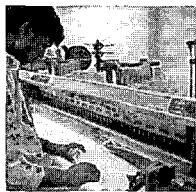
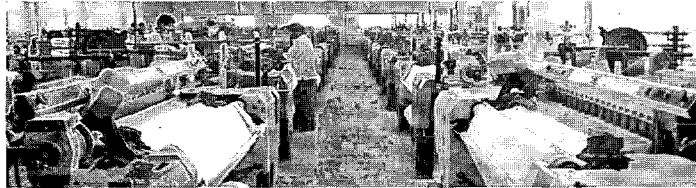
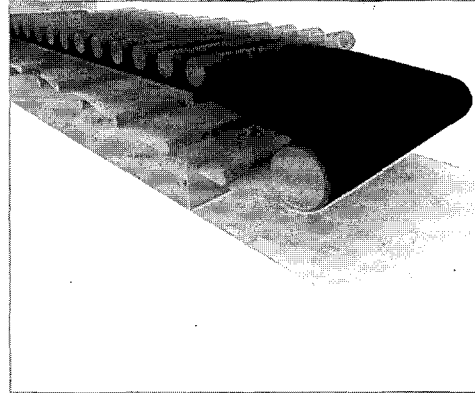
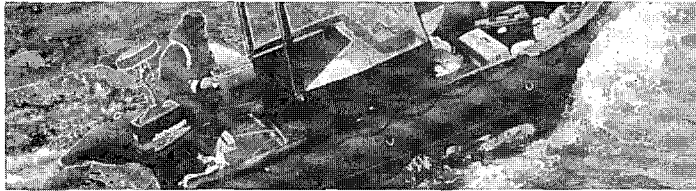


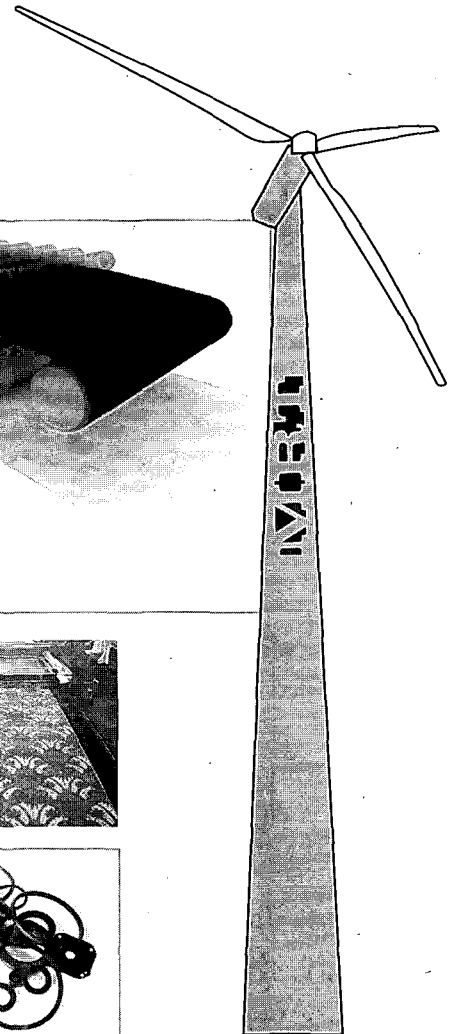
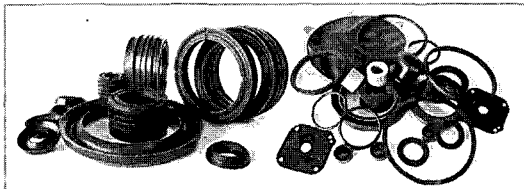
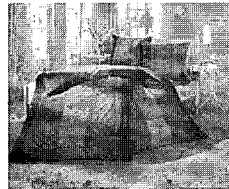
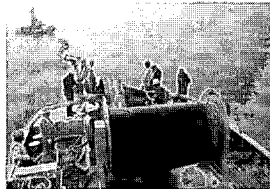
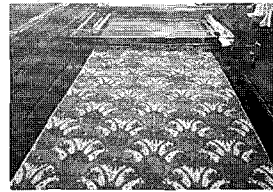
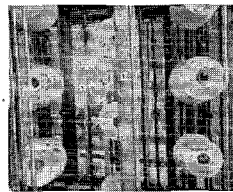
# 18th ANNUAL REPORT

# 2009

31st March



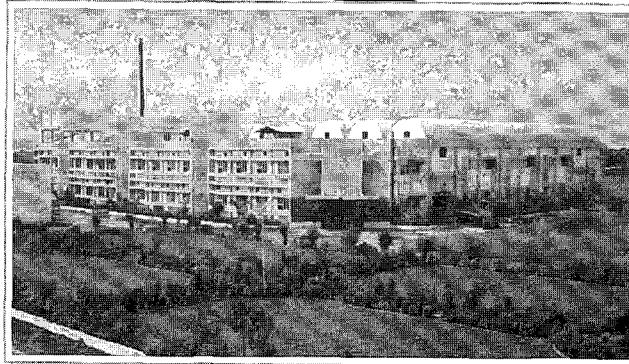
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**MAHALAXMI RUBTECH LIMITED**

47, NEW CLOTH MARKET, AHMEDABAD - 380 002, INDIA.

# MAHALAXMI RUBTECH LIMITED



## **BOARD OF DIRECTORS**

SHRI JEETMAL B. PAREKH  
SHRI RAHUL J. PAREKH  
SHRI ANAND J. PAREKH  
SHRI NIKHIL K. PARIKH  
SHRI MALAV J. AJMERA  
SHRI NEHAL M. SHAH

## **GROUP PRESIDENT & CFO**

SHRI RAJENDRA R. MEHTA

## **COMPLIANCE OFFICER**

CHANDRESH B. PANDYA  
(COMPANY SECRETARY)

## **STATUTORY AUDITORS**

BHANWAR JAIN & CO.  
CHARTERED ACCOUNTANTS  
AHMEDABAD.

## **INTERNAL AUDITORS**

D. TRIVEDI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
AHMEDABAD.

## **BANKERS**

BANK OF BARODA

## **REGISTERED OFFICE**

47, NEW CLOTH MARKET, AHMEDABAD 380 002 (INDIA)

## **CORPORATE OFFICE**

507, CHANAKYA, NEAR DINESH HALL,  
ASHRAM ROAD, AHMEDABAD-380 009

## **FACTORY**

- UMA INDUSTRIAL ESTATE, PHASE III,  
VASNA (IYAVA) SANAND, DIST: AHMEDABAD
- MAHALAXMI FABRIC MILLS  
(A UNIT OF MAHALAXMI RUBTECH LTD.)  
ISANPUR ROAD, NEAR NAROL CHAR RASTA,  
NAROL, AHMEDABAD-382 405

## **REGISTRAR & TRANSFER AGENT**

PINNACLE SHARE REGISTRY PVT. LTD.  
NEAR ASOKA SPINTEX, NARODA ROAD,  
AHMEDABAD (INDIA)  
TEL: 079 - 22204226 FAX: 079 - 22202963

## NOTICE TO MEMBERS

### NOTICE TO MEMBERS

NOTICE is hereby given that the EIGHTEENTH ANNUAL GENERAL MEETING OF "MAHALAXMI RUBTECH LIMITED" will be held at "Lions Hall", Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad- 380 006 on Wednesday, the 16<sup>th</sup> day of September, 2009 at 12.30 p.m. to transact the following business:

#### ORDINARY BUSINESS:

1. To receive consider and if approved, adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2009 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare Dividend on the Equity Shares of the Company.
3. To appoint Auditors of the company from the conclusion of this meeting to the conclusion of the next Annual General Meeting.
4. To appoint a director in place of Shri Nikhil K. Parikh, who retire by rotation and being eligible offers himself for reappointment.

#### SPECIAL BUSINESS:

5. To Consider and if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Shri Anand J. Parekh who was appointed as an Additional Director of the Company and who holds office until the date of Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing his candidature, be and is hereby appointed as a Director of the Company."

6. To Consider and if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 198, 309, 310, Schedule XIII and other applicable provisions of the Companies Act, 1956, as amended from time to time approval of members of the Company be and is hereby granted for appointment of Shri Anand J. Parekh, as a Jt. Managing Director of the Company with effect from November 19, 2008 for a period of 5 years on the following terms and conditions."

Salary of Rs. 40,000/- (Rupees Forty thousand) per month.

Gratuity, P.F. etc. as may be applicable to the executives of the Company from time to time.

The cell phone and telephone facility at residence of managing Director will not be considered as perquisite and personal long distance call on cell phone / telephone shall be reimbursed.

Facility of car shall be provided to the managing Director.

Reimbursement of medical expenses and mediclaim policy for self and family.

Leave Travel Concession for self and family in accordance with the rules of the Company.

The Company shall pay and/or reimburse fees and expenses of clubs, subject to a maximum of two clubs.

**"RESOLVED FURTHER THAT** the above remuneration payable to him shall be subject to limits as may be prescribed from time to time under the provisions of the Companies Act, 1956, Schedule thereof and rules there under as well as any other statutory provision as may be applicable, including statutory modifications thereof, if any."

**"RESOLVED FURTHER THAT** in the event of inadequacy or absence of profits in any financial year, Jt. Managing Director be paid the above remuneration and benefits as the minimum remuneration subject to the ceiling as prescribed in section II of the part II of Schedule XIII of the Companies Act, 1956."

7. To Consider and if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Shri Malav J. Ajmera who was appointed as an Additional Director of the Company and who holds office until the date of Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing his candidature, be and is hereby appointed as a Director of the Company."

8. To Consider and if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorized, in accordance with Section 293(1)(d) of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed up to a sum of Rs. 150 Crores (Rupees One Hundred Fifty Crores only) over and above the aggregate of the then paid up capital of the Company and its free reserves that is to say reserves not set apart for any specific purposes) and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds, and things and to execute all documents and writings as may be necessary, proper, desirable or expedient in this regard."



9. To Consider and if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 293 (1)(a) of the Companies Act, 1956, consent of the members of the company be and is hereby accorded to the Board of Directors of the Company to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of banks / financial institutions, other investing agencies and trustees for the holders of debentures / bonds / other instruments to secure rupee / foreign currency loans and/or the issue of debentures whether partly / fully / non convertible and / or securities linked to Ordinary shares and / or rupee / foreign currency convertible bond and / or bonds with share warrants attached hereinafter collectively referred to as "Loans" provided that the total amount of loan together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the company in respect of the said loans, shall not at any time exceed the limit of Rs. 150 Crores (Rupees one Hundred Fifty Crores only)."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorized and empowered to finalize, settle and execute any such formal contract, agreements, documents, deeds, indemnities, guarantees or other legal undertakings as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/ charges as aforesaid."

10. To Consider and if thought fit to pass, with or without modifications, the following resolution as a Special Resolution:

**"RESOLVED THAT** in pursuance of the provisions of Section 314 and other applicable provisions if any of the Companies Act, 1956 and rules made there under from time to time and subject to such other consents, approvals, permissions as may be required, consent of the Company be and is hereby accorded for Shri Rajendra R. Mehta to hold an office and place of profit in the Company, he being partner of Shri Jeetmal B. Parekh – Chairman, Shri Rahul J. Parekh – Managing Director and Shri Anand J. Parekh Jt. Managing Director of the Company and for increase in remuneration as mentioned below payable to Shri Rajendra R. Mehta to the position of Group President & CFO or under such other designation as the Company may decide from time to time w.e.f. 1-10-2009.

