



MAHALAXMI RUBTECH LIMITED

TEXTILE PRINTING BLANKETS | OFFSET PRINTING BLANKETS | RUBBER COATED FABRICS | PRECISION RUBBER PARTS

Ref: MRT/CS/Correspondence/2018-19/31

Date: October 04, 2018

To,
The Manager
BSE Limited
Listing Dept. / Dept. of Corporate Service
Phiroze Jeejeebhoy Tower, Dalal Street,
Mumbai – 400 001

Company Code: 514450

Dear Sir / Madam,

Sub.: Submission of Annual Report of the Company for the year ended on March 31, 2018 under Regulation 34 of SEBI (LODR) Regulation, 2015

Please find attached herewith Annual Report of the Company for the year ended on March 31, 2018, in pursuance of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 duly approved and adopted in the Annual General Meeting of the Company held at Lions Hall, Near Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad - 380006 on Friday the 28th Day of September, 2018 at 11.30 a.m.

Kindly take the same on record and oblige.

Thanking You,

Yours Faithfully,
For, Mahalaxmi Rubtech Limited

Shailesh Koshti
Company Secretary



Encl.: Annual Report of the Company for the year ended on 31st March. 2018.

CORPORATE OFFICE:

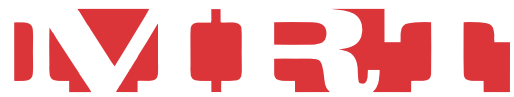
YSL AVENUE, OPP. KETAV PETROL PUMP,
POLYTECHNIC ROAD, AMBAWADI,
AHMEDABAD - 380 015, INDIA.
TELEPHONE: +91-79-40008000 FAX: +91-79-40008030

WORKS:

UMA INDUSTRIAL ESTATE, PHASE III, VILLAGE: VASNA-IYAVA,
TALUKA: SANAND. DISTRICT: AHMEDABAD - 382 170, INDIA.
TELEPHONE: 02717-284309, 284310 FAX: 02717-284152
E-MAIL: mrt@mrtglobal.com WEBSITE: www.mrtglobal.com

REGD. OFFICE:

47, NEW CLOTH MARKET,
AHMEDABAD - 380 002, INDIA.
TELEPHONE: +91-79-22160776
CIN NO : L25190GJ1991PLC016327



MAHALAXMI RUBTECH LIMITED



27th ANNUAL REPORT

2018

31st March



MAHALAXMI RUBTECH LIMITED

CIN : L25190GJ1991PLC016327

BOARD OF DIRECTORS

SHRI JEETMAL B. PAREKH
SHRI RAHUL J. PAREKH
SHRI ANAND J. PAREKH
SMT. SANGITA S. SINGHI
SHRI MALAV J. AJMERA
SHRI NEHAL M. SHAH

GROUP PRESIDENT & CFO

SHRI RAJENDRA R. MEHTA

COMPLIANCE OFFICER

SHRI SHAILESH P. KOSHTI
(COMPANY SECRETARY)

STATUTORY AUDITORS

P. C. BOTHRA & 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

YSL AVENUE, OPP. KETAV PETROL PUMP,
POLYTECHNIC ROAD,
AMBAWADI, AHMEDABAD – 380 015

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

LINK INTIME INDIA PRIVATE LIMITED
5th Floor, 506 to 508, Amarnath Business Centre - 1 (ABC-1),
Beside Gala Business Centre, Nr. St. Xavier's College Corner,
Off C.G. Road, Navrangpura, Ahmedabad - 380009.
Tel: 079-26465186-87 Fax: 079-26465179
Email - ahmedabad@linkintime.co.in

CIN: L25190GJ1991PLC016327

Regd. office: 47, New Cloth Market, Ahmedabad – 380002, Gujarat. Web: www.mrtglobal.com, Ph.: 079 4000 8000 Fax: 079 4000 8030

E-mail: cs@mahalaxmigroup.net

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of “Mahalaxmi Rubtech Limited” will be held at “Lions Hall”, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad- 380 006 on Friday, September 28, 2018 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and if approved, adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2018 and the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Jeetmal Bhoorchand Parekh (DIN: 00512415), who retire by rotation at this AGM and being eligible, offers himself for re-appointment.
3. **TO APPOINT STATUTORY AUDITORS OF THE COMPANY AND FIX THEIR REMUNERATION**

