yes	2	Nil
Sri G.P. Ramraj	Director-Marketing (E)	33500	6	Yes	Nil	Nil

E-Executive, NE-Non Executive, NEI-Non Executive Independent

* Excludes Private Limited Companies

Audit Committee, Share holders/Investors Grievance Committee and Selection & Remuneration Committee are alone considered for this purpose.

3. INSIDER TRADING CODE OF CONDUCT**CODE OF CONDUCT:**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and amendments thereto, specifies for a mandatory Code for Corporate Disclosures for all Listed Companies. Based on the requirements under these regulations, Code of Conduct for prevention of Insider Trading and Code for Corporate Disclosures is in place for its Directors and Senior Management Employees.

4. TRADING IN NSE PLATFORM:

With a Memorandum of Understanding between Madras Stock Exchange and National Stock Exchange your company's shares that are listed in Madras Stock Exchange are allowed to be traded in the National Stock Exchange platform.

National Stock Exchange had entered into a Memorandum of Understanding with Madras Stock Exchange where companies with good corporate governance are selected and their shareholders are given a better platform to trade at the National level. Thus the company's shares can be traded in both National Stock Exchange and Bombay Stock Exchange.

5. AUDIT COMMITTEE:

As per Sec 292A of the Companies Act, 1956 read with Clause 41 and 49 of the Listing Agreement, the Company is required to have an Audit Committee. The scope of the Audit Committee is as mentioned in the clause 49 (II) D of the listing agreement.

During the financial year, the Committee met 4 times on the following dates:

29th May 2012, 7th August 2012, 1st November 2012 and 11th February 2013.

The Audit Committee's Chairman is Sri K.J.M. Shetty and the members are Sri G. Krishnamurthy and Sri M.V. Ananthakrishna. Company Secretary is the Secretary to the Audit Committee.

Composition of the Audit Committee as on date, meetings held and attendance during the year:

Particulars	Name of the Chairman / Member	No of Meetings held	No of Meetings attended
Chairman	Sri K.J.M. Shetty	4	3
Members	Sri G. Krishnamurthy	4	4
	Sri M.V. Ananthakrishna	4	4

6. SELECTION & REMUNERATION COMMITTEE:

The scope of the committee is as below:

To deal with appointments, remuneration, promotion and other related aspects in respect of the Managing Director, Whole-time Director and other Senior Management staff members of the Company.

To review the remuneration policy of the company from time to time which is in consonance with the existing industry practice, i.e. directed towards rewarding performance, based on review of achievement on periodical basis.

During the financial year, the Committee met on 04.02.2013 and the attendance is as follows:

Particulars	Name of the Chairman / Member	No of Meetings held	No of Meetings attended
Chairman	Sri K.J.M. Shetty	1	1
Members	Sri G. Krishnamurthy	1	1
	Sri M.V. Ananthakrishna	1	1



REMUNERATION PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2012-2013:

a. Sri G.P.N.Gupta, Managing Director

Fixed Components	2012-2013 (Amount in Lakhs)	2011-2012 (Amount in Lakhs)
Salary/Allowances	17.20	21.20
Perquisites	0.40	Nil
Retirement Benefits	1.80	1.80
Variable Components-commission	Nil	Nil
Total	19.40	23.00

b. Sri. G.S. Anil Kumar, Director - Finance

Fixed Components	2012-2013 (Amount in Lakhs)	2011-2012 (Amount in Lakhs)
Salary/Allowances	13.84	15.90
Perquisites	Nil	Nil
Retirement Benefits	1.35	1.35
Variable Components-commission	Nil	Nil
Total	15.19	17.25

c. Sri. G.P. Ramraj, Director - Marketing

Fixed Components	2012-2013 (Amount in Lakhs)	2011-2012 (Amount in Lakhs)
Salary/Allowances	13.12	15.90
Perquisites	0.52	Nil
Retirement Benefits	1.35	1.35
Variable Components-commission	Nil	Nil
Total	14.99	17.25

There is no notice period and severance fee. The Company does not have a scheme for grant of Stock Option to the Directors.

Remuneration by way of Sitting fee of Rs.10,000/- is paid to the Non-Executive Directors for attending Board/ Committee meetings. Apart from the sitting fees, travel, accommodation and out-of-pocket expenses incurred by them for attending the meetings are also reimbursed.

SITTING FEES DETAILS FOR THE YEAR 2012-13

Name of the Directors	2012-13 Amount (Rs.)
Sri G. Radhakrishna	1,20,000
Sri K.J.M. Shetty	1,00,000
Sri M. Rama Rao	40,000
Sri G. Krishnamurthy	1,10,000
Sri Gaddam Kumar Reddy	NIL
Sri M.V. Ananthakrishna	1,20,000
Total	4,90,000

7. SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE:

Sri G. Radhakrishna, Director is the Chairman of the Share Transfer Committee and Sri G.P.N. Gupta, Managing Director is member of the Committee and the Company Secretary is the secretary to the committee. The role of the Committee is to approve and register transfer, transmission, transpositions, demat, remat and issue of duplicate share certificates of all classes of shares. To sub-divide, consolidate and issue share certificates on behalf of the Company. To affix or authorize fixation of the Common Seal of the Company to the Share Certificates.

Sri G. Radhakrishna, Director is the Chairman of the Investors Grievance Committee, Sri Krishnamurthy Grandhy is a member of the Committee and the Company Secretary is the Secretary to the Committee. The scope of the Committee shall be to look into the redressal of Shareholder and investors complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

8. COMPLIANCE OFFICER:

Ms. P. Prema Sona Bharathi, Company Secretary is the Compliance Officer and her e-mail address is csjbl@blissgroup.com. The Company received no complaints during the year from its shareholders.

9. GENERAL SHAREHOLDERS INFORMATION:

AGM Date & Time and venue : 23rd September 2013, 10.00 Hrs.
Sri Thyaga Brahma Gana Sabha, Sri P. Obul Reddy Hall,
Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai- 600 017

Financial Calender 2013-14 (Tentative Dates)

Unaudited results for the first quarter ending June 30, 2013 – On 13th August 2013

Unaudited results for the second quarter ending September 30, 2013 – On or before 14th November 2013

Unaudited results for the third quarter ending December 31, 2013 – On or before 14th February 2014

Audited results for the year ending March 31, 2014 – On or before 30th May 2014

Date of Book closure : 17th September, 2013 to 23rd September, 2013

Listing on Stock Exchanges : BSE Limited (Formerly - Bombay Stock Exchange Ltd.)
Madras Stock Exchange Ltd.
National Stock Exchange of India Ltd.*

Stock Code : 516078

ISIN : INE699D01015

Registrar and Transfer Agents : M/s.Cameo Corporate Services Ltd., "Subramaniam Building"
No. 1, Club House Road, Mount Road, Chennai - 600 002

Share Transfer System : Request for share transfer, transmissions, transpositions, split, consolidation, duplicate share certificates etc., are processed by the RTA and returned within the stipulated time if the documents are found to be in order after approval by the Share Transfer and Investors Grievance Committee.

Manufacturing Division : **Unit I**
No.75, Thatchur Kootu Road, Panjetty Village, Ponneri Taluk,
Tiruvallur District-601 204

Unit II

No.106, G.N.T.Road, Athipedu Village, Alingivakkam P.O.,
Ponneri Taluk, Tiruvallur District-600 067

Address for correspondence : "S.K.Enclave", New No.4, (Old No.47)
Nowroji Road, Chetpet, Chennai – 600 031

*Under MOU between Madras Stock Exchange and National Stock Exchange, Jumbo Bag Limited Shares are traded in NSE platform.