Salary of Rs. 40,000/- p.m. in the scale of Rs. 40,000/- to Rs. 70,000/- p.m. with such annual increments as may be decided by the management, however salary payable cannot exceed Rs. 50,000/- per month without prior approval of the Central Government under section 314 of the Companies Act, 1956 read with Director's Relatives (Office or Place of Profit) Rules, 2003 with such other modifications, amendments and variations as the Central Government may suggest at that time."

In addition to salary, Shri Rajendra R. Mehta will be entitled to the perquisites up to Rs. 5000/- p.m. as may be applicable to the executives of the Company from time to time.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the same and further to do all such acts, deeds, and things and to execute all documents and writings as may be necessary, proper, desirable or expedient in this regard."

**NOTE :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY AND INSTRUMENT APPOINTING PROXY SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. THE REGISTER OF MEMBERS AND TRANSFER BOOK OF THE COMPANY WILL REMAIN CLOSED FROM THURSDAY THE 10<sup>th</sup> DAY OF SEPTEMBER, 2009 TO WEDNESDAY THE 16<sup>th</sup> DAY OF SEPTEMBER, 2009 (BOTH DAYS INCLUSIVE)
3. The Dividend as recommended by the Board of Directors of the Company, when sanctioned and declared at the Annual General Meeting of the Company will be made payable to the equity shareholders of the Company whose names stand registered on the Company's Register of Members :
  - 1) in respect of shares held in electronic form, to those members whose names appear in the statements of beneficial ownership furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the opening hours of September 10, 2009.
  - 2) to those members whose names appear on the Company's register of members, after giving effect to all valid share transfers in physical form lodged with Pinnacle Share Registry Pvt. Ltd., Registrar and Share Transfer Agent of the Company before September 10, 2009.
4. The relevant explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of Special Business under item No. 5 TO 10 as set out above is annexed herewith.
5. THE COMPANY IS HAVING DEPOSITORY ARRANGEMENT WITH NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL), AND CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL) TO FACILITATE THE SHAREHOLDERS TO HOLD AND TRADE COMPANY'S EQUITY SHARES IN ELECTRONIC FORM. INTERESTED SHAREHOLDERS CAN AVAIL THIS FACILITY BY OPENING A BENEFICIARY ACCOUNT WITH DEPOSITORY PARTICIPANTS. FOR MORE DETAILS SHAREHOLDERS MAY CONTACT THE COMPANY'S DEPOSITORY TRANSFER AGENTS FOR NSDL AND CDSL, PINNACLE SHARE REGISTRY PVT.LTD., NEAR ASOKA SPINTEX, NARODAROAD, AHMEDABAD – 380 025.

By order of the Board of Directors  
For Mahalaxmi Rubtech Limited

Place: Ahmedabad  
Date : 27th JUNE, 2009

sd/-  
Chandresh Pandya  
(Company Secretary)



**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**

**Item No. 5**

Shri Anand J. Parekh was appointed as an Additional Director of the Company w.e.f. 19.11.2008, pursuant to Section 260 of the Companies Act, 1956 who holds office of Director up to the date of the Annual General Meeting. Shri Anand J. Parekh is a Chartered Accountant and possesses rich knowledge and experience in the field of textile processing and export business. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Shri Anand J. Parekh for the office of Director under the provision of Section 257 of the Companies Act, 1956. None of the Directors of the Company other than Shri Jeetmal B. Parekh and Shri Rahul J. Parekh being his relatives are interested or concerned in the Resolution.

The Board recommends the Resolution set forth in item No. 5 for the approval of the members.

**Item No. 6**

In view of present and future level of business operations of the Company and increased responsibilities, the Board of Directors of the Company thought it advisable to appoint a Joint a Managing Director in the Company, the Remuneration committee has recommended Shri Anand J. Parekh a Chartered Accountant having vast experience in the field of export business, for the post of Jt. Managing Director and has also approved the remuneration payable to him. Accordingly the Board of Directors has appointed Shri Anand J. Parekh as a Jt. Managing Director of the Company w.e.f. 19.11.2008.

Pursuant to the provisions of section 198, 310, and Schedule XIII and other applicable provisions of the Companies Act, 1956. Your Directors hereby declare that Company has not made any default in repayment of any of its debts and interest thereon.

This may be treated as an abstract under section 302 of the Companies Act, 1956.

Approval of members is now sought to the above appointment of Shri Anand J. Parekh, as a Jt. Managing Director the Company. It is in line with the same the resolution mentioned in the notice at item no. 6 is proposed for your acceptance.

None of the Directors of the Company other than Shri Jeetmal B. Parekh and Shri Rahul J. Parekh are interested or concerned in the Resolution.

The Board recommends the Resolution set forth in item No. 6 for approval of the members.

**Item No. 7**

Shri Malav J. Ajmera was appointed as an Additional Director of the Company with w.e.f. 19.11.2008, pursuant to Section 260 of the Companies Act, 1956 who holds office of Director up to the date of the Annual General Meeting. Shri Malav J. Ajmera is a Chartered Accountant and possesses rich knowledge and experience in the field of Finance, Accounting, Taxation, Corporate Affairs and Corporate Restructuring. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Shri Malav J. Ajmera for the office of Director under the provision of Section 257 of the Companies Act, 1956. None of the Directors of the Company are interested or concerned in the Resolution.

The Board recommends the Resolution set forth in item No. 7 for approval of the members.

**Item No. 8**

Under Sections 293 (1) (d) of the Companies Act, 1956 the Board of Directors cannot except with the consent of the Company in General Meeting borrow money apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the Company that is to say, reserves not set apart for specific purpose.

At the Extra ordinary General Meeting of the Company held on 04.01.2007 the shareholders had authorised the Board to borrow money up to Rs. 50 Crores, at any time in excess of the aggregate paid up capital of the Company and its free reserves. In order to meet the financial requirements for the Company and to meet the costs in connection with its expansion and diversification of business activities as well as to meet the long term working capital requirements it is proposed to increase the limit of Rs. 50 Crores to Rs. 150 Crores. Accordingly the sanction of Shareholders under Section 293 (1) (d) of the Act is being requested to enable the Directors to borrow money to the extent of Rs. 150 Crores in suppression to the earlier resolution passed on 04.01.2007.

None of the Directors of the Company are interested in the proposed resolution except to the extent of their shareholding in the Company

The Board recommends the Resolution at item No. 8 for acceptance by the members.

**Item No. 9**

The Company proposes a resolution authorizing the Board to borrow moneys up to the extent of Rs. 150 Crores in excess of the aggregate paid up capital of the Company and its free reserves. In order to borrow the funds the Board needs authorization to mortgage/Hypothecate the assets of the Company as security/collateral security. In order to hypothecate the assets of the Company the consent of the shareholders in the General Meeting is required under section 293(1)(a) of the Companies Act, 1956 authorizing the Board with necessary powers. The Board therefore recommends the proposed resolution.

None of the Directors of the Company are interested in the proposed resolution except to the extent of their shareholding in the Company.

The Board recommends the Resolution at item No.9 for acceptance by the members.

**Item No. 10**

The members may note that Shri Rajendra R. Mehta has resigned from the post of Director of the Company w.e.f. 19.11.2008, looking towards the size of business activities and future business plans of the Company, the Board has appointed him as Group President & CFO of the Company w.e.f. 20.11.2008 at a remuneration within the limits of Section 314 of the Companies Act, 1956 as he is a partner of firm in which Shri Jeetmal B. Parekh – Chairman, Shri Rahul J. Parekh – Managing Director and Shri Anand J. Parekh – Jt. Managing Director of the Company are also partners. Shri Rajendra R. Mehta is a Chartered Accountant having vast experience in the field of Finance, Accounting, Taxation and Corporate Affairs. Considering his qualification, responsibilities, position and remuneration as are applicable to other employees of the Company in the same grade it is now proposed to increase the remuneration payable to him more particularly described in the Special Resolution at Item No. 10 of the Notice. Since the remuneration (including perquisites) payable to Shri Rajendra R. Mehta as an employee of the Company is presently not in excess of Rs. 50,000/- per month, hence presently approval of the Central Government is not required, however the approval of members is sought hereby as per Section 314 of the Companies Act, 195, subject to the condition that the salary payable cannot exceed Rs. 50,000/- per month without prior approval of the Central Government, within the meaning of Section 314 of Companies Act, 1956.

In the circumstances consent of the members is being sought for holding such an office or place of profit in the Company by Shri Rajendra R. Mehta and for increase in remuneration payable to him. Accordingly, the Board recommends Special Resolution at item No. 10 for acceptance by the members.

None of the Directors of the Company except Shri Jeetmal B. Parekh, Shri Rahul J. Parekh and Shri Anand J. Parekh are interested in the proposed resolution and except to the extent of their shareholding in the Company.



**DIRECTORS' REPORT**

TO  
THE MEMBERS,

Your Directors have pleasure in presenting herewith the Directors' Report, along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31<sup>st</sup> March, 2009.

**FINANCIAL RESULTS:**

Particulars	For the year ended 31.03.2009 (Rs. in Lacs)	For the year ended 31.03.2008 (Rs. in Lacs)
Income from Operations & Other Income	8299.00	1738.13
Profit before Depreciation	583.57	344.69
Less: Depreciation	276.68	115.65
Profit before Tax	306.89	229.04
Less: Provision for Tax	35.00	66.00
Less: Provision for deferred Tax	57.11	7.48
Profit after Tax	214.78	155.56

The Current accounting year pertain to the amalgamated entity, whereas the pervious accounting year was for the stand-alone entity. The corresponding figures for the previous year are therefore not comparable with those of the current year.

**OPERATION AND REVIEW:**

The Company continued to see strong and profitable growth in the financial year 2008-09 driven by good performance in existing and new business.

The total income increased to Rs. 8299.00 lacs from Rs. 1738.13 lacs in the previous year, at a growth rate of 377.47%. Our Textile business aggregated Rs. 7661.74 lacs, up by 528.47% from Rs. 1219.11 in the previous year. The Gross profit amounted to Rs. 306.89 lacs as against Rs. 229.04 lacs in the previous year. The net profit after tax and exceptional item was Rs. 214.78 lacs as against Rs. 155.56 lacs in the previous year. Since the figures for the current financial year include the financial figures of MFMP, the results for previous financial year are not comparable.

**DIVIDEND:**

Considering the improved financial performance of the Company, your Directors are glad to recommend for approval of the members Dividend at the rate of 5% (Rs. 0.50 per Equity Share) (Last year 5%) on paid up Equity Share Capital of the company. The dividend on the Equity Shares, if declared as above, would involve cash outflow of Rs. 51,59,641/- (including tax on dividend).

**AMALGAMATION OF MAHALAXMI FABRIC MILLS PVT. LTD.**

The Hon'ble High Court of Gujarat has passed the order of amalgamation of Mahalaxmi Fabric Mills Pvt. Ltd. (hereinafter known as MFMP) with your Company, the assets and liabilities of MFMP were transferred to and vested in your Company with effect from the appointed date i.e. 01.04.2007 in accordance with the scheme of Amalgamation and necessary form has been filed with the Registrar of Companies, Gujarat on 20.11.2008. The Amalgamation has been accounted for under the Purchase Accounting Method as prescribed by Accounting Standard 14 issued by the Institute of Chartered Accountants of India; accordingly the operating results of MFMP have been included in your Company's results of operations. The Assets acquired and liabilities assumed have been recorded at fair values determined consequent to the Scheme of Amalgamation.