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

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s P C Bothra & Co, Chartered Accountants, Firm Registration No 306034E, be and is hereby appointed as Auditors of the Company to hold office for the term of Four years from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 31 AGM at such remuneration plus applicable taxes and out of pocket expenses incurred by them for the purpose of audit of the company as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. **RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITORS, M/S DALWADI & ASSOCIATES**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Dalwadi & Associates, Cost Accountants (Firm Registration Number - 000338), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 at the remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) plus applicable taxes and out of pocket expenses, if any, incurred during the course of above audit.”

5. **TO CONSIDER THE RELATED PARTY TRANSACTIONS**

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

“**RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules Under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI (Listing Obligation and Disclosure Requirement) regulation, 2015 (Including any amendment, modification or re-enactment thereof), and pursuant to the consent of the Audit Committee and the Board of Directors vide resolution passed in their respective meetings held on 30th May, 2018, the consent of the members of the Company be and is hereby accorded to the proposed transactions between the Company and related entities Globle Tessile Private Limited, Mahalaxmi Calchem Private Limited, Anand Chem Industries Private Limited, Mahalaxmi Exports, Shah Jeetmal Champalal and Rahul Textile for entering into contract or arrangement with the related parties as defined under the Act and the Rules made thereunder, as per details and on terms & conditions as set out under in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

6. **To approve conversion of loan into equity**

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

“**RESOLVED THAT** pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under and in accordance with the Memorandum and Articles of Association of the Company and applicable regulations and subject to all such approval(s), consent(s), permission(s), sanction(s), if any, of appropriate statutory, governmental and other authorities and departments in this regard and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), consent(s), permission(s) or sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law), on the terms and conditions contained in the financing documents, such terms and conditions to provide, inter alia, to convert the whole or part of the outstanding loans of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), (as already stipulated or as may be specified by the Financial Institutions/Banks under the financing documents executed or to be executed in respect of the financial assistance which have already been availed or which may be availed) by the Company under the lending arrangements (existing and future arrangements) with various Banks and Financial Institutions (hereinafter collectively referred to as the “Lenders”), at the option of the Lenders, the loans or any other financial assistance categorized as loans (hereinafter referred to as the “Financial Assistance”), in Foreign Currency or in Indian Rupees, which have already been availed from the Lenders or as may be availed from the Lenders, from time to time, does not exceed a sum of ₹ 300.00 Crores (Rupees Three Hundred Crores only) over and above the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) consistent with the existing borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013,

each such Financial Assistances being separate and distinct from the other, into fully paid up equity shares of the Company on such terms and conditions as may be stipulated in the financing documents and subject to applicable law and in the manner specified in a notice in writing to be given by the Lenders (or their agents or trustees) to the Company (hereinafter referred to as the "Notice of Conversion") and in accordance with the following conditions:

- (i) the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistance;
- (ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders may accept the same in satisfaction of the part of the loans so converted;
- (iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment installments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari-passu with the existing equity shares of the Company in all respects.
- (iv) In the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, listed with such stock exchanges as may be prescribed by the Lenders or such other person identified by the Lenders and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lenders or such other person identified by the Lenders, to ensure that the equity shares are listed as required by the Lenders or such other person identified by the Lenders.
- (v) The loans shall be converted into equity shares at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions for raising the Financial Assistance, from time to time, with an option to convert the Financial Assistance into equity shares of the Company any time during the currency of the Financial Assistance, on the terms specified in the financing documents, including upon happening of an event of default by the Company in terms of the loan arrangements.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue, offer and allot from time to time to the Lenders such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection with or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval there to expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

7. To consider and decide place of maintaining and keeping Register of Members & other registers at place other than the Registered Office of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions of the Companies Act, 2013 read with rule 5 (2) of the Companies (Management and Administration) Rules, 2014, consent of the Members of the Company be and is hereby accorded to maintain and keep the Company's registers required to be maintained under Section 88 of the Companies Act, 2013 and copies of annual returns filed under Section 92 of the Companies Act, 2013 or any one or more of them, at the Office of Company's Registrar and Share Transfer Agent, viz. M/s. Link Intime India Pvt. Ltd. at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083 or 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad-380009 or at such other place in India, as permissible under the relevant provisions, as the Board may from time to time decide instead of and/or in addition to the said registers or copy of returns being kept and maintained at the Registered Office of the Company."