MARKET PRICE DATA

(HIGH, LOW DURING EACH MONTH IN THE YEAR 2012-2013):

Month	High (Rs.)	Low (Rs.)
April 2012	14.65	12.21
May 2012	13.80	10.40
June 2012	11.85	9.00
July 2012	11.95	10.15
Aug 2012	12.60	9.21
Sep 2012	10.65	9.16
Oct 2012	10.45	9.00
Nov 2012	9.50	8.34
Dec 2012	10.20	8.50
Jan 2013	10.00	8.41
Feb 2013	9.80	7.32
Mar 2013	8.95	6.40
April 2013	7.29	5.01
May 2013	5.98	4.96
June 2013	5.83	4.40

SHAREHOLDING PATTERN

(As on 30th June, 2013)

Particulars	Percentage
Public	50.15
Promoters	43.43
Body Corporate	4.51
Institutions	0.19
Others	1.72
Total	100

DISTRIBUTION OF SHAREHOLDING (AS ON 30th JUNE 2013):

No. of shares held	Folio		Shares	
	Number	%	Number	%
Up to - 500	6882	86.10	1196626	14.29
501 - 1000	540	6.75	450435	5.38
1001 - 2000	254	3.18	391621	4.67
2001 - 3000	89	1.11	230086	2.75
3001 - 4000	42	0.53	149610	1.78
4001 - 5000	38	0.48	176387	2.11
5001 - 10000	68	0.85	492219	5.88
10001 - 20000	37	0.46	500962	5.98
20001 - 50000	27	0.33	856468	10.23
50001 - 100000	13	0.16	901514	10.77
100001 & above	4	0.05	3027772	36.16
Total	7994	100.00	8373700	100.00

The Company has entered into the necessary agreements with NSDL and CDSL for dematerialization of the shares held by investors. Shares held in NSDL and CDSL constitute **88.30%** and in physical form, **11.70%**.

GENERAL BODY MEETINGS:

Year, Date & Time	Location	Whether Special Resolutions passed
2009-10 31.08.2010 10.30 A.M. (AGM)	Sri Thyaga Brahma Gana Sabha, Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai – 600 017	Yes
2010-11 02.08.2011 10.30 A.M. (AGM)	Sri Thyaga Brahma Gana Sabha, Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N. Chetty Road, T.Nagar, Chennai – 600 017	Yes
2011-12 24.09.2012 10.30 A.M. (AGM)	Sri Thyaga Brahma Gana Sabha, Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N. Chetty Road, T.Nagar, Chennai – 600 017	No

MEANS OF COMMUNICATION:

The half yearly/quarterly financial results are published in newspapers viz., "Business Standard", "The Financial Express" and "Malaisudar" (Tamil). The half yearly/quarterly financial results are also displayed on the Company's website www.jumbobaglimited.com. The Company's website also displays several other details/information of interest to stakeholders.

CODE OF CONDUCT:

The Board of Directors has laid down a code of conduct for all Board Members and Senior Management of the Company. The same has been posted on the website of the Company. The Managing Director's declaration as required under Clause 49 (I) (D) of the listing agreement is given as Annexure II.

DISCLOSURE:

There was no instance of non compliance by the Company on any matters relating to the capital markets; nor was there any penalty / strictures imposed by the stock exchanges or SEBI or any other statutory authority on such matters, during the last three years.

SELECTION AND REMUNERATION COMMITTEE:

Your Company has in place a Selection and Remuneration Committee. A detailed note on which is available supra in this section.

Although your Company does not have a formal whistle blower policy, no person has been denied access to the Audit Committee.

CEO/CFO CERTIFICATION:

The certificate as required under Clause 49(V) of the Listing Agreement is given as Annexure III.

COMPLIANCE CERTIFICATE OF THE AUDITORS:

Certificate from the Auditors of the Company, M/s. M.SRINIVASAN & ASSOCIATES, Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 (VII) of the listing agreement is given as Annexure IV.

For and on behalf of the Board

Place: Chennai
Date: 13.08.2013

K.J.M. Shetty
Chairman



ANNEXURE II

CERTIFICATION BY CEO AND CFO OF JUMBO BAG LTD

We, G.P.N. Gupta, Managing Director and G.S. Anil kumar, Director-Finance of Jumbo Bag Limited (the Company) to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account and all its Schedules and Notes on Accounts, as well as the Cash Flow Statement and Directors' Report.
 - a. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit any material fact or contain statements that might be misleading.
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and belief, there are no transactions entered into by Jumbo Bag Limited, which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls and procedures for the Company pertaining to financial reporting, and have evaluated the effectiveness of these procedures in Jumbo Bag Limited. We have disclosed to the auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies.
4. We have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board of Directors: -
 - a. Significant changes in internal controls during the year;
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements; and
 - c. Instances, if any, of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
5. We affirm that we have not denied any personnel, access to the Audit Committee of the Company (in respect of matters involving misconduct, if any).
6. We further declare that all Board members and Senior Management have affirmed compliance with the Code of Conduct for the current year.

Place : Chennai
Date : 13.08.2013

G.P.N. GUPTA
Managing Director

G.S. ANIL KUMAR
Director - Finance

ANNEXURE III

CERTIFICATE TO THE MEMBERS OF JUMBO BAG LIMITED

We have examined the compliance of conditions of Corporate Governance by JUMBO BAG LIMITED for the year ended March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M.SRINIVASAN & ASSOCIATES**

Chartered Accountants

FRN No-004050S

R.MOHAN

Partner

M.No. 022460

Place : Chennai

Date : 28.05.2013

ANNEXURE IV

DECLARATION FOR CODE OF CONDUCT

I hereby affirm and state that

1. Pursuance to Clause 49 (I) (D) of the Listing Agreement with Stock Exchanges, a Code of Conduct for the Board Members and the Senior Management Personnel of the Company has been adopted.
2. The said Code of Conduct has been uploaded on the website of the Company.
3. All Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the period ended 31st March 2013.

Place : Chennai

Date : 13.08.2013

G.P.N. GUPTA

Managing Director



INDEPENDENT AUDITOR'S REPORT

To

The Members of
Jumbo Bag Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Jumbo Bag Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss account and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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.

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013,
- b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss account, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss account, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representation received from the directors, as at 31st March 2013 and taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31st March 2013 from being appointed as a director in term of clause (g) of sub section (1) of section 274 of the companies act 1956 on the said date.

For **M.SRINIVASAN & ASSOCIATES**

Chartered Accountants

FRN No-004050S

R.MOHAN

Partner

M.No. 022460

Place : Chennai

Date : 28.05.2013



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in paragraph 5 of our report of even date.

- (i) (a) In our opinion the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets of the Company have been physically verified at the intervals in a phased manner by the management according to the program of periodical verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. As informed no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of its Fixed Assets during the year.
- (ii) (a) In our opinion the inventories have been physical verified during the year by the management at reasonable intervals.
- (b) In our opinion the procedures of physical verification of the inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to explanations given to us, the Company is maintaining proper records of its inventories. The discrepancies noticed on physical verification were not material and properly dealt with in the books of accounts.
- (iii) (a) According to information and explanations given to us the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. However, the Company has taken loan from 1 party covered in the register maintained under Section 301 of the Companies Act, 1956, aggregating to Rs.51.30 lakhs (Maximum balance outstanding during the year Rs 53.36.lacs).
- (b) The rate of interest and other terms and conditions on which the loans have been taken by the company are not, prima facie, prejudicial to the interest of the company. The company has not granted any loans during the year.
- (c) In respect of such other loans given by the company, where stipulations have been made, they have generally repaid the principal amounts as stipulated and have been regular in payment of interest, wherever applicable.
- (d) In respect of such loans given by the company, there are no overdue amounts more than Rs.100000
- (iv) (a) In our opinion and according to information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedure.
- (v) (a) The transactions made pursuance of contracts or arrangement that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been entered in the register.
- (b) In our opinion and according to information and explanations given to us, certain transactions made in pursuance of such contracts or arrangements exceeding rupees five lakhs each have been made at prices, which are reasonable having regards to prevailing market prices at relevant time.
- (vi) In our opinion, the company has complied with the provision of Section 58A and 58AA or any other relevant provision of the act and the companies (Acceptance of Deposit) rules, 1975 with regards to deposits accepted form public.
- (vii) The Company has an internal audit system commensurate with its size and nature of business.
- (viii) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 209 (1) (d) of the Company Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted or accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees state Insurance, Income-tax, Sales tax, Service tax, Customs duty, and other material statutory dues have been generally regularly deposited, during the year by the Company with the appropriate authorities. As explained to us, the company did not have any dues on account of Investor Education and Protection Fund, Employee State Insurance, Excise Duty and Wealth Tax.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, service tax, Customs Duty, Sales Tax and other material statutory dues that were in arrears as at 31st March 2013 for the period of more than six months from the date they become payable.
- (c) Details of dues towards sales tax, income tax and excise duty that have not been deposited on account of dispute are as stated in Note 13 of notes to accounts and forming part of the financial statement.
- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) In our opinion, the company has not defaulted in repayment of its dues to bank and the company has not issued any debentures during the year.
- (xii) In our opinion the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003(as amended) are not applicable to the company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the companies (Auditors Report) order 2003(as amended) are not applicable to the company.
- (xv) In our opinion, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore the provisions of clause 4(XV) of the order are not applicable.
- (xvi) In our opinion, term loan availed by the company were prima facies applied for the purpose for which they were obtained, other than temporary deployment pending application.
- (xvii) On an overall examination of the financial statements of the company funds raised on short term basis have, prima facie, not been used during the year for long-term investment and vice versa.
- (xviii) The Company has not made preferential allotment of shares to parties and companies listed in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) Since the Company has not issued any debentures, the provisions of Clause 4(xix) of the companies (Auditors report) order 2003(as amended) are not applicable to the company.
- (xx) The Company has not raised any money through public issues during the year.
- (xxi) In our opinion, considering the size and nature of the company's operations, no fraud of material significance on or by the Company has been noticed or reported during year.