**SHARE CAPITAL:**

Pursuant to the Scheme of Amalgamation and in consideration of transfer and vesting of undertaking of MFMP, your Company has allotted 3646400 equity shares on 30.01.2009 to the shareholders of MFMP as per the exchange ratio of 43 equity shares of your Company for every 1 equity share of MFMP (as per the scheme approved by the Hon'ble High Court of Gujarat) and the paid up capital of your company has increased from Rs. 517.39 lacs to Rs. 882.03 lacs.

The above said shares have been listed on the Bombay Stock Exchange Ltd. with effect from March 27, 2009.

**DIRECTORS:**

During the year Shri Anand J. Parekh was appointed as an Additional Director and Jt. Managing Director of the Company with effect from 19.11.2008 and Shri Malav J. Ajmera was appointed as Additional Director of the Company with effect from 19.11.2008. As per the provisions of Section 260 of the Companies Act, 1956, this Additional Directors hold office only up to the date of forthcoming Annual General Meeting of the Company, the Company has received notices under Section 257 of the Companies Act, 1956 along with requisite deposits, in respect of the above persons proposing their appointment as a Director of the Company. Resolutions seeking approval of the members for the appointment of Shri Anand J. Parekh as Director and for his appointment as Jt. Managing Director and of Shri Malav J. Ajmera as a Director of the Company have been incorporated in the notice of the Annual General Meeting along with brief details about them.

During the year under review Shri Rajendra R. Mehta and Smt. Kamla J. Parekh has resigned as a Director of the Company on 19.11.2008. The Board of Directors record its appreciation for contribution made by both the Directors, during their tenure.

Shri Nikhil K. Parikh, liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.



**DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000, your Directors state: (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31.03.2009 and of the profit of the Company for the year ended on 31.03.2009; (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; (iv) that the directors have prepared annual accounts on a going concern basis.

**CORPORATE GOVERNANCE:**

Your company has complied with the requirements regarding Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange, where the Company's shares are listed over the year and it is a continuous and ongoing process. A Report on the Corporate Governance in this regard is made a part of this Annual Report and a Certificate from the Auditors of the Company regarding compliance with the conditions of Corporate Governance is enclosed to this report.

**MANAGING DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report as required under clause 49 of the Listing Agreement with the Stock Exchange has been attached and forms part of this Directors' Report.

**AUDITORS:**

M/s. Bhanwar Jain & Co., Chartered Accountants, Ahmedabad, Auditors of the company retires, and being eligible, offers themselves for reappointment.

**FIXED DEPOSITS:**

The company has not accepted any deposits from public within the meaning of provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under and the directives issued by the Reserve Bank of India.

**WARRANTS:**

During the previous financial year your Company has allotted 12,00,000 warrants convertible in to Equity Shares, the warrant holders has not exercised the option of conversion till date therefore the same has not converted into Equity shares till date.

**WIND MILL:**

During the year under review your Company has entered in to the business of Energy generation by installation of wind mill at Sanodar Dist. Bhavnagar, (Gujarat) having capacity to produce 1.25 M.W. The wind mill has started power generation since March 26, 2009.

**CDM PROJECT:**

During the year under review your Company has received necessary approvals for CDM project from United Nations Framework Convention for Climate Change (UNFCCC) on 02.05.2008, resulting in direct revenue gains for the company from the resulting CER's (Certified Emission Reduction) for project. This development would now lead into better levels of operating and business performances for the company over the next years.

**INSURANCE:**

All the assets of the company including the inventories, Building, Plant and Machineries are adequately insured.

**COMPULSORY TRADING IN DEMAT:**

Trading of the equity shares of your Company are being traded compulsorily in DEMAT FORM from 23/03/2001 pursuant to circular of SEBI.

**EMPLOYEES:**

The information required under sub section (2A) of section 217 of the Companies Act, 1956 in respect of certain employees of the company are as under:

- (a) Employees employed throughout the year and who were in receipt of remuneration of not less than Rs.24,00,000/- per annum in terms of section 217 (2A) (a) (i) – None.
- (b) Employees employed for the part of the year and who were in receipt of remuneration of not less than Rs.2,00,000/- per month in terms of section 217(2A) (a) (ii) – None.
- (c) None of the employees is covered under section 217 (2A) (a) (iii).

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

The information required under section 217 (1) (e) of the Companies Act, 1956 read with the companies (Disclosures of Particulars in the report of the board of Directors) Rules, 1988 is annexed hereto and forms part of this report.

**APPRECIATION:**

Your Directors express their gratitude for the continued support and guidance received by the Company from the customers, vendors, investors, bankers and employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. We look forward for their continued support in the future.

Place: Ahmedabad  
Date: 27th JUNE, 2009

For and behalf of the Board  
For, **Mahalaxmi Rubtech Limited**

Sd/-  
**Jeetmal B. Parekh**  
(Chairman)



**ANNEXURE TO DIRECTORS' REPORT**

Information required under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988.

**(A) CONSERVATION OF ENERGY**

The company has adopted the system of shutting down the electrical machinery and appliances when not in use to avoid unnecessary waste of energy. New investments in machines are being considered with an idea to have reduction of consumption of energy. The impacts of such measures are not precisely ascertainable. The total energy consumption and consumption per unit of production required in form 'A' is given here under:

**FORM 'A'**

(a) Power and Fuel Consumption:	2008-09	2007-08
<b>1. Electricity</b>		
Units	12298474	832448
Amount Rs.	6,42,76,379/-	44,27,000/-
<b>2. Fuel:</b>		
<b>Waste Wood/Saw Dust :</b>		
Tonnes	22470	143.11
Amount Rs.	5,93,73,768/-	2,26,831/-
<b>Coal &amp; Lignite</b>		
Tonnes	27550	---
Amount Rs.	7,68,98,842/-	---
<b>3. Diesel</b>		
Ltrs.	2833	---
Amount Rs.	1,08,607/-	---

(b) Consumption per unit of production: It is not possible to ascertain the same as company is having different process for different kind of production.

(c) Generation of Electricity :

During the year under review units generated by Wind Mill are 19303.

**(B) TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION:**

The company is putting its best efforts towards research & developed in its own laboratory, to improve the quality of products and to test and try the latest technological innovations.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign exchange earnings	: Rs. 140072985
Foreign exchange outgo	: Rs. 5720667

**MANAGING DISCUSSION AND ANALYSIS:**

**A. Business Overview**

The Company's turnover at Rs. 8165.03 lacs has recorded an increase of about 374.16% compared to the previous year. Meanwhile the Net Profit for the year (before depreciation and tax) recorded increase of about 69.29 compared to the previous year. The profit before tax, after absorbing depreciation, for the year stands at Rs. 214.78 lacs.

Your company has continued to put in all possible efforts to boost exports, during the year under review and the same have translated in enhanced earning of valuable foreign exchange from Export sales, which is to the tune of Rs. 1491.59 lacs.

**B. Industry Structure and Development:**

Your Company operates mainly in two broad areas: Rubber division and Textile division, whereas Textile Division is having two separate units for Weaving and Processing. Your Company believes that sustained focus in each of these areas would unlock significant stakeholders' value over a period of time.

Since inception, we at Rubber Division have always focused our vision for value creation. Certainly we are one of the largest Textile Printing Blankets manufacturers which are widely used in the textile screen printing industry. What set us apart from others is our long track-record and excellence in quality in this industry. Your Company holds larger share in the domestic market. Since long time MRT has been exporting its products to more than 25 countries, with major countries of export being China, Pakistan, Brazil, Colombia, Thailand and Indonesia. The Company has been regularly participating in international exhibitions which enable us to keep abreast with the latest global trends. Apart from Printing Blankets, MRT also manufactures Polymer Coated Engineered Fabrics, which has diverse end-uses in products like defense equipment, safety & protective clothing, gaskets, diaphragms, bellows, expansion joints and many more.

In Rubber division, MRT operates across multiple products and business in diverse markets and environment. These include manufacturing Air Cell, Hydraulic seals and spares which are supplied to transformer manufacturers and users of hydraulic equipments.

In order to give effects to its expansion cum modernization plans during the previous year MRT has already imported a complete plant from France, for manufacturing of wide width Textile Printing Blankets, it has started commercial activities during the current financial year. In order to grow beyond the obvious, MRT has plans to expand its ambit and scope of activities in the technical textile space. The diversification and expansion is planned with a special focus on Coated and Laminated Textiles and Polymer Coated Engineered Composites. Some of the emerging areas of technical textiles which the company plans to explore are in the field of Geotextiles, Healthcare, Safety, Industrial, Aerospace, Marine and Military sector.

Your Company continues to focus on the strategic efforts initiated in the previous years and as a result of the same your Company has completed strategic acquisition plan of MFMP in the year under review and the same has been absorbed as a separate unit in textile division. As a result of amalgamation, your company now enjoys complete facility from warping, sizing, weaving, dyeing, bleaching, printing, processing and finishing of various types of cloth like cotton, polyester, Bottom-weight etc. By this strategic step your company has gained some other benefits also like reduction in common expenditures, better synchronization in operations, execution of key assignments as a single entity through consolidation and all these has culminated in overall increase in profitability of your company.





The Indian Textile industry has a significant presence in the Indian economy as well as in the International economy. In textile division MRT operates in two separate units i.e. Maheeka Textech a weaving unit and Mahalaxmi Fabric Mills a Processing unit. Maheeka Textech is a high-tech weaving unit which includes warping, sizing and world-class automatic rapier looms. Maheeka Textech has facility of manufacturing specialty fabrics used for the technical textiles. Mahalaxmi Fabric Mills a processing unit is engaged in dyeing, bleaching, printing and processing of various types of fabrics and at the end of chain its fabric range goes in to high quality Apparel and Home textiles catering to Domestic as well as Global Market.

**C. Research & Development:**

Increased globalization has made the sale of products and retaining of customers highly competitive. To overcome a significant volatility in the market, the need of the hour is high customer satisfaction and value for money from the product. Keeping the above objective as paramount, the research and development activities were focused into attending major customer complaints/suggestions in order to improve customer satisfaction. Your Directors are pleased to inform that the above efforts have lead to considerable reduction of customer complaints. Your company has successfully launched products of better quality with new aesthetic look as per customer requirements.

**D. Internal Control System:**

The Company has an adequate system of internal control implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws. The internal control is supplemented by an extensive programme of internal audits.

The Company has appointed D. Trivedi & Associates, Chartered Accountants as Internal Auditor to carry out concurrent internal audit. The scope of its internal audit programme is laid down by the Audit Committee of the Board of Directors. The Audit Committee is briefed on the findings by the internal auditors, every quarter, along with the remedial actions that have been recommended or have been taken by the management to plug systemic weaknesses.

**E. Human Resources:**

The Company attaches priority to human resource development, with focus on regular up-gradation of the knowledge and skills of our employees and equipping them with the necessary expertise to meet the challenges of change and growth successfully.

**F. ISO 9001:2008 Certification:**

We wish to inform you that your company has obtained the ISO 9001:2008 Certification, Accredited by TUV South Asia Private Limited, covering all major criteria – Development and Manufacturing of Rubber Products such as Textile Printing Blankets, Rubber Coated Fabrics, Precision Rubber Moulded Parts, Flexible Separators and Hydraulic Seals.

Throughout our corporate career, your company has been quality-focused and technology-driven. From our inception, these were the factors that enabled us to manufacture truly world class Textile Rubber Printing Blankets and Rubberised Textile Fabrics, through in-house R&D, and successfully market them around the world.