8. Change/alter Memorandum of Association - Object Clause of the Company

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

"RESOLVED THAT pursuant to provisions of Section 13 of the Companies Act, 2013, (including any modification or reenactment thereof) and other applicable provisions of the Act, the main object clause of the Memorandum of Association of the Company shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities pursuant to new project of Coated Fabric, as a part of its expansion and diversification process under its existing Technical Textile Segment.

RESOLVED FURTHER THAT following clause shall be added to the Memorandum of Association of the Company and Memorandum of Association of the Company shall be altered and amended by adding of the clauses inserted shall be carried out:

5. "To carry on the business of Manufacturing, Preparatory (Warping, Sizing, Waxing, Twisting, Doubling) Weaving, Processing, Finishing, Lamination, Coating, Dipping of all kinds of Technical Textiles using with or without different kinds of yarns, fabrics, polymers such as acrylics, polyurethanes, PVC, polyester or rubbers and activities such as Manufacturing, Buying, Selling,

Export, Import or otherwise dealing in all kinds of Industrial and Technical Textiles, Composites and Made-Ups thereof, for various applications such as all kinds of textile print media, signage media, art canvas, black out, dim-out, all kind of window blinds, all kind of outdoor fabrics such as Awning, Umbrella, outdoor furnishing, for Tents, Camps, Bags, all kind of Luggage's, Tarpaulins, Covers, Hoods & all kind of Shed covers of all weights and sizes, all kind of military supplies and all government supplies, and all such mentioned products, composites, made-ups, textile materials and products used primarily for their technical performance and functional properties and it includes Agrotex, Meditex, Mobitex, Packtex, Sportex, Buildtex, Clothtex, Hometex, Protex, Geotex, Oekotex, indutex and all such mentioned products."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (including its Committee(s) thereof and/or any Director or any individual delegated with powers necessary for the purpose) be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper or expedient without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have been given all necessary approval thereto expressly by the authority of this resolution. "

By order of the Board of Directors
For **Mahalaxmi Rubtech Limited**

Place: Ahmedabad
Date: August 10, 2018

Shailesh P. Koshti
(Company Secretary)

NOTES

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him / her and the proxy need not be a member of the Company.
A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed, not less than 48 hours before the commencement of meeting. A proxy form is sent herewith.
2. The Register of Members and Transfer Book of the Company will remain closed from Saturday the 22nd day of September, 2018 to Friday the 28th day of September, 2018 (both days inclusive) for the purpose of 27th Annual General Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of this Notice.
4. Members are reminded to send their dividend warrants, which have not been encashed, to the Company for revalidation. As per the provisions of the Section 124(6) of the Companies Act, 2013, unclaimed dividend is liable to be transferred to the Investor Education and Protection Fund of the Central Government after the expiry of seven years from the date they become due for payment. As per the Section 124 of the Companies Act, 2013, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF). Accordingly unpaid dividend for the FY 2009-10 has also been transferred to the IEPF.
5. Electronic copy of the Annual Report for FY 2017-18 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purpose unless any member has requested for a Physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2017-18 are being sent through the permitted mode. Members may also note that the Notice of 27th Annual General Meeting and Annual Report for 2017-18 will also be available on the Company's website www.mrtglobal.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office and Administrative Office in Ahmedabad.
6. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, Power of Attorney, change of address/name, Income Tax Permanent Account Number (PAN) etc. to their Depository Participant only. Changes intimated to the Depository Participant will be automatically reflected on the Company's record which will help the Company and its Registrar and Transfer Agent to provide efficient & better services. Members holding shares in physical mode are requested to intimate all above mentioned changes to the Registrar and Share Transfer Agent (RTA) or the Company as soon as the change occurs.
Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA Link Intime India Private Limited. In respect with shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
7. Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company, at least one week before the date of the Meeting, Replies will be provided in respect of such queries received in writing, only at the Meeting.
8. A Member or his Proxy is required to bring a copy of the Annual Report to the Meeting as extra copies will not be distributed.
9. Members/ Proxies should bring the Attendance Slip sent herewith duly filled in and Photo ID proof for attending the Meeting.
10. In compliance with the Security and Exchange Board of India (SEBI) circular dated 7th January, 2010 it is mandatory for Members holding shares in Physical form to furnish a copy of PAN in the following cases (a) Deletion of name of deceased shareholders(s), where the shares are held in the name of two or more shareholders (b) Transmission of shares to the legal heir(s), where the deceased shareholder was the sole holder of shares (c) Transposition of shares when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
11. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 27th Annual General Meeting (AGM). The business shall be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 27th Annual General Meeting. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