For **M.SRINIVASAN & ASSOCIATES**
Chartered Accountants
FRN No-004050S

R.MOHAN
Partner
M.No. 022460

Place : Chennai
Date : 28.05.2013



BALANCE SHEET AS AT 31ST MARCH 2013

Amount Rs. in Lakhs

Particulars	Note	31 March 2013	31 March 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	878.17	878.17
Reserves and surplus	2.2	1,105.55	1,096.27
Non-Current Liabilities			
Long-term borrowings	2.3	291.01	286.01
Deferred tax liabilities (net)	2.4	414.04	415.72
Other long term liabilities	2.5	34.84	50.01
Long term provisions	2.6	1.01	4.21
Current liabilities			
Short-term borrowings	2.7	4,398.89	3,723.70
Trade payables	2.8	924.32	887.96
Other current liabilities	2.9	130.95	249.11
Short term provisions	2.10	258.95	278.05
Total		8,437.73	7,869.21
ASSETS			
Non current assets			
Fixed assets			
- Tangible assets	2.11	2,368.40	2,419.38
- Capital work in progress		-	0.14
Non Current investments	2.12	2.61	2.27
Long term loans and advances	2.13	173.38	160.20
Other non current assets	2.14	48.20	17.81
Current assets			
Inventories	2.15	1,838.29	2,252.28
Trade receivables	2.16	3,251.10	2,435.87
Cash and cash equivalents	2.17	205.97	169.55
Short term loan and advances	2.18	544.25	406.08
Other current assets	2.19	5.53	5.63
Total		8,437.73	7,869.21

Significant accounting policies & Notes to accounts 1 to 22

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

As per our report attached

For and on behalf of the Board

for **M.Srinivasan & associates**

Chartered Accountants

FRN : 004050S

R Mohan

Partner - Membership No.022460

G.P.N. GUPTA

Managing Director

G.S. ANIL KUMAR

Director - Finance

Place: Chennai

Date: 28.05.2013

P. PREMA SONA BHARATHI

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

Amount Rs. in Lakhs

Particulars	Note	31 March 2013	31 March 2012
Revenue from operations			
Sale of manufactured products (Net)	2.20	7,695.88	7,422.04
Sale of trading products (Net)	2.21	697.13	360.72
Sale of services	2.22	113.73	359.42
Other operating revenues	2.23	181.39	160.72
Total revenue from operations		8,688.13	8,302.90
Other income	2.24	87.66	27.14
Total Revenue		8,775.79	8,330.04
Expenses			
Cost of materials consumed	2.25	4471.30	5,318.17
Purchases of stock-in trade (Traded goods)	2.26	651.78	330.88
Change in inventory of finished goods, work-in-progress and stock-in trade	2.27	233.39	(618.48)
Employee benefits expense	2.28	692.39	637.80
Finance costs	2.29	443.70	398.13
Depreciation and amortisation expense	2.11	202.30	193.26
Other expenses	2.30	2,070.40	1,978.02
Total expenses		8,765.26	8,237.78
Profit / (Loss) before exceptional and extraordinary items and tax		10.53	92.26
Prior period items net	2.31	-	4.72
Profit / (Loss) before tax		10.53	96.98
Tax expense			
1. current tax / minimum alternative tax		2.93	17.82
2. deferred tax (charge) / credit		(1.68)	11.01
Profit / (Loss) for the period		9.28	68.15
Earning per equity share			
Basic & Diluted		0.11	0.83
Number of shares used in computing earnings per share			
Basic		8373700	8170421

Significant accounting policies & Notes to accounts 1 to 22

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

As per our report attached

For and on behalf of the Board

for **M.Srinivasan & associates**

Chartered Accountants

FRN : 004050S

R Mohan

Partner - Membership No.022460

G.P.N. GUPTA

Managing Director

G.S. ANIL KUMAR

Director - Finance

Place: Chennai

Date: 28.05.2013

P. PREMA SONA BHARATHI

Company Secretary



CASH FLOW STATEMENT

(Pursuant to clause 32 of the Listing Agreement)

Amount Rs. in Lakhs

Particulars	2012-2013		2011-2012	
A Cash Flow from Operating Activities :				
Profit before tax		10.53		92.26
Adjustments for :				
Prior period adjustments - Profit / (Loss)	-		4.72	
Depreciation	202.30		193.26	
Deferred tax liabilities (net)	(1.68)			
Foreign exchange (gains)/Losses	-			
(Profit) / Loss on sale of asset	3.80		(1.41)	
		204.42		196.57
Operating profit before working capital		214.95		288.83
Adjustments for Changes in				
Trade payables - Increase / (Decrease)	36.36		410.02	
Long term provisions- Increase / (Decrease)	(3.20)		(3.57)	
Short term provisions - Increase / (Decrease)	(19.10)		95.02	
Other current liabilities- Increase / (Decrease)	(123.96)		66.22	
Other long term liabilities - Increase / (Decrease)	(13.49)		(3.27)	
Trade receivables - (Increase) / Decrease	(815.23)		(452.15)	
Inventories - (Increase) / Decrease	413.99		(708.50)	
Long term Loans and advances - (Increase) / Decrease	(13.18)		3.53	
Short term loans and advances - (Increase) / Decrease	(138.17)		(14.05)	
Other current assets - (Increase) / Decrease	0.10		18.56	
Other non current assets - (Increase) / Decrease	(30.39)		(9.10)	
		(706.27)		(597.29)
Cash generated from operations		(491.32)		(308.46)
Income taxes paid (Net of refunds)		(2.93)		(17.82)
Net Cash from Operating activities		(494.25)		(326.28)
B Cash Flow from Investing Activities :				
Purchase of fixed assets / WIP	(154.98)		(194.89)	
Proceeds from sale of fixed assets				
Purchase of Investments	(0.34)		-	
Sale of investments				
		(155.32)		(194.89)
Net cash used in Investing Activities		(155.32)		(194.89)

CASH FLOW STATEMENT (CONTD.)

(Pursuant to clause 32 of the Listing Agreement)

Amount Rs. in Lakhs

Particulars	2012-2013		2011-2012	
C Cash Flow from Financing Activities :				
Proceeds from issuance of Share Capital	-		40.00	
Proceeds from Share premium	-		64.00	
Proceeds / (Repayment) of Long Term borrowings	0.24		58.53	
Borrowings for working capital purposes	669.24		421.23	
Finance / Lease Liabilities - Increase / (Decrease)	16.51		(51.18)	
Investment in Subsidiaries				
Dividend paid (Including Tax on dividend)				
Net cash used in Financing Activities		685.99		532.58
D Net Increase in Cash and Cash Equivalents (A+B+C)		36.42		11.41
Cash and Cash equivalents as at 01.04.2012		169.55		158.14
Cash and Cash equivalents as at 31.03.2013		205.97		169.55
E Net (Increase) / Decrease in Cash and Cash Equivalents		(36.42)		(11.41)

As per our report of even date

For and on behalf of the Board

for **M.Srinivasan & associates**

Chartered Accountants

FRN : 004050S

R Mohan

Partner - Membership No.022460

G.P.N. GUPTA

Managing Director

G.S. ANIL KUMAR

Director - Finance

Place: Chennai

Date: 28.05.2013

P. PREMA SONA BHARATHI

Company Secretary



SCHEDULES FORMING PART OF ACCOUNTS

SCHEDULE 1

1.1 Basis of preparation of financial statements.

The financial statements have been prepared on accrual basis under the historical cost convention and in accordance with generally accepted accounting principles in India and materially comply with the Mandatory Accounting Standards notified by the Central Government Of India under the Companies (Accounting standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956

1.2 Use of estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Policies (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

1.3 Fixed assets and depreciation

Fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of fixed assets includes freight, duties, taxes and other incidental expenses relating to acquisition. Duties and taxes where MODVAT and VAT are applicable have been appropriately treated. Where fixed assets have been acquired from a country outside India, the cost of these fixed assets also includes exchange differences (favorable and unfavorable) arising in respect of foreign currency loans on other liabilities incurred specifically for the purpose of their acquisition. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or constructions are capitalized.