**G. Cautionary Statement:**

Certain statement in the "Management Discussion and Analysis" may be forward looking and are stated as required by applicable laws and regulations. Many factors affect the actual results, which could be different from what the Directors' envisage in terms of future performance and outlook. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and outside the country and other factors such as litigation and industrial relations.

**CORPORATE GOVERNANCE**

**Report on the implementation of the Corporate Governance is furnished below:**

**1. Company's Philosophy on Code of Governance:**

The Company adheres to good corporate practices and is constantly striving to better them. The Company strongly supports the principles of corporate governance. Further the board lays emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders. Your company has complied with all material respects with the features of Corporate Governance Code as per clause 49 of the Listing Agreement with the Stock Exchange.

**2. Board of Directors:**

The Board consists of six directors of whom one is Non-executive Chairman, two Managing Directors and three Non-Executive Directors (Independent).

During the year 9 Board Meetings were held on 23.06.2008, 23.07.2008, 07.10.2008, 25.10.2008, 04.11.2008, 19.11.2008, 20.11.2008, 08.01.2009 and 30.01.2009. The interval between any two meetings did not exceed 4 months.

The Composition of Directors and their attendance at the Board Meeting during the year and also number of other directorships/membership of Committees are as follows:

Name of Director	Category of Directorship	No. of Board Meetings Attended	Whether Attended Last AGM 25.09.2008	No. of other Directorships	Committee	
					Membership ***	Chairmanship ***
Jeetmal B. Parekh	NED-P	8	YES	*4	----	----
Rahul J. Parekh	MD	9	YES	*6	1	----
Anand J. Parekh****	JT.MD	4	NO	*3	2	----
Rajendra R. Mehta **	ED	6	YES	*1	----	----
Kamlaben J. Parekh**	NED	4	NO	*2	----	----
Nikhil K. Parikh	NED-I	8	YES	NIL	----	1
Nehal M. Shah	NED-I	8	YES	10	----	1
Malav J. Ajmera****	NED-I	4	NO	NIL	1	----



\* All Private Limited Company

\*\* Shri Rajendra R. Mehta and Smt. Kamlaben J. Parekh have resigned from the office of Director w.e.f. 19.11.2008.

\*\*\* As required by Clause 49 of the Listing Agreement, the disclosure includes memberships / chairmanships of audit committee and investors grievance committee in public limited companies.

\*\*\*\* Shri Anand J. Parekh and Shri Malav J. Ajmera have been appointed as Additional Directors w.e.f. 19.11.2008.

NED -P - Non Executive Director (Promoter), MD - Managing Director, JT. MD – Joint Managing Director, ED - Executive Director, NED-I - Non Executive Director (Independent) Shri Jeetmal B. Parekh is a Non-Executive Chairman, Shri Rahul J. Parekh and Shri Anand J. Parekh are Managing Directors, Shri Nikhil K. Parikh, Shri Nehal M. Shah & Shri Malav J. Ajmera are Non Executive Directors (Independent).

**3. AUDIT COMMITTEE:**

**1. Terms of Reference:**

The terms of reference of the Audit Committee include:

To oversee the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible, To recommend the appointment of Statutory Auditors and fixation of the audit fees and other payments. To review and discuss with the Auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal control system & internal audit functions, major accounting policies, practices and entries, compliance with accounting standards and with the stock exchanges and legal requirements concerning financial statements and related party transactions, if any, to review the company's financial and risk management policies and discuss with the auditors any significant findings for follow-up thereon, to review the quarterly, half yearly and annual financial statements before submission to the Board of Directors, to look into the payments to the depositors, shareholders and creditors.

The committee also meets the operating management and reviews the operations, new initiatives and performance of the business unit. The minutes of the Audit Committee are circulated to the Board, discussed and taken note of.

**2. Composition :**

As on 31.03.2009 your Company's Audit Committee consisted of Shri Nikhil K. Parikh – Chairman of the Audit Committee, Shri Anand J. Parekh and Shri Malav J. Ajmera. All members of the Audit Committee have Financial, Accounting and Management expertise. The Chairman of the Audit Committee has attended Annual General Meeting held on 25.09.2008.

During the year 4 committee meetings held on 19.06.2008, 23.07.2008, 25.10.2008 and 30.01.2009 the attendance of members at the meetings were as

Name of Member	Status	No. of Meetings Attended
Nikhil K. Parikh	Chairman	4
Anand J. Parekh*	Member	1
Malav J. Ajmera*	Member	1
Jeetmal B. Parekh**	Member	2
Nehal M. Shah **	Member	3

\* Shri Anand J. Parekh and Shri Malav J. Ajmera appointed as a member of Audit Committee w.e.f. 20.11.2008.

\*\* Ceased to be the member of Audit Committee in view of resignation given by them from the post of member of Audit Committee w.e.f. 20.11.2008.

The Statutory Auditors and Internal Auditors are regularly invited by the Audit Committee to its meetings.

Two third members are non-executive and Independent Directors. The Chairman of the Committee is an Independent Director. The General Manager & Compliance Officer are regular invitees and statutory auditors are invited from time to time.

**4. REMUNERATION COMMITTEE (NON MANDATORY)**

The remuneration committee of the Board has been constituted mainly to review, assess & recommend to the Board, the company's policies on remuneration packages for Executive and Non-Executive Directors.

The committee comprises of 3 Non-Executive directors, Mr. Jeetmal B. Parekh as Chairman and Mr. Nikhil K. Parikh, Mr. Nehal M. Shah as members.

During the year under review, the committee met one time on 19.11.2008 where all members were present in the meeting.

Details of Remuneration for the year 2008-2009 paid to the Directors are as follows:

Remuneration for the year 2008-09 to Shri Rahul J. Parekh, Managing Director:-  
i. Basic Salary Rs. 4,80,000/- (Rupees Four Lacs Eighty Thousand Only)

Remuneration for the year 2008-09 to Shri Rajendra R. Mehta, Whole-Time Director (Finance) (Resigned w.e.f. 19.11.2008):-  
i. Basic Salary \*Rs. 2,28,000/- (Rupees Two Lacs Twenty Eight Thousand only)

Remuneration for the year 2008-09 to Shri Anand J. Parekh, Jt. Managing Director (Appointed w.e.f. 19.11.2008):-  
i. Basic Salary \*\*Rs. 1,76,000/- (Rupees One Lac Seventy Six Thousand only)

\*Shri Rajendra R. Mehta has resigned from the post of Director of the Company w.e.f. 19.11.2008, the salary paid to him as mentioned above comprise salary for the period from 01.04.2008 to 19.11.2008.

\*\*Shri Anand J. Parekh has been appointed as Jt. Managing Director of the Company w.e.f. 19.11.2008 the salary paid to him as mentioned above comprise salary for the period from 19.11.2008 to 31.03.2009

The other information of Directors are as under:



Name	Age	Designation	Date of initial appointment	Nature of employment	Shares held
Jeetmal B. Parekh	66	Chairman	27.08.1993	-----	1027856
Rahul J. Parekh	37	Managing Director	05.07.1995	Contractual	949650
Anand J. Parekh	33	Jt. Managing Director	19.11.2008	Contractual	832375
Nikhil K. Parikh	37	Director	31.03.2003	-----	NIL
Nehal M. Shah	37	Director	30.03.2005	-----	NIL
Malav J. Ajmera	32	Director	19.11.2008	-----	NIL

The contractual agreements with executives can be terminated by either party giving 1 month prior notice. The company does not pay any severance fee and no stock options are issued to any of the Directors.

The company does not pay any remuneration for attending the Board / Committee Meeting to Non-executive directors.

There is no pecuniary relationship or transaction of the company with any non-executive directors.

**5. CEO/CFO Certification:**

The Managing Director and CEO have certified to the Board that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31-03-2009 and that to the best of our knowledge and belief :
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
  - i) Significant changes in internal control during the year.
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
  - iii) Instances 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.

**6. Shareholders / Investors Grievance Committee :**

**Terms of Reference**

To specifically look into redressal of complaints like transfer of shares, non-receipt of dividends, non-receipt of annual report etc. received from shareholders / investors and improve the efficiency in investors' service, wherever possible.

The shareholders' Grievance Committee comprise of Non-Executive director (independent), and two Executive Directors. The committee met Four times during the year on 25.06.2008, 03.10.2008, 25.11.2008 and 05.02.2009, all the members of committee attended the meeting.

During the year under review Shri Rajendra R. Mehta has resigned as a Director and member of the committee and Shri Anand J. Parekh has been appointed as a member of the committee w.e.f. 19.11.2008.

**Members:**

- Shri Nehal M. Shah - Chairman
- Shri Rahul J. Parekh - Member
- Shri Anand J. Parekh - Member
- Shri Chandresh Pandya, Company Secretary is a Compliance Officer.

During the year company has received eleven complaints, which were resolved on time and no complaint remains pending at year end. The status of complaints is periodically reported to the Committee and Board of Directors in their meetings.

**7. Share Transfer Committee:**

The board has delegated the power of approving transfer of shares to a committee of Three directors and one senior executive, committee met 23 times during the year and approved the transfer of shares lodged with the company and no transfer were pending as on 31-03-2009.

**8. General Body Meeting:**

The last three Annual General Meetings of the Company were held on the following locations, dates & times:

Year	Location	Date	Time	No. of Special Resolutions passed
2007-2008	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	25-09-2008	1.00 PM	0
2006-2007	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	28-09-2007	12.30 PM	0
2005-2006	Anand Chem Compound Plot No.315, N.H. No.8, Isanpur, Narol, Ahmedabad-382 405	29-09-2006	1.00 PM	2



**EXTRA ORDINARY GENERAL MEETING:**

During the year one Extra ordinary General Meeting of the members of the Company was held on 08.07.2008 at 12.30 p.m. at Lions Hall, Nr. Nalanda Hotel, Ellisbridge, Ahmedabad – 380 006, where Scheme of Amalgamation of Mahalaxmi Fabric Mills Pvt. Ltd. was approved by the members of the Company by way of Special Resolution passed on that behalf.

Postal Ballot:

- (i) One Special Resolution for alteration of Object Clause of Memorandum of Association of the Company was passed through postal ballot during the year under review; The result was announced on 28-11-2008. Shri Rasmikant Soni, Practicing company secretary was appointed as scrutinizer. The above said special resolution was passed with requisite majority.
- (ii) No special resolutions on matters requiring postal balloting are placed for shareholder's approval at this meeting.

**9. DISCLOSURES:**

Details of related party transactions are furnished in Note No.11 of schedule No.19 Part B under Notes to Accounts. None of the transactions with any of the related parties were in conflict with the interest of the company.

No strictures or penalties have been imposed on the company by the Stock Exchange or SEBI or any statutory authority on any matters related to capital market during the last three years.

**10. Means of Communication:**

The Company has published its first quarter, second quarter, third quarter and fourth quarter/Annual result in Financial Express -Gujarati Edition and The India

**11. THE PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/REAPPOINTED ARE GIVEN BELOW:**

Sr. No.	Name	Age	Occupation	Qualification	Expertise	Other Directorship	Other Committee Membership
1.	Shri Nikhil K. Parikh	37	Business	MBA	Shri Nikhil K Parikh is a Master of Business Administration in Finance. He has rich experience in the field of Finance, Accounting and Budgeting.	NIL	1
2.	Shri Anand J. Parekh	33	Business	Chartered Accountant	Shri Anand J. Parekh is a Chartered Accountant looking after exports, supported by experienced professional technocrats in respective fields	3	2
3.	Shri Malav J. Ajmera	32	Business	Chartered Accountant	Shri Malav J. Ajmera is a Chartered Accountant having vast experience in the field of Finance, Corporation Reconstruction, Taxation, Accounts.	NIL	1

**12. GENERAL SHAREHOLDER INFORMATION:**

Annual General meeting to be held on : 16<sup>th</sup> September, 2009 At 12.30 p.m.  
 Place of the meeting : Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad – 380 006

Financial Calendar : 1<sup>st</sup> April to 31<sup>st</sup> March

**Financial Results**

- \* First Quarter Results : End July
- \* Half Yearly Results : End October
- \* Third Quarter Results : End January
- \* Annual Results : End June.