A. The instructions for members for voting electronically are as under:-In case of members receiving e-mail:

- (i) The voting period begins on 25th September, 2018 at 10:00 a.m. and ends on 27th September, 2018 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Address Sticker or Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Mahalaxmi Rubtech Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- B. Please follow all steps from Sl. No. (ii) to (xix) to cast vote in case of members receiving the physical copy of Notice of Annual General Meeting [for members whose e-mail IDs are not registered with the Company / Depository Participant[s] or requesting physical copy].
- C. Results declared along with scrutinizer’s report shall be communicated to BSE thereafter placed on website of the Company. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The e- voting module shall be disabled by CDSL for voting thereafter.
- D. Hudda & Associates Company Secretaries LLP, Mr. Hardikkumar Hudda (Designated Partner) (Membership No.: A39621 and CP No.: 14697) Address: E-812, Titanium City Center, Nr. IOC Petrol Pump, Anandnagar-Prahladnagar Road, Satellite, Ahmedabad – 380015 has been appointed as scrutinizer to scrutinize e-voting process.
- E. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than forty eight hours from the conclusion of meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.mrtglobal.com and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.
- F. The Resolution shall deemed to be passed on the date of Annual General Meeting. Subject to Receipt of requisite number of votes.
- G. The voting right of shareholder shall be in proportion to their share of the paid-up share capital of the company.
- H. Pursuant to Clause 47(f) of the SEBI (Listing Obligation and Disclosure Requirement) regulation, 2015, the Company has created an exclusive E-mail. ID: cs@mahalaxmigroup.net for quick redressal of shareholders/investors grievances.
13. 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, LINK INTIME INDIA PRIVATE LIMITED 506-508, AMARNATH BUSINESS CENTRE-1, (ABC-1), BESIDES GALA BUSINESS CENTRE, NEAR ST XAVIER’S COLLEGE CORNER, OFF C G ROAD, ELLISBRIDGE, AHMEDABAD - 380006.

By order of the Board of Directors
For **Mahalaxmi Rubtech Limited**

Place: Ahmedabad
Date: August 10, 2018

Shailesh P. Koshti
(Company Secretary)

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment of Messrs. Dalwadi & Associates, Ahmedabad, to conduct the audit of the cost records of the Company for the Financial Year 2018-19.

In accordance with provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be fixed by the Members of the Company.

The Board is of the opinion that the fees quoted by Messrs. Dalwadi & Associates, Ahmedabad are reasonable and in line with the rates prevailing in the market for similar assignment.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 4 of the Notice, save and except as shareholder and to the extent of their shareholding in the Company.

The Board of Directors recommends the resolution set forth in item no. 4 to this notice, for your approval.

Item No. 5:

Under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Shareholders through resolution.

The Audit Committee and Board of Directors of the Company, at its meeting held on 30th May, 2018 has approved a proposal for entering into related party transactions with the related entities Globle Tessile Private Limited, Mahalaxmi Calchem Private Limited, Anand Chem Industries Private Limited, Mahalaxmi Exports, Shah Jeetmal Champalal and Rahul Textile (mentioned in resolution No. 5), in which Directors or relatives of Directors or other related persons are interested. The nature of transactions, amount of transactions and other related information as envisaged under Companies (Meeting of Board and its powers) Rules, 2014 are furnished in below mentioned table.