Depreciation is provided on the Straight Line Method from the day in which the asset is put to use. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life or remaining useful life. Pursuant to this policy, depreciation on assets has been provided at the rates based on the estimated useful lives of fixed assets.

Depreciation on fixed Assets sold or scrapped during the year is provided up to the date in which such assets are sold or scrapped. Depreciation on additions to Fixed Assets is calculated on prorata basis from the date of addition.

Assets individually costing Rs 5,000 or less are depreciated at the rate of 100%.

Depreciation is charged on a proportionate basis for all assets purchased and sold during the year.

1.4 Impairment of assets

In accordance with Accounting Standard 28 (AS 28) on Impairment of assets, where there is an indication of Impairment of the Company's assets, the carrying amount of the Company's assets are reviewed at each balance sheet date to determine. Whether there is any impairment on the assets based on internal/external factors. Any impairment loss, if any, is recognized In the profit & loss statement, wherever the carrying amount of an asset exceeds its estimated recoverable amount which is estimated at the higher of its net selling price and its value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. After

impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

1.5 Revenue recognition

Revenue from sale of manufactured goods, including scrap, is recognized on transfer of all significant risks and rewards of ownership to the buyer which is generally on dispatch of goods.

Domestic sales inclusive of sales tax, Excise duty, net of sales returns and quantity discounts on accrual basis.

Export sales are accounted on the basis of dates of invoicing from the factory.

Job work and other service revenues is recognized as when services are rendered.

Income from Investments/other income is recognized on accrual basis.

Interest on deployment of surplus funds is recognized using the time proportionate method based on underlying interest rates.

1.6 Inventories

Inventories are carried at the lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis. Cost comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition.

The method of determination of cost is as follows:

- Spares and Consumables are valued at cost.
- Raw-Materials & Intermediates are valued at weighted cost – (net of MODVAT).
- Work-in-Process is valued at material cost plus direct Manufacturing Expenses.
- Finished Goods are valued at the lower of cost or net Realisable value. Cost includes cost of conversion and other expenses incurred in bringing the goods to their location and condition inclusive of Excise Duty.
- Saleable / disposable stock of scrap is valued at estimated realizable value. Provision for inventory obsolescence is assessed annually and is provided as and when considered necessary.

1.7 Foreign exchange transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the respective transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss statement of the year, except that exchange differences related to acquisition of fixed assets from a country outside India are adjusted in the carrying amount of the related fixed assets.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the profit and loss statement except those related to acquisition of fixed assets from a country outside India which are adjusted in the carrying amount of the related fixed assets. Where an underlying import/export is covered, it is recognized at the rate at which the exchange is covered. Where the transaction remains uncovered, it is recognized on mark to market basis as on 31st March 2013.

Net exchange fluctuation gain is accounted as other income and loss is accounted as other expenses.



1.8 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

1.9 Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) provided in the books of accounts.

2.1 SHARE CAPITAL

Amount Rs. in Lakhs

	As at 31 March 2013	As at 31 March 2012
Authorised		
Equity shares		
140,00,000 (previous year 140,00,000), Rs.10 par value	1,400.00	1,400.00
Preference shares		
6,00,000 (previous year 6,00,000) cumulative, redeemable preference shares of Rs. 100 par value	600.00	600.00
	2,000.00	2,000.00
Issued		
Equity shares		
83,73,700 (previous year 83,73,700), Rs. 10 par value	837.37	837.37
	837.37	837.37
Subscribed and fully Paid up		
Equity shares		
83,73,700 (previous year 83,73,700), Rs. 10 fully paid up	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

Share Capital

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.

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
Authorised:		
(i) 1,40,00,000 Equity shares of Rs.10 Each	1,400.00	1,400.00
(ii) 6,00,000 Non-convertible Redeemable Cumulative Preference Shares of Rs.100 Each	600.00	600.00
	2,000.00	2,000.00
Issued, Subscribed and Fully paid up:		
83,73,700 Equity Shares of Rs.10 Each	837.37	837.37
	837.37	837.37

Clause (d) – Reconciliation of number of shares

Particulars	31 March 2013		31 March 2012	
	Number of shares	Amount (Rs. in Lakhs)	Number of shares	Amount (Rs. in Lakhs)
Equity Shares				
Opening Balance	83,73,700	837.37	79,73,700	797.37
Changes during the year	-	-	4,00,000	40.00
Closing Balance	83,73,700	837.37	83,73,700	837.70

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 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 and its subsidiaries – *Not Applicable*

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

Particulars	As at 31 March 2013	As at 31 March 2012
EQUITY SHARES		
M/s. Balaji Trading Enterprises Private Limited (No. of shares)	26,32,200	26,32,200
% of holding	31.43	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 (I) – Forfeited shares

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
EQUITY SHARES		
4,08,000 (previous year 4,08,000) shares of Rs.10 par value	40.80	40.80

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 March 2013	As at 31 March 2012
Shares outstanding at the beginning of the year	83,73,700	79,73,700
Shares issued during the year	-	4,00,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	83,73,700	83,73,700

2.2 Reserve and Surplus

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
Capital Reserves		
Opening Balance	196.33	196.33
Add: Amount transferred from statement of profit and loss account		
Less: Amount utilized		
Closing Balance	196.33	196.33
Capital Redemption Reserve		
Opening Balance	86.75	86.75
Add: Amount Transferred		
Less: Amount utilised		
Closing Balance	86.75	86.75
Securities Premium Account		
Opening Balance	294.45	230.45
Add: Amount Transferred		64.00
Less: Amount utilised		
Closing Balance	294.45	294.45
General Reserve		
Opening Balance	20.00	20.00
Add: Amount Transferred		
Less: Amount utilised		
Closing Balance	20.00	20.00
Surplus / (deficit) balance in the statement of profit and loss account		
Opening Balance	498.74	430.59
Add: Profit/ (Loss) for the year	9.28	68.15
Less: Amount utilised		
Transfer to capital reserves, Capital redemption reserve and other reserves		
Closing Balance	508.02	498.74
Total	1,105.55	1,096.27

2.3 Long term borrowings

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
Secured- Considered good		
Term loans		
from banks		
State Bank Of India	180.35	181.20
(secured by 1. entire current assets of the company, viz, RM, SIP, FG, receivables, spares consumables and other current assets on pari passu basis with SBH. 2. Also secured by Factory Land and Building at Panjetty village, Ponneri Taluk, Thiruvallur Dist. & on Plant & Machinery and other Fixed Assets belonging to the company at Panjetty village & Athipedu village on pari-passu basis with SBH. 3. Extension of EM of Agri Land of 28 acres at Anumallipadu village, i.e., 10 acres belonging to Sri G.V. Gopinath & 18 acres belonging to Sri G.V. Balaji on pari passu basis with SBH. 4. Guaranteed by promoter directors & their relatives in their personal 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	6.31	0.76
(Secured by motor Vehicle under Hypothecation)		
Repayment tenure of 36 months ending Oct 2015		
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	
	186.66	181.96
Unsecured -considered good		
Public Deposits	53.05	51.80
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	51.30	52.25
Repayable for a period of 3 years with 14% 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	



2.4 Deferred tax liabilities (Net)

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
As per last Balance Sheet	415.72	404.71
Add : Deferred tax liability for the year (Net)	(1.68)	11.01
Closing Balance	414.04	415.72
	518.39	519.77
	705.05	701.73