Book Closure Date : From 10 September, 2009 to 16 September, 2009 (both days inclusive) on or after 21-09-2009

Dividend Payment date : on or after 21-09-2009

**Listing at Stock Exchanges:**

Name of Stock Exchange : **Stock Code**  
 Bombay Stock Exchange Limited : 514450  
 ISIN NO. (dematerialized Shares) : INE112D01019

The Company has already paid listing fees for the year 2008-09 to all the Stock Exchanges, where listed.

**Market Price Data:** (as per BSE)



**Market Price Data : (as per BSE)**

Month	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2008	95.90	49.00
May, 2008	95.00	81.00
June, 2008	82.90	59.65
July, 2008	59.95	41.60
August, 2008	53.60	43.25
September, 2008	62.00	38.20
October, 2008	43.20	23.00
November, 2008	25.80	16.30
December, 2008	22.95	17.65
January, 2009	21.35	14.50
February, 2009	18.30	14.20
March, 2009	18.70	13.05

**REGISTRAR AND TRANSFER AGENTS**

**Physical Mode :**

Pinnacle Share Registry Pvt. Ltd.  
Near Asoka Spintex,  
Naroda Road, Ahmedabad – 380 025  
Tel: 22204226  
Fax: (079) 22202963

**Depository Mode :**

1. For National Securities Depository Ltd. (NSDL)  
Pinnacle Share Registry Pvt. Ltd.  
Near Asoka Spintex,  
Naroda Road, Ahmedabad – 380 025  
Tel: 22204226  
Fax: (079) 22202963
2. For Central Depository Services (India) Ltd. (CDSL)  
Pinnacle Share Registry Pvt. Ltd.  
Near Asoka Spintex,  
Naroda Road, Ahmedabad – 380 025.  
Tel: 22204226  
Fax: (079) 22202963

**Share Transfer System:**

The Company's Shares are traded in the Stock Exchanges compulsorily in demat mode. Share in physical mode which are lodged for transfer are processed and subject to exercise of option under compulsory transfer-cum-demat procedures. Shares Certificates are either dematted or returned within the time prescribed by the authorities.

The Shareholders/Investors are requested to send share transfer related documents directly to our RTA whose address is given at the beginning of this section.

**Distribution of Share holding: (as on 31st March 2009)**

**DISTRIBUTION OF SHARE HOLDING: (AS ON 31ST MARCH 2009)**

No. of Shares			Shareholders		No. of Share held	
			Number	Total in %	Numbers	Total in %
1	-	500	2781	84.40	409253	4.64
501	-	1000	192	5.83	151932	1.72
1001	-	2000	95	2.88	141599	1.61
2001	-	3000	58	1.76	148786	1.69
3001	-	4000	27	0.82	92689	1.05
4001	-	5000	32	0.97	146738	1.66
5001	-	10000	33	1.00	240642	2.73
10001	-	AND ABOVE	77	2.34	7488636	84.90
<b>Total</b>			<b>3295</b>	<b>100</b>	<b>8820275</b>	<b>100</b>

**Shareholding Pattern : (As on 31st March, 2009)**

Category	No. of Shares held	% to the Shareholding
Promoters & Associates	6556906	74.34
Bodies Corporate	509002	5.77
Non Resident Indians	34267	0.39
Banks & Mutual Funds	9375	0.11
Public	1710725	19.39
<b>TOTAL</b>	<b>8820275</b>	<b>100.00</b>

**DEMATERIALISATION OF SHARE AND LIQUIDITY:**

The trading of Equity shares of the Company in all category is Compulsory in demat mode with effect from 23.03.2001. As on 31<sup>st</sup> March, 2009, 25.99% Shares have been dematerialized.



Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on equity

During the previous year on February 25, 2008, 12,00,000 Warrants convertible in to Equity Share of Rs. 10 each at the rate of Rs. 79/- per share were allotted on preferential basis.

Warrants can be converted in to equity shares on or before August 24, 2009, after conversion of all warrants in to Equity Share, total Issued shares of the Company will be 10020275 Shares.

Shareholders who have not yet encashed their dividend warrants for the year 2005-06, 2006-07 and 2007-08 may approach the Company for revalidation / issue of duplicate dividend warrant.

**PLANT LOCATION:**

**Factory:**

(1) Uma Industrial Estate  
Phase – III, Village Vasana (Iyava),  
Tal. Sanand, Dist. Ahmedabad,  
Tel: 02717-284309 - 10  
Fax: 02717-284152

(2) Mahalaxmi Fabric Mills  
(A Unit of Mahalaxmi Rubtech Ltd.)  
Isanpur Road,  
Nr. Narol Char Rasta, Narol,  
Ahmedabad – 382 405.  
Tel: 079-25731831 - 34  
Fax: 079-25731814

**ADDRESS FOR CORRESPONDENCE:**

**Registered Office:**

47, New Cloth Market,  
Ahmedabad-380 002.

**Corporate office:**

507, Chanakya,  
Near Dinesh Hall,  
Ashram Road,  
Ahmedabad-380 009.  
Tel: 079-26575616, 079-26582552  
Fax: 079-26583552

**COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

To the Members of Mahalaxmi Rubtech Limited

We have examined the compliance of conditions of Corporate Governance by Mahalaxmi Rubtech Limited, for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the 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 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, and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned listing Agreement.

We state that in respect of investor grievances received during the year ended March 31, 2009, no investor grievances are pending against the Company as per records maintained by the Company and presented to the Shareholders/ Investors Grievance 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 BHANWAR JAIN & CO.**  
Chartered Accountants.

Sd/-

**(B. M. Jain)**  
Partner  
Ahmedabad: 27th June, 2009.

**AUDITORS' REPORT**

TO THE MEMBERS OF  
**MAHALAXMI RUBTECH LIMITED.**

1. We have audited the attached balance sheet of **MAHALAXMI RUBTECH LIMITED**, as at 31st March, 2009, the profit and loss account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (ii) 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.
  - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
  - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 31st March, 2009.
    - b) In the case of the 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.

**For BHANWAR JAIN & CO.,**  
Chartered Accountants.

Sd/-

**(B. M. JAIN)**  
Partner.  
AHMEDABAD: 27th June, 2009.



**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**

- (I) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company. No material discrepancies were noticed on such verification.
- (c) There was no disposal of substantial part of fixed assets during the year.
- (ii) (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) According to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of records of inventory, the company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956. Accordingly Para 4 (b), (c) and (d) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (iii) (b) According to the information and explanation given to us company has taken loans, secured or unsecured from Five companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.747.62 lakhs and the year end balance of the loan taken from such parties was Rs. 454.98 lakhs.
- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (d) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the company has not accepted any deposits during the year from the public within the meaning of the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules made there under.
- (vii) The company has an internal audit system during the year which in our opinion is in commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been maintained by the company.
- (ix) (a) According to the information and explanations given to us, in our opinion, undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, applicable to the company have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears as at 31<sup>st</sup> March, 2009 for a period of more than six months from when they became payable.
- (b) According to the information and explanation given to us, the disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Amount (in Lakhs)	Forum where dispute is pending
Central Excise Duty	10.44	Appellate Tribunal
Textile Cess	11.12	High Court
Labour Suits	2.26	Labour Court

- (x) There are no accumulated losses of the company as on 31<sup>st</sup> March, 2009. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or banks during the year.
- (xii) In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any special statute as specified under clause 4 (xiii) of the Order are not applicable to the company.
- (xiv) According to the information and explanation given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Order are not applicable to the company.
- (xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanation given to us, the term loans raised during the year have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment by the company.
- (xviii) The company has made allotment of shares during the year to the shareholders of the amalgamated company as per the scheme of amalgamation approved by Hon'ble High Court of Gujarat.
- (xix) The company has not issued any debentures during the year.
- (xx) The company has not raised any money by way of public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **BHANWAR JAIN & CO.,**  
Chartered Accountants.

Sd/-

**(B. M. JAIN)**  
Partner.

AHMEDABAD: 27th June, 2009.





MAHALAXMI RUBTECH LIMITED			
BALANCE SHEET AS AT 31ST MARCH, 2009			
	SCHE- DULE	AS AT 31/03/2009 Rs.	AS AT 31/03/2008 Rs.
<b>SOURCES OF FUNDS :</b>			
<b>SHAREHOLDERS' FUNDS :</b>			
Share Capital	:1:	88202750	51738750
Equity Share Warrants		9480000	9480000
Reserves & Surplus	:2:	205585486	20922009
		303268236	82140759
<b>LOAN FUNDS :</b>			
Secured Loans	:3:	147435510	67124638
Unsecured Loans	:4:	46780066	40746715
		194215576	107871353
<b>DEFERRED TAX LIABILITY</b>		23422000	6921000
		<b>TOTAL</b>	<b>196933112</b>
<b>APPLICATION OF FUNDS :</b>			
<b>FIXED ASSETS :</b>			
Gross Block	:5:	506413265	174949309
Less: Depreciation		81309626	40875168
Net Block		425103638	134074141
Capital Work in progress		11439797	13246522
<b>INVESTMENTS :</b>	:6:	646540	3388117
<b>CURRENT ASSETS, LOANS &amp; ADVANCES :</b>			
Closing Stock	:7:	100021900	23506644
Sundry Debtors	:8:	112680156	32126225
Cash & Bank Balances	:9:	4659783	1169592
Loans & Advances	:10:	33130097	15260047
		250491936	72062509
Less: Current Liabilities & Provisions	:11:	171583896	27075098
<b>NET CURRENT ASSETS</b>		78908040	44987411
<b>MISCELLANEOUS EXPENDITURE :</b>	:12:	4807797	1236921
		<b>TOTAL</b>	<b>196933112</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	:19:		

As per our report attached. <b>For BHANWAR JAIN &amp; CO.</b> Chartered Accountants.	S/d- <b>JEETMAL B. PAREKH</b> Chairman	S/d- <b>RAHUL J. PAREKH</b> Managing Director	
S/d- <b>( B. M. JAIN )</b> Partner. AHMEDABAD: 27th JUNE 2009	S/d- <b>ANAND J. PAREKH</b> Jt. Managing Director AHMEDABAD: 27th JUNE 2009	S/d- <b>MALAV J. AJMERA</b> <b>NIKHIL K. PARIKH</b> Directors	S/d- <b>CHANDRESH B. PANDYA</b> Company Secretary