Nature of Contract / Transactions with Related Parties	Name and Nature of Relationship with Related Party	Maximum Value of the Contract / Transaction. (₹ in Crores Per Annum)
To sale goods and articles and / or To get job work done for party and / or To purchase goods and articles and / or To get job work done from party and / or To avail services from party and / or To provide services to party. (Including sell, purchase or otherwise dispose / acquire property if any kind and / or Letting / Leasing of property of any kind.)	M/s Mahalaxmi Exports (Associate concern)	125
	Globe Tessile Private Limited (Wholly owned subsidiary)	100
	Anand Chem Industries Pvt. Ltd (Associate concern)	15
	Mahalaxmi Calchem Pvt. Ltd (Associate concern)	15
	Shah Jeetmal Champalal (Associate concern)	15
	Rahul Textile (Associate concern)	1
DIRECTORS/KMPS/ Relatives of Directors and KMPS / Other Firms and Companies in Which all or any of the following namely Mr. Rahul J Parekh Mr. Anand J. Parekh, Mr. Jeetmal B. Parekh, Mr. Rajendra R. Mehta and their respective relatives are Interested as per the provisions of Section 2(76) of the Companies Act,2013.		

All the proposed transactions with related parties will be carried out on prevailing market rate / conditions. Hence, it is considered as transactions carried out on arm's length basis.

No other Director, Key Managerial Personnel, or their respective relatives except Mr. Jeetmal B. Parekh, Chairman, Mr. Rahul J. Parekh, Managing Director, Mr. Anand J. Parekh, Jt. Managing Director, Mr. Rajendra R. Mehta, Chief Financial Officer and their respective relatives, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 of the Notice, save and except as shareholder and to the extent of their shareholding in the Company.

The Board of Directors recommends the resolution set forth in item no. 5 to this notice, for your approval.

Item No. 6:

In line with the regulatory changes in the recent past, the changes in the Companies Act and in line with various directives issued by Reserve Bank of India, from time to time, and in pursuance of the financing documents of the Company, the Company is required to pass a Special Resolution under Section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder to enable the Banks and Financial Institutions (hereinafter referred to as the "Lenders") to convert the outstanding debt or any other financial assistance categorized as debt (hereinafter referred to as the "Financial Assistance"), in foreign currency or Indian Rupee, already availed or to be availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

Section 62(1)(c) of the Companies Act, 2013, inter-alia, provides that where at any time, a Company having a share capital proposes to increase its subscribed capital by issue of further shares, such shares shall be offered to any person, if it is authorized by a special resolution either for cash or for a consideration other than cash, and the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.

Further, Section 62(3) of the Companies Act, 2013, provides that nothing in Section 62 shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the Company; provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in General Meeting. The Company hereby clarifies that this clause is merely an enabling clause and there are no proposals of issue of Debentures, either pending or envisaged currently.

Pursuant to Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company also recommends to borrow any sum or sums of monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, such that the total amount borrowed and outstanding at any time shall not exceed ₹ 300 Crores (Rupees Three Hundred Crores Only) and to create charges on the Company's properties for securing the borrowings within the above limits and working capital facilities availed or to be availed by the Company.

For the purposes of such Borrowings, the Company may, from time to time, be required to execute financing documents, which provides for an enabling option to the Lenders, to convert the whole or any part of such outstanding Financial Assistance (comprising loans, debentures or any other financial assistance categorised as loans), into fully paid up Equity Shares of the Company;

Accordingly, the Board recommends the resolution as set forth in the item no. 6 of the Notice, to enable the Lenders, in terms of the lending arrangements, entered/to be entered and as may be specified by the Financial Institutions/Banks under the financing documents already executed or to be executed in respect of the Financial Assistance availed/ to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

The Company hereby clarifies that this resolution is merely an enabling resolution and there are no proposals of conversion of loan into Equity, either pending or envisaged currently.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be interested/ concerned in this resolution, except to their respective shareholdings in the Company, if any.

The Board of Directors recommends the resolution set forth in item no. 6 to this notice, for your approval.

Item No. 7:

Pursuant to the provisions of Section 94 the Companies Act, 2013, certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the Registered Office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a General Meeting of the Company. Accordingly, the approval of the Members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the Office of the Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd. at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083 or 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier’s College Corner, Off C G Road, Navrangpura, Ahmedabad-380009 or such other place in India, as permissible under the relevant provisions, as the Board may from time to time decide instead of and/or in addition to the said registers or copy of returns being kept and maintained at the Registered Office of the Company. A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Gujarat, Ahmedabad, as required under the said Section 94 (1) of the Companies Act, 2013.