Note on Deferred Tax Liability

Particulars	01.04.2012 (x)	2012-13 (y)	31.03.2013 (x+y)
Deferred Tax Liability (Net):			
Deferred Tax Liability as on 01.04.2012			
i) Difference between book and Tax Depreciation	415.72	(0.97)	
Total Deferred Tax Liability (A)		(0.97)	
Deferred Tax Assets			
Provision for Gratuity			
Provision for Leave Encashment		0.71	
Total Deferred Tax Assets (B)		0.71	
Total	415.72	(1.68)	414.04

2.5 Other long term liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
Trade Payables		
- due to micro and small enterprises		-
- others creditors	23.99	40.04
Others		
Payables for purchase of fixed assets		2.11
Security Deposit	10.85	7.86
	34.84	50.01

2.6 Long term provisions

Particulars	As at 31 March 2013	As at 31 March 2012
Others (Specify nature)		
Provision for pending sales tax forms and other sales tax disputes	1.01	1.01
Others provision of expenses		3.20
	1.01	4.21

2.7 Short term borrowings

Particulars	As at 31 March 2013	As at 31 March 2012
Secured - Considered Good		
Loans repayable on demand		
Cash credit (from banks)		
- State Bank of India (Includes Rs. NIL as buyers credit on short term repayable with in one year). (secured by 1. entire current assets of the company, viz, RM, SIP, FG, receivables, spares consumables and other current assets on pari passu basis with SBH. 2. Also secured by second charge over Factory Land and Building at Panjetty village, Ponneri Taluk, Thiruvallur Dist. & second charge on Plant & Machinery and other Fixed Assets belonging to the company at Panjetty village & Athipedu village on pari-passu basis with SBH. 3. Extension of EM of Agri Land of 28 acres at Anumallipadu village, i.e., 10 acres belonging to Sri G.V. Gopinath & 18 acres belonging to Sri G.V. Balaji on pari passu basis with SBH. 4. Guaranteed by promoter directors & their relatives in their personal capacity)	3,376.29	2,670.81
- State Bank of Hyderabad (Includes Rs. 77.02 as buyers credit on short term repayable with in one year). (secured by 1. Pari passu first charge on the entire current assets of the company, viz, RM, SIP, FG, receivables, spares, consumables etc. 2. Also secured by EM of Agricultural Land of 28 acres at Anumallipadu village, i.e., 10 acres belonging to Sri G.V. Gopinath & 18 acres belonging to Sri G.V. Balaji on pari passu basis with SBI. 3. Pari passu second charge over the Company's fixed assets excluding assets specifically charged to the term lenders. 4. Guaranteed by promoter directors & their relatives in their personal capacity)	1,005.35	1,041.59
	4,381.64	3,712.40
Unsecured		
Deposits		
Public Deposits (Repayable on maturity depending on the period of deposit less than 1 year)	17.25	11.30
	17.25	11.30
	4,398.89	3,723.70

Note:

Working capital facilities of Rs.4381.64 Lakhs (previous year Rs.3712.40 Lakhs) with State Bank of India and State Bank of Hyderabad are secured by way of first pari passu charge on the current assets of the company situated in the Company premises or in transit.

Nature of Working Capital Facility	As on 31.03.2013		As on 31.03.2012	
	State Bank of India	State Bank of Hyderabad	State Bank of India	State Bank of Hyderabad
Cash Credit	822.13	458.51	414.10	521.94
EPC/ PCFC	470.57	266.68	457.65	241.47
Standby credit	87.42	-	87.35	-
IOCL – DCA	897.19	-	628.69	-
IOCL – CS	297.49	-	222.53	-
Bills discounting	425.70	118.92	624.19	21.91
Buyers Credit	-	77.02	236.30	220.27
ILC	375.79	84.22	-	36.00
Total	3,376.29	1,005.35	2,670.81	1,041.59



2.8 Trade payables

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
Trade Payables		
- due to micro and small enterprises		-
- others creditors	924.32	887.96
	924.32	887.96

2.9 Other current liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
Current maturities of long-term debt	97.45	96.36
(secured by fixed assets of the Company on pari passu charge with State Bank of Hyderabad and Guaranteed by directors in their personal capacity)		
Current maturities of finance lease obligations (Secured by motor Vehicle under Hypothecation)	7.86	3.15
Repayment tenure of 36 months ending Oct 2015		
Interest accrued but not due on borrowings		
Other payables		
Sales Tax Payable	0.21	19.33
TDS payable	5.56	6.33
Service Tax payable	3.81	10.60
TCS payable	0.08	0.05
Sundry creditors for purchase of Fixed Assets	0.70	15.86
Unclaimed dividends	15.28	19.05
Payable for job work, goods and services		78.38
	130.95	249.11

Note for 2.3 and 2.9

Nature of facility	As at 31 March 2013	As at 31 March 2012
Medium Term Loan with SBI	277.80	277.56

Term Loan (Including Medium Term and Corporate Loans) and working capital facilities from State Bank of India are secured by pari passu charges on the fixed assets and current assets of the company and also secured by personal guarantees of directors Sri G.P.N. Gupta, Sri G. Radhakrishna, further secured by personal guarantees of Sri G. Sudhakar, Sri G.V. Gopinath and Sri G.V. Balaji.

2.10 Short term provisions

Particulars	As at 31 March 2013	As at 31 March 2012
Provision for employee benefits		
Salary & Reimbursements	40.66	37.27
Contribution to PF	3.34	2.97
Gratuity	18.11	24.51
Compensated absences	6.81	3.71
Superannuation	-	0.61
Leave travel & Medical expenses-Directors	9.25	9.73
Employee related	0.29	0.98
Others (Specify nature)		
Provision for taxation(Net)		0.15
Provision for Electricity Charges	21.90	7.74
provision for Freight & Clearing	14.90	30.72
Provision for Excise duty on Finished Goods	31.96	48.08
Provision - Interest on deposits accrued not due	3.97	3.24
Provision for Commission on sales	104.18	49.77
Provision for Job work charges	-	0.95
provision for Expenses	3.58	57.62
	258.95	278.05



Amount Rs. in Lakhs

2.11 - Fixed Assets

Fixed Assets	Gross Block			Accumulated Depreciation			Net block			
	As at 1 April 2012	Additions	Deletion	Sub total	As at 31 March 2013	As at 1 April 2012	Depreciation charge for the Apr'12 to Mar'13	Deductions/ Other adjustments	As at 31 March 2013	As at 31 March 2012
Tangible Assets										
Land										
Owned	74.28	-		74.28	74.28		-		74.28	74.28
Assets under lease										
Buildings										
Owned	1,014.27	1.81		1,016.08	1,016.08	343.31	33.83	-	638.94	670.96
Assets under lease										
Leasehold improvements										
Plant and Equipment										
Owned	2,565.68	132.95	2.58	2,696.05	2,696.05	1,120.18	139.43	0.53	1,436.97	1,445.50
Assets under lease										
Furniture and Fixtures										
Owned	86.94	1.77		88.71	88.71	45.25	4.61		38.85	41.69
Assets under lease										
Vehicles										
Owned	39.36	-	11.41	27.95	27.95	17.24	4.42	6.43	12.72	22.12
Assets under lease	14.40	19.18		33.58	33.58	2.81	1.16	3.97	29.61	11.59
Office equipment										
Owned	139.55	2.63		142.18	142.18	101.30	7.75		33.13	38.25
Assets under lease										
Electrical & Electronic equipments										
Owned	235.14	-		235.14	235.14	120.15	11.10		103.90	114.99
Assets under lease										
	4,169.62	158.34	13.99	4,313.97	4,313.97	1,750.24	202.30	6.96	1,945.58	2,419.38

Disclosure pursuant to Note no. I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956 - Nil

2.12 Non Current investments

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
Investment in Equity instruments- Unquoted-at cost		
In Jumbo Bag LLC	2.27	2.27
Engineered Power Resources India Pvt Ltd., 3380 Shares @Rs.10 per share	0.34	
	2.61	2.27

2.13 Long term loans and advances

Particulars	As at 31 March 2013	As at 31 March 2012
Other loans and advances		
unsecured, considered good		
Earnest Money Deposit	0.07	0.12
Advance Tax on FBT	0.87	0.92
Cenvat receivable/deposit	11.52	9.00
Electricity & other deposits	67.89	60.28
Rental deposits	90.66	89.66
Telephone deposits	0.21	0.22
Government agencies	2.16	-
	173.38	160.20

2.14 Other non current assets

Particulars	As at 31 March 2013	As at 31 March 2012
Long term trade receivables (including trade receivables on deferred credit terms)		
Unsecured, considered good	23.40	17.81
unsecured, not considered good	27.55	
Provision for Doubtful debts	2.75	
	48.20	17.81

2.15 Inventories

Particulars	As at 31 March 2013	As at 31 March 2012
Raw Materials and components (Valued at lower of cost or Net Realisable value)	142.09	280.78
Goods-in transit	48.97	440.41
Net	191.06	721.19
Work-in-progress (Valued at lower of cost or Net Realisable value)	1,283.47	1,025.15
Finished goods (Valued at lower of cost or Net Realisable value)*	290.52	437.11
Scrap (Valued at lower of cost or Net Realisable value)	2.11	3.87
Stores and spares (Valued at lower of cost or Net Realisable value)	71.13	64.96
	1,838.29	2,252.28

* includes Excise duty on FG stock.