MAHALAXMI RUBTECH LIMITED				
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31ST MARCH, 2009.				
	SCHE- DULE	Rs.	AS AT 31/03/2009 Rs.	AS AT 31/03/2008 Rs.
<b>INCOME :</b>				
Sales & Job work income			816502888	172199844
Other Income	:13:		13396772	1425131
Increase/(Decrease) in Stocks	:14:		32116726	8184716
		<b>TOTAL</b>	<b>862016386</b>	<b>181809691</b>
<b>EXPENDITURE :</b>				
Material Cost			444259388	108992467
Employees' Emoluments	:15:		28065037	7419215
Manufacturing Expenses	:16:		268873581	16129676
Administrative & Selling Expenses	:17:		49834156	9465264
Financial Expenses	:18:		12627509	5333421
Depreciation			27667897	11565184
			<b>831327568</b>	<b>158905227</b>
<b>PROFIT BEFORE TAX :</b>			<b>30688818</b>	<b>22904464</b>
Provision for Taxation:				
Current Tax (including FBT)			3500000	6600000
Deferred Tax			5711000	748000
<b>PROFIT AFTER TAX :</b>			<b>21477818</b>	<b>15556464</b>
Add :Balance as per last year			17661759	5487627
Add: Profit transferred on Amalgamation of MF MPL being profit after tax for the year 2007-08			19981581	---
Add: Prior Period Adjustment due to Amalgamation			421364	---
Add: Income Tax of earlier years			(1859947)	(355744)
			<b>57682575</b>	<b>20688347</b>
Proposed Dividend on Equity Shares			4410138	2586938
Corporate Dividend Tax on above			749503	439650
		<b>TOTAL</b>	<b>52522935</b>	<b>17661759</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	:19:			

As per our report attached. For <b>BHANWAR JAIN &amp; CO.</b> Chartered Accountants.	S/d- <b>JEETMAL B. PAREKH</b> Chairman	S/d- <b>RAHUL J. PAREKH</b> Managing Director	
S/d- <b>( B. M. JAIN )</b> Partner. AHMEDABAD: 27th JUNE 2009	S/d- <b>ANAND J. PAREKH</b> Jt. Managing Director AHMEDABAD: 27th JUNE 2009	S/d- <b>MALAV J. AJMERA</b> <b>NIKHIL K. PARIKH</b> Directors	S/d- <b>CHANDRESH B. PANDYA</b> Company Secretary



**SCHEDULES TO AND FORMING PART OF ACCOUNTS**

SCHEDULE :1: SHARE CAPITAL	AS AT	AS AT
	31/03/2009 Rs.	31/03/2008 Rs.
AUTHORISED: 15000000 (15000000) Equity Shares of Rs.10/-each	150000000 150000000	150000000 150000000
ISSUED & SUBSCRIBED & PAID UP 8820275 (5173875) Equity Shares of Rs.10 each fully paid	88202750	51738750
Notes: Equity Shares include 1034775 shares issued as fully paid up Bonus Shares and 3646400 shares allotted as fully paid up shares as per scheme of amalgamation of Mahalaxmi Fabric Mills P Ltd. with the company		
<b>TOTAL</b>	88202750	51738750

SCHEDULE :2: RESERVES & SURPLUS	AS AT	AS AT
	31/03/2009 Rs.	31/03/2008 Rs.
Capital Reserve As per last year	1500000	1500000
General Reserve As per last year Add:- Created on Amalgamation	1760250 149802299	1760250
Profit & Loss Account	52522935	17661759
<b>TOTAL</b>	205585486	20922009

SCHEDULE :3: SECURED LOANS	AS AT	AS AT
	31/03/2009 Rs.	31/03/2008 Rs.
From Bank of Baroda: Working Capital Facilities Term Loan	30102422 115630656	12565156 54175178
Secured by way of hypothecation of stock, book debts, plant & machineries, furniture & fixtures and equitable mortgage of factory land and building and further secured by personal guarantee of promoter directors		
From ICICI Bank Loan Secured by way of hypothecation of vehicles	856038	384304
From HDFC Bank: Loan Secured by way of hypothecation of vehicles	846394	---
<b>TOTAL</b>	147435510	67124638

SCHEDULE :4: UNSECURED LOANS	AS AT	AS AT
	31/03/2009 Rs.	31/03/2008 Rs.
From Directors	45497532	40746715
From Banks	1282534	----
<b>TOTAL</b>	46780066	40746715



SCHEDULE :5: FIXED ASSETS												
S.NO PARTICULARS	GROSS BLOCK					DEPRECIATION						
	As on 1-Apr-08	Transferred on Amalgamation of MFMPPL	Additions	Deductions	As on 31-Mar-09	Upto Previ-ous year	Transferred on Amalgamation of MFMPPL for 07-08	During the year	Recouped	Total	NET BLOCK	
											As on 31-Mar-08	As on 31-Mar-08
1. Land	2251641	75847500	1000000	0	79099141	---	---	50000	---	50000	79049141	2251641
2. Buildings	48157295	38357500	5082327	---	91597122	9143669	875192	2765620	---	12784481	78812641	34863671
3. Plant & Machinery	117281959	96767921	99085822	1650000	311485702	27708421	10701606	23119099	170610	61358517	250127185	89573538
4. Electric Installation	6063452	2500000	---	---	8563452	1509338	241996	443365	---	2194699	6368753	4554113
5. Furniture, Fixtures & Office Equipments	3369065	3381181	462286	---	7212532	1970511	526634	522872	---	3020017	4192515	1398554
6. Vehicles	2025897	5539423	979604	89608	8455316	593274	559968	766940	18270	1901912	6553404	1432623
<b>TOTAL</b>	179149309	222393525	106610039	1739608	506413265	40925213	12905397	27667897	188880	81309626	425109638	134074140
Prev. Year	129655810	---	45768823	475324	174949309	29516712	---	11565184	206728	40875169	134074140	100139098

SCHEDULE :6: INVESTMENTS			AS AT 31/03/2009	AS AT 31/03/2008
			Rs.	Rs.
(As valued , verified & certified by the management )				
<b>QUOTED-NON-TRADE</b>				
16 (16) Equity Shares of Reliance Power Rs.10 each fully paid			6800	6880
<b>UNQUOTED-NON TRADE</b>				
470 (470) Equity Shares of Anand Chem Industries Pvt. Ltd..of Rs.1000 each fully paid			569640	235000
700 (Nil) Equity Shares of Rahul Cai Chem Pvt. Ltd..of Rs.100 each fully paid			70000	---
Nil (10000) PSU Bonds of Sardar Sarovar Nigam Ltd. of Rs.100 each fully paid			---	1022337
Nil (20) Deep Discount Bonds of Sardar Sarovar Nigam Ltd			---	968150
Nil (9200) Equity Shares of Mahalaxmi Fabric Mills Pvt. Ltd..of Rs.100 each fully paid			---	1155750
1 (1) Share of The Social Co-op Bank Ltd. of Rs.100 each fully paid up			100	---
Aggregate value of quoted shares: Cost Rs.6880 (Rs.6880) Market Value Rs.1640 (Rs.5081)				
<b>TOTAL</b>			646540	3388117

SCHEDULE :7: CLOSING STOCK			AS AT 31/03/2009	AS AT 31/03/2008
			Rs.	Rs.
(As valued, verified & certified by the management )				
Raw Materials			29145466	4477943
Colours & Chemicals			7764986	---
Semi-finished Goods			22096755	5631506
Finished Goods			30266099	9955591
Trading Goods			18495	77250
Stores & Spares			10460527	3364354
Fents, Rags & Rejections			269572	---
<b>TOTAL</b>			100021900	23506644

SCHEDULE :8: SUNDRY DEBTORS	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
(Unsecured and considered good unless otherwise stated)		
Debts exceeding six months	6962352	2849944
Other Debts	105717804	29276281
<b>TOTAL</b>	<b>112680156</b>	<b>32126225</b>

SCHEDULE :9: CASH & BANK BALANCES	AS AT	AS AT
	31/03/2009	31/03/2008
Rs.	Rs.	Rs.
Cash on hand	501182	178089
Bank Balances:		
With Scheduled Banks		
On Current Accounts	2785601	991503
On Deposit Accounts	1373000	---
	4158601	
<b>TOTAL</b>	<b>4659783</b>	<b>1169592</b>

SCHEDULE :10: LOANS & ADVANCES	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
(Unsecured and considered good unless otherwise stated )		
Advances recoverable in cash or in kind or for value to be received	23831825	11916299
Deposits	3236096	2226785
Accrued Income	4274877	122000
Prepaid Expenses	1787300	994963
<b>TOTAL</b>	<b>33130097</b>	<b>15260047</b>

SCHEDULE :11: CURRENT LIABILITIES & PROVISIONS	AS AT	AS AT
	31/03/2009	31/03/2008
Rs.	Rs.	Rs.
<b>CURRENT LIABILITIES:</b>		
Sundry Creditors	144366521	13818783
Unclaimed Dividend	347995	223026
Other Liabilities	13321834	2874287
<b>PROVISIONS:</b>		
For Gratuity	4887906	532414
For Taxation	3500000	6600000
For Proposed Dividend	4410138	2586938
For Corporate Dividend Tax	749503	439650
<b>TOTAL</b>	<b>171583896</b>	<b>27075098</b>



SCHEDULE :12: MISCELLANEOUS EXPENDITURE :	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
(to the extent not written off or adjusted)		
Preliminary Expenses	465800	620800
Amalgamation Expenses	1556537	---
Issue Expenses	476577	616121
Effluent & Environment Protection Expenses	1200000	---
CDM Project Cost	1108883	---
<b>TOTAL</b>	<b>4807797</b>	<b>1236921</b>

SCHEDULE :13: OTHER INCOME	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
Duty Drawback	10495501	---
Scrap Sales	1443197	---
Insurance Claim	765356	---
Excise Duty	---	631140
Misc. Income	---	2200
Vatav Kasar	92194	---
Liabilities written back	565927	594390
Profit on Sale of investments	34598	197401
<b>TOTAL</b>	<b>13396772</b>	<b>1425131</b>

SCHEDULE :14: INCREASE / (DECREASE) IN STOCKS	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
Closing Stock		
Finished Goods	30266099	9955591
Semi Finished Goods	22096755	5631506
Trading Goods	18495	-
Fents, Rags & Rejections	269572	77250
	52650921	15664347
Less:- Opening Stock		
Finished Goods	11384439	5324036
Semi Finished Goods	8772314	2155595
Trading Goods	77250	
Fents, Rags & Rejections	300192	
	20534195	7479631
<b>TOTAL</b>	<b>32116726</b>	<b>8184716</b>

SCHEDULE :15: EMPLOYEES' EMOLUMENTS	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
Salaries & Wages	25319102	6899962
Contribution to Provident Fund & Others	1583036	113419
Employees' Welfare & Amenities	1162899	405834
<b>TOTAL</b>	<b>28065037</b>	<b>7419215</b>



SCHEDULE :16: MANUFACTURING EXPENSES	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
Stores, Spares & Repairs	28171612	3593277
Power & Fuel	191965972	8667188
Freight, Octroi & Cartage	3138259	1031034
Job Charges	6480926	2831677
Excise Duty	68570	---
Consumable Stores	2972202	---
Design Materials & Expenses	234968	---
Labour Charges	33722740	---
Laboratory Expenses	65114	---
Pollution Control Expenses	2053218	6500
<b>TOTAL</b>	<b>268873581</b>	<b>16129676</b>

SCHEDULE :17: ADMINISTRATIVE & SELLING EXPENSES	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
Telephone Expenses	729451	258018
Postage & Stationery Expenses	1160264	528587
Staff Bus Expenses	412426	422168
General Expenses	267390	96375
Insurance Charges	1551609	656327
Packing Materials Expenses	17346402	707876
Audit Fees	145330	59944
Legal & Professional Expenses	1877977	679711
Conveyance Expenses	379752	320061
Motor Car Expenses	679037	---
Advertisement Expenses	225335	140786
Export Freight & Forwarding Expenses	7432051	1229434
Travelling Expenses	877060	544662
Exhibition Expenses	818111	237626
Commission	2164900	561769
Export Commission	6012519	275299
Sales Tax	1541638	793311
Bad Debts written off	26756	232508
Preliminary Expenses written off	294544	294544
Deferred Revenue Expenses written off	669627	---
Rent Rates & Taxes	558747	30462
E.C.G.C. Expenses	346790	---
Loss on sale of Fixed Assets	1026080	168596
Service Tax	1327177	7754
Miscellaneous Expenses	1963183	1219446
<b>TOTAL</b>	<b>49834156</b>	<b>9465264</b>