Particulars	As at 31 March 2013	As at 31 March 2012
2.16 Trade receivables		
Debts outstanding for period exceeding six months Unsecured, considered good	99.39	72.88
	99.39	72.88
Other debts Unsecured, considered good	3,151.71	2,362.99
	3,151.71	2,362.99
	3,251.10	2,435.87
Trade Receivable stated above include debts due by the group under the same management		
Stanpacks (India) Ltd.,	97.75	84.77
JBL Saks (P) Ltd.,	38.40	37.82
Jumbo Bag LLC	225.55	551.47
GF Impex Pvt Ltd.,	0.78	-
Balaji Trading Enterprises Pvt Ltd.,	21.56	46.83
Dinesh Polyfab Pvt Ltd.,	8.78	-
	392.82	720.89
2.17 Cash and cash equivalents		
Cash Balance	26.65	14.10
Balance with banks	3.08	-
Other Bank balances		
Earmarked Balances (eg/- unpaid dividend accounts)	15.28	19.05
Margin money	160.96	126.40
Bank deposits with more than 12 months maturity	-	10.00
	205.97	169.55
2.18 Short term loan and advances		
Others		
Unsecured, considered good		
Advance for Capital Goods	9.54	
Cenvat receivable	44.41	60.73
VAT receivable	7.84	0.40
Service tax receivable	17.41	14.05
TCS receivable	0.64	0.64
Interest receivable on bank deposits / others etc.	14.01	25.70
Interest receivable on customers	33.91	25.15
Prepaid expenses	40.17	19.68
MEPZ towards ECGC premium	0.52	0.91
Rebate Claim & Duty Drawback receivable	147.69	122.65
Focus products scheme	187.23	112.11
Staff advance	14.96	24.06
Provision for taxation(Net)	25.92	
	544.25	406.08
Loans and advances above include debts due by:		
2.19 Other current assets		
Claims receivables- TUF	5.53	5.63
	5.53	5.63

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
2.20 Sale of Manufactured Products		
Sales - Exports	4,273.25	3,930.33
Sales - Domestic	3,422.63	3,491.71
Sub Total	7,695.88	7,422.04
Add: Excise Duty	473.37	417.81
Add: Sales tax	54.71	46.25
Gross Turnover	8,223.96	7,886.10
Less: Excise duty	473.37	417.81
Less: Sales tax	54.71	46.25
Sale of Manufactured products (Net)	7,695.88	7,422.04
2.21: Sale of Trading Products		
Sale of Trading Products	697.13	360.72
Add: Excise Duty	93.54	35.45
Add: Sales tax	36.06	17.01
Gross Turnover	826.73	413.18
Less: Excise duty	93.54	35.45
Less: Sales tax	36.06	17.01
Sale of Manufactured products (Net)	697.13	360.72
2.22: Sale of services		
Income from Job work charges	6.37	292.29
Commission on sales	83.15	43.52
Early payment incentive	24.21	23.61
	113.73	359.42
2.23: Other operating revenues		
Sale of scrap (net)	85.77	71.74
Focus product Scheme	75.12	75.14
Interest Income (IOCL operations)	20.50	13.84
	181.39	160.72
2.24: Other income		
Interest income	-	-
TUF Interest received	-	1.15
Interest Income (bank FD+others)	20.37	12.92
Exchange gain (net)	53.32	-
Profit on sale of fixed assets	-	1.41
Excise duty drawback	10.56	7.87
Liabilities / Assets no longer required written back	-	1.67
Miscellaneous Income / Other Income	3.41	2.12
	87.66	27.14
2.25: Cost of material consumed		
Raw materials and packing materials consumed		
Opening stock	280.78	178.44
Add: Purchases	4,332.61	5,420.51
Less: Closing stock	142.09	280.78
	4,471.30	5,318.17
2.26: Purchases of stock in trade		
Purchase of traded goods	651.78	330.88
Others		
	651.78	330.88



Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
2.27: Change in inventory of finished goods, work-in-progress and stock in trade		
Opening stock		
Finished goods	437.11	123.34
Work-in-progress	1,025.15	1,142.11
Goods in transit	440.41	22.41
Scrap	3.87	0.20
Less: Closing stock		
Finished goods	338.60	437.11
Work-in-progress	1,283.47	1,025.15
Goods in transit	48.97	440.41
Scrap	2.11	3.87
	233.39	(618.48)
2.28: Employee benefits expense		
Salaries, wages (sub-contractor charges to be excluded)	474.13	413.81
Bonus and Exgratia	24.03	18.72
Contribution to provident fund and other funds	19.34	16.58
Contribution to Gratuity fund	7.94	8.28
Workmen and staff welfare expenses	117.41	122.40
Directors remuneration	49.54	58.01
	692.39	637.80

Details of Directors Remuneration

Profit and Loss statement includes payment/ provision on account of remuneration to managerial personnel given as under:

Details of Directors' Remuneration	2012-13	2011-12
Salary and Allowances	44.12	53.00
Perquisites	0.92	0.51
Contribution to Superannuation Fund		
<i>The computation of profit under section 349 of the Companies Act, 1956 is not considered necessary as the managerial remuneration that is paid minimum remuneration based on the effective capital of the company as prescribed under Schedule XIII of the said Act.</i>	4.50	4.50
Total	49.54	58.01

Particulars	As at 31 March 2013	As at 31 March 2012
2.29: Finance Cost		
Interest expense (instrument wise disclosure should be given)		
Medium Term Loan	52.63	43.32
Cash Credit	180.65	173.16
Buyers credit	15.92	11.16
Packing Credit	89.46	76.71
Bills Discounting (FUBD)	67.69	65.96
Others (banks)	20.53	4.76
Interest paid on Hire Purchase	0.86	0.43
Public deposits	8.14	7.32
Others (Other + interest on unsecured loan)	7.82	15.31
	443.70	398.13

2.30: Other expense

Amount Rs. in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
Consumption of stores, loose tools and spare parts	141.66	128.03
Power and fuel	561.59	423.21
Rent	117.39	94.78
Repairs and maintenance:		
- buildings	3.76	9.40
- plant and machinery	21.32	18.48
- others	29.09	28.63
Rates and taxes, excluding, taxes on income	10.50	10.44
Watch & Ward	32.40	30.66
Insurance	8.19	12.47
Job work charges paid	421.30	426.52
Traveling and conveyance (Domestic)	39.24	39.62
Traveling and conveyance (Foreign)	40.37	49.67
Communication	28.77	16.54
Legal and professional fees	48.72	55.68
Auditor's remuneration	2.15	2.72
Internal Audit fees/others	3.28	1.52
Freight and clearing outward	248.50	267.06
ECGC premium paid	7.47	9.18
Sales rebate and discount allowed	-	0.03
Sales promotion	7.81	6.89
Certification fees	0.08	-
Foreign exchange loss		87.25
Sales commission	123.41	91.82
Bank charges	77.33	70.50
Testing charges	1.59	3.17
Loss on sale of fixed assets (net)	5.02	-
Research & Development expenses	7.24	
Bad debts written off	12.23	4.98
Advances written off	-	4.36
Training and seminar expenses	0.48	0.56
Provision for bad debts	2.75	
Books and periodicals	0.60	0.40
Advertisements	2.13	2.11
Management meeting expenses	1.13	1.60
Printing and stationery	10.62	9.14
Office Electricity	2.61	2.54
Membership and subscriptions	3.21	3.78
Sitting Fees	5.26	5.00
Office Maintenance	7.33	8.79
Excise duty on finished goods at stock valued	31.96	48.08
Listing & Filing fees	0.77	2.16
Donations	1.11	0.22
Miscellaneous expenses	0.03	0.03
	2,070.40	1,978.02
2.31: Prior period items		
Prior period items - net		4.72
		4.72



3. Earnings per share

The basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive equity shares outstanding during the year.

4. Investments

Long term Investments are valued at cost less provision for diminution in value other than temporary, if any.

5. Employee Benefits

i Short Term - Short term employee benefits are recognized as an expense as per the Company's Scheme based on expected obligations.

ii. Post Retirement:

Post retirement benefits comprise of provident fund, superannuation and gratuity which are accounted for as follows:

a) Provident fund

This is a defined contribution plan. Contributions in respect of staff and workers are remitted to provident fund authorities in accordance with the relevant statute and are charged to profit and loss statement as and when due. The Company has no further obligations for future provident fund benefits in respect of these employees other than its annual contributions.

b) Superannuation

This is a defined contribution plan. The Company makes contribution as per the scheme to superannuation Fund administered by Life Insurance Corporation of India. The Company has no further obligation of future superannuation benefits other than its annual contributions and recognizes such contributions as expense as and when due.

c) Gratuity

This is a defined benefit plan. Provision for gratuity is made based on actuarial valuation using projected unit credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions, are recognized immediately in the profit and loss statement as income or expense.

6. Deferred Tax Liability

Deferred Tax resulting from timing difference between book and Tax profit is accounted for under liability method, at the current rate of tax, to the extent, the timing differences are expected to crystallize. The deferred tax charge or credit is recognized using prevailing enacted or substantively enacted tax rate. Where there is unabsorbed depreciation or carried forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax liabilities/assets are reviewed at each balance sheet date based on the law in force and shown net of assets/liabilities in the books.

7. Leases

Leases are classified as finance or operating leases depending upon the terms of the lease agreements. Assets held under finance leases are recognized as assets of the Company on the date of acquisition and depreciated over their estimated useful life or period of lease. Initial direct costs under the financial lease are included as a part of the amount recognized as asset under the finance lease.

Rentals payable under operating leases are treated as revenue expenses as and when incurred with reference to terms of agreement.

Operating leases

The company is obligated under cancellable operating leases for Jumbo Bag Ltd, Athipedu factory rent which are renewable at the options of both the lessor and the lessee. The expense under the contracted lease amounts to Rs. 87.45/-lakhs (previous year Rs.79.73/- lakhs) is recognized in the profit & loss statement.

8. Custom duty

Custom duty is accounted as and when paid and on actual.

9. Borrowing Costs

As per the Accounting Standard 16 (AS 16), borrowing costs that are directly attributable to the cost of acquisition, construction, production of a qualifying asset are capitalized as a part of cost of such asset till the asset is installed/ put to use. Cost that are not directly attributable to qualifying the asset are determined by applying a weighted average rate and are capitalized as a part of the cost of asset of such qualifying asset till the time asset is ready to use/ installed.

10. Dues to Micro, Small and Medium Enterprises:

The management has written to vendors requesting them to inform whether they would fall under the purview of Micro, Small and Medium Enterprises Act, 2001. Based on disclosure received, amount payable to such enterprises as at 31st March 2013 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.

11. Earnings per share

EARNINGS PER SHARE	2012-13	2011-12
Profit available for equity share holder (Rs. in Lakhs)	9.28	68.15
Number of Equity shares (Basic and diluted)	8,373,700	8,170,421
Earnings per Share (in Rs.)	0.11	0.83
Cash Earnings per Share (in Rs.)	2.53	3.20

12. Unhedged foreign Currency Exposure

Particulars	currency	Foreign Currency	31 March 2013	31 March 2012
Unhedged Foreign currency (Export/ Import)	US \$	US \$ 636691	INR 347.32 lakhs	US\$ 1370784 INR 701.25 Lakhs



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

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 Deeded Export Portion)	12.69	12.69	Appeal No: 1130/03 Appeal filed with Supreme Court during last week of June, 2011. (Appeal Admitted)
1.2	Advance Release Order (ARO)- non- payment of CVD	26.55	26.55	Matter remanded to original authority (commissioner), by CESTAT
1.3	CENVAT CREDIT of Service Tax Disallowed	0.95	0.95	Appeal pending with CESTAT, Chennai.
1.4	Service Tax on Technical Know How Fee	3.71	3.71	Appeal filed with Commissioner (Appeals).
1.5	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
1.6	Cenvat Credit Of Service Tax Of Fumigation services-Unit-1	0.18	0.18	Appeal filed with The Commissioner (Appeals), Ch-34
1.7	Cenvat Credit Of Service Tax Of Fumigation services-Unit-1	0.06	0.06	Appeal filed with The Commissioner (Appeals), Ch-34
	TOTAL	46.91	46.91	

2. INCOME TAX:

Sl No.	Description	AY	Demand (including Penalty Rs. in Lakhs)	Present Status
2.1	Penalty levied u/s 271(1)	2005-2006	6.92	Have requested the Assistant Commissioner of IT to adjust the penalty against amount to be received on account of refund due from IT dept. on block assessment
2.2	Demand and penalty levied	2006-2007	6.91	Appeal made with CIT
2.3	Penalty levied u/s 271(1)	2007-2008	35.97	Appeal made with CIT
2.4	Notice u/s 148 Scrutiny /C C IV (2)/11-12 dt. 01.08.2011	2005-2006	39.85	Appeal made with CIT
2.5	Notice u/s 148 Scrutiny /C C IV (2)/11-12 dt. 01.08.2011	2006-2007	16.24	Appeal made with CIT
	TOTAL		105.89	

DISCLOSURE UNDER AS-15**14. Defined Contribution Plans:-**

- (a) Contribution to Provident Fund : 19.34/- lakhs
 (b) Contribution to Superannuation Fund : 7.68/-lakhs

Defined Benefit Plans:-

Gratuity: - 7.94/- lakhs

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 31.03.2013 and the estimated liability amounted to Rs.7.94/-Lakhs which is debited to P & L Statement.

Retirement Benefits:

Disclosure as required by Accounting Standard (AS) – 15 (Revised 2005) "Employee Benefits" issued by the Institute of Chartered Accountants of India are given below:

- a) The amounts recognized in the statement of Profit and Loss are as follows:

SI No.	Particulars	2012-13 (Rs. in Lakhs)	2011-12 (Rs. in Lakhs)
(i)	Present value of obligation at the beginning of the year	52.23	42.91
	Interest Cost	4.18	3.43
	Current Service Cost	5.80	4.94
	Benefits paid	(1.18)	(1.91)
	Actuarial (gain) / loss on obligation	0.70	2.86
	Present Value of obligation at the end of the year	61.73	52.23
(ii)	Fair value of planned assets at the beginning of the year	27.73	27.49
	Expected return on plan assets	2.74	2.15
	Contribution	14.33	0
	Benefits paid	(1.18)	(1.91)
	Actuarial gain / (loss) on plan assets	NIL	NIL
	Fair value of plan assets at the end of the year	43.62	27.73
(iii)	Amounts recognized in the balance sheet		
	Present Value of obligation as at the end of the year	61.73	52.24
	Fair Value of plan at the end of the year	43.62	27.73
	Funded status of the plan – (asset) / liability	(18.11)	(24.51)
(iv)	Net Assets / (liability) recognized in Balance Sheet	18.11	24.51
	Amounts recognized in the statement of Profit and Loss		
	Current Service Cost	5.80	4.94
	Interest Cost	4.18	3.43
	Expected return on plan assets	(2.74)	(2.15)
	Net Actuarial (gain)/loss recognized in the year	0.70	2.85
	Expenses recognized in the statement of profit and loss	7.94	9.08
	Principal actuarial assumptions		
	Discount Rate	8%	8%
	Salary Escalation	5%	5%
	Expected Return on plan assets	8%	8%

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.



15. Segmental Reporting

Information given in accordance with the requirement of Accounting Standard 17, on Segment 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:

- Segment accounting disclosures are in line with accounting policies of the Company.
- Segment Revenue includes Sales and other income directly identifiable with / allocable to the segment.
- Expenses that are directly identifiable with allocable to segments are considered for determining the Segment Result.
- Major portion of segment liabilities and Assets relates to manufacturing segment
- The company has no Secondary Reportable Segment.
- Regrouping done wherever necessary.