SCHEDULE :18: FINANCIAL EXPENSES	AS AT	AS AT
	31/03/2009	31/03/2008
	Rs.	Rs.
Interest	10621900	4910843
Bank Charges	1579401	336972
Exchange Rate Fluctuation	426208	85606
<b>TOTAL</b>	<b>12627509</b>	<b>5333421</b>

**SCHEDULE :19: SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS.A. Significant Accounting Policies:**

1. **Basis of Accounting :** The financial statements are prepared in accordance with relevant accounting standards under the historical cost convention on accrual basis and as a going concern with revenues considered and expenses accounted for wherever possible on their accrual. The accounting policies are consistent with those used in the previous year.
2. **Use of Estimates :** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations of during the reporting year. Although these estimates are based on management's best knowledge of current event and action/actual result could differ from these estimates.
3. **Fixed Assets :** a. Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing assets to its working condition for its intended use. Borrowing cost relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.  
b. Expenditure during the construction period (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as pre-operative Expenses, pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed. Asset on commencement of Commercial Production.
4. **Depreciation :** Depreciation on fixed assets is provided on the basis of straight line method at the rates prescribed in Schedule-XIV of the Companies Act, 1956 on pro rata basis. The management of the Company is of the view that these depreciation rates fairly represent the useful life of assets. The leasehold land is amortized on straightline basis over the initial period of lease.
5. **Inventories :** Raw materials, finished goods, semi finished goods, trading goods and stores and spares are stated at cost or net realisable value whichever is lower. Fent, rags and rejections are stated at net realisable value. The cost of inventories is computed on FIFO basis.
6. **Investments:** Investments of the Company are long-term. The same are valued at the cost of acquisition. Decline in the value of permanent nature is provided as per accounting standard AS 13. Dividend of investments is accounted for as and when received.
7. **Revenue Recognition :** Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Company recognise sales of goods on transferring property of undelying goods to customers. Sales include all charges and duties collected. Export benefits in respect of exports made have been accounted on accrual basis.
8. **Excise/Custom Duty :** The liability for excise and custom duty in respect of material lying in the factory/bonded premises is accounted for as and when they are cleared/debonded.

- 9 **Foreign Currency Transactions :** Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transaction. Assets and liabilities except liabilities for acquisition of fixed assets, remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year and the difference is adjusted to respective accounts in profit and loss account. The transactions covered under Forward Contracts are accounted for at the contracted rate. In respect of liabilities incurred for acquisition of fixed assets, the year end outstanding is translated at the year end rate of exchange and the difference is adjusted to the carrying cost of those fixed assets.
- 10 **Borrowing Costs:** Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalised as part of the cost of the assets upto the date the asset is put to use. Other borrowing costs are charged to the Profit & Loss Account in the year in which they are incurred.
11. **Retirement Benefits:** The liability for gratuity has been provided on the basis of actuarial valuation carried out by an independent actuary as at Balance Sheet date. In respect of Provident Fund contributions paid regularly to the government and is charged to revenue. The provision for leave encashment is made for accumulated leaves that employees can encash in future.
12. **Taxes on Income:** Provision for current tax is made annually based on the tax liability computed after considering tax allowances and deductions. Deferred tax resulting from timing difference between taxable income and accounting income is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.
13. **Earning Per Share:** The earning considered in ascertaining the company's earning per share comprises the net profit after tax (and includes the post tax effect of any extraordinary items). The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year.
14. **Impairment of Assets :** The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exist, the recoverable amount of the assets is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating units exceeds its recoverable amount. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and recognised in compliance with AS-28.
15. **Provisions, Contingent Liabilities and Contingent Assets :** Provisions involving substantial degree of estimation in measurement are recognised when outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.
16. **Inter Divisional Transactions:** Inter divisional transactions are eliminated as contra items. Any unrealised profits on unsold stocks on account of inter divisional transactions is eliminated while valuing the inventory.
17. **Accounting policies not specifically referred to are consistent with generally accepted accounting policies.**

<b>B. NOTES TO ACCOUNTS</b>	2008-09 Rs.	2007-08 Rs.
<b>1. Payment to Auditors :</b>		
Audit Fee	121330	44944
For Others (Reports, certificates etc.)	43050	26968
	164380	71912
<b>2. Payment to Directors</b>		
Salaries, Allowances & Perquisites	884000	748000
<b>3. Earning in foreign exchange :</b>		
Exports of goods calculated on F.O.B. value basis	140072985	18525854
<b>4. C.I.F value of Import</b>		
Raw Materials	---	1172077
Fixed Assets	3713372	33666030
Stores & Spares	1349199	---
<b>5. Expenditure in foreign currency equivalent to Indian Currency</b>		
Fixed Assets	3709326	33666030
Raw Materials	---	1172077
Stores & Spares	1349199	---
Commission	---	150636
Traveling Expenses	127725	140575
Exhibition Expenses	534417	588296
	2008-2009	2007-2008





**7. Capacities & Production:**

(a) Licensed Capacity :  
No license is required.

(b) Installed Capacity :

**(i) Rubberized Products Division:**

Since the company manufactures different products with different specifications and sizes and the products are interchangeable, it is not possible to quantify the same.

**(ii) Textile Division**

**Grey Fabric**

Installed capacity may differ due to difference in pick, reed and quality of cloth, however same has been calculated on the basis of average picks and reeds

Mtrs. in lacs	36.40	20.50
---------------	-------	-------

**Processed Fabric**

Different processes have different installed capacities, however the installed capacity is based on stenter machine. (as certified by Management

Mtrs. in lacs	460.00	---
---------------	--------	-----

Installed Capacities certified by Management and not verified by auditors being technical matter)

**(c) Actual Production :**

**Rubberized Products Division:**

Rubber Printing Blankets

Rft.	21749	26253
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**Textile Division**

Weaving -Grey & Finished Fabric

Mtrs	1575956	1105092
------	---------	---------

Processing- Processed Fabric (including on job work basis)

Mtrs	33868246	---
------	----------	-----

**8. Quantitative Particulars:**

**(i) Raw Materials Consumed**

Yarn  
Grey Fabric  
Rubber Compound  
Chemicals & Solvents

Unit	2008-09		2007-08	
	Quantity	Amount	Quantity	Amount
Kgs.	690801	75079996	399692	42810767
Mtrs	9772925	185234622	13928	1972631
Kgs.	22876	4587320	29358	6246632
Kgs.	146782	8782756	126335	7183950

**(ii) Finished Goods :**

Opening Stock  
    Rubber Printing Blankets  
    Grey & Finished Fabric  
  
Opening Stock of Amalgamated Company  
    Processed Fabric  
  
Sales  
    Rubber Printing Blankets  
    Grey & Finished Fabric  
    Processed Fabric  
    Others  
  
Closing Stock  
    Rubber Printing Blankets  
    Grey & Finished Fabric  
    Processed Fabric

Unit	2008-09		2007-08	
	Quantity	Amount	Quantity	Amount
Rft.	2967	3533885	1776	2192122
Mtrs.	124126	6421706	58245	3131914
Mtrs.	89323	7391626	---	---
Rft.	22116	48115123	25062	47972903
Mtrs.	1394406	122068318	1039211	66211682
Mtrs.	8269372	301057012	---	---
		2213422		2994551
Rft.	2600	3812737	2967	3533885
Mtrs.	305676	20405969	124126	6421706
Mtrs.	181395	7497906	---	---



(iii) **Trading Activities**

		2008-2009	2007-2008
Cloth	Opening Stock	Rs. 77250	---
		Mtrs. 976	---
	Purchase	Rs. ---	49768646
		Mtrs. ---	1661215
	Sales	Rs. ---	53047043
		Mtrs. ---	1660239
	Closing Stock	Rs. 77250	77250
		Mtrs. 976	976

9. **Earning per share as computed in accordance with the Accounting Standard**

	2008-2009	2007-2008
(i) Net Profit after tax	21477818	15556464
(ii) Number of Equity Shares of Rs.10 each	8820275	5173875
(iii) Basic and Diluted Earning Per Share		
Weighted Average Shares	6981608	5187644
Basic EPS	2.44	3.01
Diluted EPS	3.08	3.00

- 10 i) Pursuant to the Scheme of Amalgamation (hereinafter referred as "The Scheme") of Mahalaxmi Fabric Mills Pvt. Ltd. (hereinafter referred as MF MPL) with the Company as approved by the shareholders of the Company in the Extra ordinary General Meeting held on 08-07-2008 and subsequently approved by the Hon'ble High Court of Gujarat on 06-10-2008 and filed with the Registrar of Companies on 20-11-2008 i.e the Effective Date of Amalgamation. The entire business and undertaking of MF MPL including all assets, liabilities, duties and obligations have been transferred to and vested in the Company with effective from the appointed date i.e. 01-04-2007. However since the Accounts of the Company for the year ended 31-03-2008 had already been adopted, the effect of Amalgamation has been given in the Accounts from the financial year 2008-09. Accordingly the figures for the current financial year are the consolidated figures of the Company and the MF MPL, whereas, the figures of previous financial year are of the Company standalone as adopted in the last Annual General Meeting and therefore are not comparable.
- ii) MF MPL was engaged in the business of processing, bleaching, dyeing and printing of cloth.
- iii) The Amalgamation has been accounted for under the Purchase Method as prescribed by the Accounting Standard 14 issued by the Institute of Chartered Accountants of India and in accordance with order of the Hon'ble High Court of Gujarat. Accordingly the Assets and Liabilities of the erstwhile MF MPL have been taken over at their fair value.
- iv) Pursuant to the Scheme of Amalgamation, the Company has allotted 3646400 Equity Shares of Rs. 10/- each as fully paid up to the shareholders of MF MPL in the proportion of 43 fully paid up Equity Shares of Rs. 10/- each of the Company for every 1 fully paid up Equity Share of Rs. 100/- each of the MF MPL on 30-01-2009.
- v) Accordingly the difference between the consideration and net of Assets and Liabilities transferred to the Company is treated as General Reserve as per scheme of Amalgamation approved by the Hon'ble High Court of Gujarat.



**11. Related Party Transactions:**

As per Accounting Standard 18, Related Party Disclosure is as under:

(a) List of Related Parties with whom transactions have taken place during the year and relationship:

<u>Name of the Related Party</u>	<u>Relationship</u>
Shah Jeetmal Champalal	Associate
Mahalaxmi Cal Chem Pvt. Ltd	Associate
Anand Chem Industries Pvt. Ltd.	Associate
Mahalaxmi Exports	Associate
Rahul Textile	Associate
Jeetmal B Parekh	Key Managerial Personnel
Rahul J Parekh	Key Managerial Personnel
Anand J. Parekh	Key Managerial Personnel
Rajendra R. Mehta	Key Managerial Personnel

(b) Transactions during the year with Related Parties:

<u>Nature of Transaction</u>	<u>Associate</u>	<u>Key Managerial Personnel</u>
Rent paid	47540	---
Remuneration Paid	---	884000
Interest Paid	---	1336182
Loans taken	---	17383000
Job Charges Paid	895269	---
Job Charges Received	15787595	---
Purchase	12168458	---
Sales	21528575	---

**Note:** The above disclosure includes the transactions of the amalgamated company taken place after the appointed date as per scheme of amalgamation.