Segment-wise Reporting as per the format under clause 41 of the Listing agreement

Particulars	Year to Date figures for current period ended 31.03.2013 Rs. in Lakhs	Year to Date figures for previous period ended 31.03.2012 Rs. in Lakhs
1. Segment Revenue		
(Net Sales / Income from each segment should be disclosed under this head)		
(a) Segment A - Manufacturing Business	7,950.80	7,974.04
(b) Segment B - Trading Business	824.99	360.72
(c) Unallocated	-	-
Total	8,775.79	8,334.76
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	8,775.79	8,334.76
2. Segment Results - Profit (+) / Loss (-) before tax and interest from each segment		
(a) Segment A - Manufacturing Business	328.89	417.32
(b) Segment B - Trading business	125.34	77.79
(c) Unallocated	-	-
Total	454.68	495.11
Less: (i) Interest	443.70	398.13
(ii) Other Un-allocable Expenditures Net off	-	-
(iii) Unallocable Income	-	-
Total Profit before tax	10.53	96.98
3. Capital Employed		
(a) Segment A	1,983.72	1,974.44
(b) Segment B	-	-
(c) Unallocated	-	-
Total	1,983.72	1,974.44

16. RELATED PARTIES with whom transactions have taken place during the year.

Disclosures under Accounting Standard -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)	
				2012-13	2011-12	31.3.2013	31.3.2012
1	Stanpacks (India) Limited	Associate Company	Job Work Charges Paid	17.36	22.43	(123.67)	(83.70)
			Purchase of goods	39.96	61.20		
			Sale of Goods	35.88	68.59		
			Interest received	2.02	11.63		
2	JBL Saks (P) Ltd	Associate Company	Sale of Goods	5.62	39.17	(38.40)	(37.82)
			Job Work Charges	4.83	2.81		
			Interest received	4.67	2.83		
			Purchase of Goods	1.77			
3	Jumbo Bag LLC	Associate Company	Sale	1,002.60	941.29	(225.55)	(551.47)
4	G. Sudhakar	Key Management Personnel	Retainer Fees	2.21	5.95		
			Rent		1.90		
5	G P N Gupta	Key Management Personnel	Remuneration	23.40	23.25		
6	G S Anil kumar	Key Management Personnel	Salary	17.25	17.25		
7	G P Ramraj	Key Management Personnel	Salary	17.77	17.51		
8	G.Sangeetha	Relative of Key Management Personnel	Rent	3.72	3.69		
9	G.R. Latha Rani	Relative of Key Management Personnel	Rent	6.58	6.27		
10	Balaji Trading Enterprises Pvt Ltd	Associate Company	Loan Received		51.00	(21.56)	52.25
			Interest paid	2.16			
			Loan Received/	7.50	14.35		
			Interest paid				
11	Dinesh polyfab Pvt. Ltd.	Associate Company	--	0.84		(8.78)	
12	G.F.IMPEX	Associate Company	Interest received	5.24		(0.78)	
			TOTAL	1,201.38	1,291.12		



17. Contingent Liabilities

Contingent Liabilities not provided for	As at 31 March, 2013 (Rs. in Lakhs)	As at 31 March, 2012 (Rs. in Lakhs)
a. In respect of guarantees given by the Company	510.00	505.62
b. Letter of credit for purchase of raw-materials	87.32	64.15
c. Claims not acknowledged as debts	Nil	Nil
d. Estimated amount of contracts remaining to be executed on Capital accounts, not provided for	Nil	75.60
e. Disputed amount of Central Excise	269.54	277.20
f. Disputed amount on Income Tax	105.89	106.56
g. Disputed TDS	6.33	5.99

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.

18. Expenditure in Foreign Exchange

Expenditures in Foreign Currency	2012-13 Rs. in Lakhs	2011-12 Rs. in Lakhs
i) CIF value of Imports	2,964.46	2,180.34
ii) Travel	40.37	49.67
iii) Commission (paid for previous years liability)	6.11	13.07
iv) Others (Testing Charges)	0.49	1.77

19. Foreign Exchange Earnings

Earnings in Foreign Currency	2012-13 Rs. in Lakhs	2011-12 Rs. in Lakhs
i) FOB Value of Exports	4,068.89	3,757.04

20. 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.

21. Capacity and Production during the year 2012 – 2013

Capacity & Production	2012-13	2011-12
Class of Goods : Intermediate Flexible Containers, Fabric, Components of Jumbo Bags, Liner & Small Bags		
Licensed Capacity (in MT)	8,870.000	8,870.000
Installed Capacity (in MT)	6,497.000	6,070.000
Actual Production (in MT)	5,171.828	4,432.278

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

Description	2012-13		2011-12	
	Quantity in MT	Rs. in Lakhs	Quantity in MT	Rs. in Lakhs
a. Polypropelene Granules	3969.020	3,174.95	1960.603	1,399.62
b. Others	2187.566	1,858.96	2282.603	3,271.67
Total	6156.586	5,033.91	4243.206	4,671.29
ii) Consumption of Imported & Indigenous Raw Material, Stores and Spare Parts and the percentage of each to the Consumption:-	% of Consumption	Total Value	% of Consumption	Total Value
a. Raw Material				
Import	59.87%	3013.74	46.10%	2153.60
Indigenous	40.13%	2020.17	53.90%	2517.69
Total	100.00%	5033.91	100.00%	4671.29
b. Stores and Spares				
Import	6.28%	8.90	6.28%	8.04
Indigenous	93.72%	132.76	93.72%	119.98
Total	100.00%	141.66	100.00%	128.02

	2012-13		2011-12	
	Qty in MTS	Value (Rs. in Lakhs)	Qty in MTS	Value (Rs. in Lakhs)
P. P. Bags , Fabric , Components of Jumbo Bags & Small Bags	5163.778	7,533.73	4785.566	6,913.27
	Closing Stock as on 31.03.2012		Closing Stock as on 31.03.2011	
	Qty in MTS	(Rs. in Lakhs)	Qty in MTS	(Rs. in Lakhs)
Finished Goods (Inclusive of Excise Duty)	174.584	290.52	254.17	437.11

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.

22. PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped/ recast wherever necessary to confirm to this year's classification.

As per our report of even date

For and on behalf of the Board

for **M.Srinivasan & associates**

Chartered Accountants

FRN : 004050S

R Mohan

Partner - Membership No.022460

G.P.N. GUPTA

Managing Director

G.S. ANIL KUMAR

Director - Finance

Place: Chennai

Date: 28.05.2013

P. PREMA SONA BHARATHI

Company Secretary

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JUMBO BAG LTD.

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

ATTENDANCE SLIP

Regd. Folio No..... D.P.Id*

No. of Shares held..... Client ID*

Sri/Mrs./Miss.....

I Certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the **23rd ANNUAL GENERAL MEETING** of the Company held at Sri Thyaga Brahma Gana Sabha, Vani Mahal, 103, G.N.Chetty Road, T.Nagar, Chennai – 600 017 at 10.00 a.m. On Monday, the 23rd September, 2013.

.....
Member's/Proxy's Name (IN BLOCK LETTERS)

.....
Member's/Proxy's Signature



JUMBO BAG LTD.

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

PROXY FORM

Regd. Folio No..... D.P.Id*

No. of Shares held..... Client ID*

I/We..... ofbeing a member/members of Jumbo Bag Limited hereby appointof or failing him of.....as my/our proxy to vote for me/us on my/our behalf at the **23rd ANNUAL GENERAL MEETING** of the Company to be held on Monday the 23rd September, 2013 at 10.00 a.m. or any adjournment thereof.

Signed this day of 2013.

Affix
Rs. 1
Revenue
Stamp

Notes:

Proxies, in order to be effective, must be received by the Company not less than 48 hours before the time of the meeting.

Please be informed that no gifts or Compliments will be given at the time of Annual General Meeting.

*Applicable only for investors holding shares in electronic form.

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JUMBO BAG LTD.

ISO 9001 & 14001

"S.K. ENCLAVE", New No. 4, (Old No. 47), Nowroji Road,
Chetpet, Chennai - 600 031. Tamil Nadu, India.

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