**12. Contingent liabilities in respect of:**

		2008-09	2007-08
a) Bank Guarantee	Rs.in lacs	8.38	---
b) Textile Cess	Rs.in lacs	11.12	---
c) Disputed Excise Duty Liability	Rs.in lacs	10.44	---
d) Claims against suits filed in labour courts not acknowledged by the Company	Rs.in lacs	2.26	---
e) Claims against suits by others not acknowledged by the Company	Rs.in lacs	10.09	---

13. In the opinion of the management the balances of sundry debtors, loans and advances have approximately the same realisable value as shown in the accounts.

14. In accordance with the Notification No: GSR 719 (E) dated 16.11.2007 issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in their Financial Statements. However, in the considered view of the management and as relied upon by the auditors, impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material.

**15. The deferred Tax Liability/(asset) as at 31st March, 2009**

Deferred Tax Liability/(Asset)

- i) On account of timing differences relating to depreciation
- ii) Others

	2008-09	2007-08
i) On account of timing differences relating to depreciation	24888000	7030000
ii) Others	(1466000)	(109000)
	23422000	6921000



16. The disclosure requirement as per Accounting Standard 17 "Segment Reporting" is:

Amount in Rs.

Sr.No.	PARTICULARS	2008-09			2007-08		
		Rubber Products	Textile Products	Consolidated	Rubber Products	Textile Products	Consolidated
<b>I</b>	<b>BUSINESS SEGMENT</b>						
1	<b>Segment Revenue</b>						
	External sales	50328545	766174343	816502888	50892449	121307395	172199844
	Inter- Segment Sales	0	0	0	-603970	603970	0
	Less: Inter- Segment Sales	0	0	0	603970	-603970	0
	<b>Total Revenue</b>	<b>50328545</b>	<b>766174343</b>	<b>816502888</b>	<b>50892449</b>	<b>121307395</b>	<b>172199844</b>
2	<b>Results</b>						
	Segment results before Interest	8876074	19296340	28172414	15878924	14280759	30159683
	Interest	-609371	-10012529	-10621900	-256438	-4841942	-5098380
	Unallocable Expenses	0	0	-4064394			-3800835
	Other Income	3867640	13335060	17202700	1059544	206630	1266174
	Unallocable Income			0			377822
	<b>Profit after Interest</b>	<b>12134343</b>	<b>22618871</b>	<b>30688820</b>	<b>16682030</b>	<b>9645447</b>	<b>22904464</b>
	Extraordinary Items	---	---	/	---		
	Current Tax (including FBT)			3500000			6600000
	Deferred Tax			5711000			748000
	<b>Net Profit after Tax</b>			<b>21477820</b>			<b>15556464</b>
3	<b>Other Information</b>						
	Segment Assets	55732303	545518562	601250865	59502780	146471285	205974065
	Unallocable Assets			79799046			18034146
	Segment Liabilities	23030779	283111825	306142604	13839084	110156639	123995723
	Unallocable Liabilities			83078869			17871728
	Capital Expenditure Including CWIP	10228601	1211196	11439797	2812313	42956510	45768823
	Depreciation	3526941	23767435	27294376	3248040	7894447	11142487
	Unallocable Depreciation			373521			422697
<b>II</b>	<b>GEOGRAPHICAL SEGMENT Revenue</b>						
	India	36513613	630833455	667347068	31056117	121307395	152363512
	Outside India	13814932	135340888	149155820	19836332	---	19836332

Note:

1 Geographical segment considered for disclosure are as follows: Revenue within India includes sales to customers located within India. Revenue outside India includes sales to customers located outside India.

17 Based on review carried out as on 31.03.2009, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".

18 Sundry Debtors include Rs.12882777/- due from companies and firms in which directors of the company are directors or partners.

19 The Power cost is net of value of captively consumed units generated from Wind Mill.

20 Previous year's figures are regrouped and/or rearranged wherever considered necessary.

Signatures to Schedules: - :1: to :20:

As per our report attached,  
For **BHANWAR JAIN & CO.**  
Chartered Accountants.

S/d-  
**JEETMAL B. PAREKH**  
Chairman

S/d-  
**RAHUL J. PAREKH**  
Managing Director

S/d-  
**( B. M. JAIN )**  
Partner.  
AHMEDABAD: 27th JUNE 2009

S/d-  
**ANAND J. PAREKH**  
Jt. Managing Director  
AHMEDABAD: 27th JUNE 2009

S/d-  
**MALAV J. AJMERA**  
**NIKHIL K. PARIKH**  
Directors

S/d-  
**CHANDRESH B. PANDYA**  
Company Secretary



**MAHALAXMI RUBTECH LIMITED.**  
**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT,1956**  
**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

<b>I. Registration Details</b>	
Registration No.:	04-16327
State Code :	04
Balance sheet date	31 March, 2009
<b>II. Capital Raised during the year</b>	( Amount Rs.in Thousands)
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
Alloted to Shareholders of Amalgamated Company	36464
<b>III. Position of Mobilisation and Deployment of Funds</b>	
Total Liabilities	520906
Total Assets	520906
<b>Sources of Funds</b>	
Paid-up Capital	88203
Equity Share Warrants	9480
Reserves and Surplus	205585
Secured Loans	147436
Unsecured Loans	46780
Deferred Tax Liability	23422
<b>Application of Funds</b>	
Net Fixed Assets	436543
Investment	647
Net Current Assets	78908
Misc.Expenditure	4808
Accumulated Losses	---
<b>IV. Performance of Company</b>	
Turnover & Other Incomes	829900
Total Expenditure	799211
Profit Before Tax	30689
Profit After Tax	21478
Earning per Share in Rs.	2.44
Dividend Rate %	5%
<b>V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)</b>	
Item Code No. (ITC Code)	59111000
Product Description :	Textile Fabrics, Felt and Felt-Lined Woven Fabrics coated, covered or laminated with Rubber, Leather or Other Material of a Kind used for Card Clothing and Similar Fabrics of a kind for other Technical purposes
Item Code No. (ITC Code)	59069920, 59069990
Product Description :	Rubberised Textile Fabrics falling within the above code numbers
Item Code No. (ITC Code)	5208, 5209, 5210, 5211, 5212
Product Description :	Textile-Unbleached woven fabrics and bleached dyed, printed and processed fabrics falling under various sub-codes within the above code numbers

S/d- <b>JEETMAL B. PAREKH</b> Chairman	S/d- <b>RAHUL J. PAREKH</b> Managing Director	S/d- <b>ANAND J. PAREKH</b> Jt. Managing Director AHMEDABAD: 27th JUNE 2009	S/d- <b>MALAV J. AJMERA</b> <b>NIKHIL K. PARIKH</b> Directors	S/d- <b>CHANDRESH B. PANDYA</b> Company Secretary
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<b>MAHALAXMI RUBTECH LIMITED.</b>			
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009.</b>			
		(Rs. in Lakhs)	
		Inflow/(Outflow)	
		2008-09	2007-08
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	Net Profit before tax and extraordinary items	306.89	229.04
	Adjustment for :		
	Depreciation	276.68	115.65
	Interest Paid	106.22	50.98
	Dividend Received	---	0.00
	Preliminary Expenses written off	9.64	2.95
	Liabilities written back	(5.66)	(5.94)
	Profit on sale of investment	(0.35)	(1.97)
	Loss on sale of Fixed Assets	10.26	1.69
	Bad Debts written off	0.27	2.33
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>703.95</b>	<b>394.72</b>
	Adjustment for :		
	Trade & Other Receivables	(983.97)	(156.00)
	Inventories	(765.15)	(73.43)
	Trade Creditors & Other Payables	1418.83	(36.82)
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>373.66</b>	<b>128.47</b>
	Income Tax Paid	(47.40)	(32.14)
	Interest Paid	(106.22)	(50.98)
	<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>220.04</b>	<b>45.34</b>
	Preliminary & Public Issue Expenses	(45.35)	(6.97)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>174.69</b>	<b>38.37</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets	(1048.03)	(537.10)
	Sale of Fixed Assets	17.10	1.00
	Sale of Investments	31.81	9.78
	Purchase of Investments	(3.62)	(0.07)
	Dividend Received		0.00
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1002.74)</b>	<b>(526.39)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceed from long term Borrowings	688.07	94.80
	Working Capital Finance	175.37	362.66
			30.03
	<b>NET CASH SURPLUS IN FINANCING ACTIVITIES</b>	<b>863.44</b>	<b>487.49</b>
<b>D.</b>	<b>NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>35.39</b>	<b>(0.52)</b>
<b>E.</b>	<b>CASH AND CASH EQUIVALENT AS AT 1ST APRIL, 2008</b>	<b>11.70</b>	<b>12.22</b>
<b>F.</b>	<b>CASH AND CASH EQUIVALENT AS AT 31ST MARCH, 2009.</b>	<b>46.60</b>	<b>11.70</b>

As per our report attached. <b>For BHANWAR JAIN &amp; CO.</b> Chartered Accountants.	S/d- <b>JEETMAL B. PAREKH</b> Chairman	S/d- <b>RAHUL J. PAREKH</b> Managing Director
S/d- <b>( B. M. JAIN )</b> Partner. AHMEDABAD: 27th JUNE 2009	S/d- <b>ANAND J. PAREKH</b> Jt. Managing Director AHMEDABAD: 27th JUNE 2009	S/d- <b>MALAV J. AJMERA</b> <b>NIKHIL K. PARIKH</b> Directors
		S/d- <b>CHANDRESH B. PANDYA</b> Company Secretary



# MAHALAXMI RUBTECH LIMITED

Regd. Office : 47, New Cloth Market, Ahmedabad-380002. Gujarat

## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_

being a member/member of the above named Company, hereby appoint

\_\_\_\_\_ of \_\_\_\_\_

of failing him \_\_\_\_\_ of \_\_\_\_\_

as my/our Proxy in my/our absence to attend and vote for me/us my/our behalf at the 18th Annual General meeting of the Company to be held at Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad-380006

on 16th September 2009, at 12-30 p.m. and at any adjournment thereof.

Signature at \_\_\_\_\_ (Place) this \_\_\_\_\_ day of \_\_\_\_\_ 2009

Folio No./DPID/CL.ID \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Note : Proxy Form must reach the Company's Registered Office not less than 48 hours before the time for holding meeting

Affix  
Re. 1  
revenue  
stamp

# MAHALAXMI RUBTECH LIMITED

Regd. Office : 47, New Cloth Market, Ahmedabad-380002. Gujarat

## ADMISSION SLIP

Member's Folio Number	Name of the attending Member (in Block Letters)	No. of Shares held
-----------------------	--	--------------------

\_\_\_\_\_  
Name of Proxy (in Block Letters)  
(If the Proxy attends instead of the Member)

I hereby record presence at the 18th Annual General Meeting of the Company to be held on 16th September, 2009

\_\_\_\_\_  
Signature of Member / Proxy

Note : You are requested to bring your copy of the Annual report to the Meeting.  
Please fill in the admission Slip before coming to the Meeting.

Book - Post

To,

---

If undelivered please return to:

**MAHALAXMI RUBTECH LIMITED**

47, NEW CLOTH MARKET, AHMEDABAD - 380 002, INDIA.