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

The Board of Directors recommends the resolution set forth in item no. 7 to this notice, for your approval.

Item No. 8:

It is proposed to amend the Main objects of the Company partially to align the same with the present business activities and would include matters which are necessary for furtherance of main objects in Clause IIIA.

Pursuant to constant expansion, diversification and technological upgradation in the technical textile segment as well as textile segment, the Board has considered and approved to setup a new project of Coated Fabric, as a part of its expansion and diversification process under its existing Technical Textile Segment situated at Sanand, in their meeting held on March 3, 2018, accordingly the Board at their meeting held on August 10, 2018 had approved (subject to the approval of members) the amendment in the Memorandum of Association of the Company as aforesaid.

In terms of Section 4 and 13 of the Act, the consent of the Members by way of Special Resolution is required for change in objects clause of the Memorandum of Association of the Company.

The physical copies of the aforesaid documents will also be available at the Corporate office of the Company during all working days between 12.00 Noon to 2.00 p.m., except Saturday, Sunday and holidays and copies thereof shall also be made available for inspection in physical or electronic form at the Registered and Corporate office and also at the Meeting.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions, as set out at Item No. 8 of the Notice.

The Board of Directors recommends the resolution set forth in item no. 8 to this notice, for your approval.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS DIRECTOR / MANAGING DIRECTOR IN THE 27TH ANNUAL GENERAL MEETING OF THE COMPANY

Name of the Director	Mr. Jeetmal B. Parekh
Director Identification Number (DIN)	00512415
Date of birth	07/07/1943
Date of appointment	27/08/1993
Experience & Expertise in specific functional area	Mr. Jeetmal Parekh is founder member of the Company and first-generation entrepreneur and established MRT in 1991. He has a successful track record of over five decades in the home textile business and over three decades in international textile market. He has vast experience production, quality control, marketing and export matters. He is responsible for strategic financial matters, including corporate finance, corporate strategy, business development and risk management of the Company. Presently he is designated as Chairman of the Company.
Shareholding in the Company as on 31.03.2018	1494481 equity shares of ₹ 10/- each
Relationship with other Directors and KMPs of the Company	Father of Mr. Rahul J. Parekh (MD) and Mr. Anand J. Parekh (Jt. MD)
List of companies* in which outside directorship held	1. Anand Chem Industries Private Limited 2. Heena Agriculture Private Limited 3. Globale Tessile Private Limited 4. Mahalaxmi Calchem Private limited 5. Rainbow Exports Private Limited
Chairman/Member of the Committee* of Board of Directors of other Indian public companies	Nil

* Directorship includes directorship in other Indian companies and Committee membership includes Audit committee and Stakeholders’ Relationship committees of Indian public companies.

DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors have pleasure in presenting herewith the Directors' Report, along with the Audited Statement of Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS:

Particulars	For the year ended 31.03.2018 (₹ in Lacs)	For the year ended 31.03.2017 (₹ in Lacs)
Income from Operations & Other Income	22997.84	20304.48
Profit before Depreciation	1412.12	1307.48
Less: Depreciation	847.64	803.77
Profit before Tax	564.48	503.71
Less: Provision for Tax	134.50	226.81
Less: Provision for deferred Tax	48.68	(62.89)
Profit after Tax	381.30	339.79

**Figures for FY 2016-17 have been restated as per applicable Indian Accounting Standards

In the preparation of the financial statements for the financial year 2017-18, the Company has adopted Ind AS and the transition date is 01 April, 2016.

Up to the year ended 31st March, 2017, the Company had prepared its Financial Statements in accordance with generally accepted accounting principles in India, including accounting standards read with Section 133 of the Act notified under the Companies (Accounting Standards) Rules, 2006 ('Previous GAAP'). These are the Company's first Ind AS Financial Statements.

There was no material changes and commitments, affecting the financial position of the Company between the end of the financial year of the Company and the date of the report other than those disclosed in the financial statements.

There was no change in nature of business during the year. The Company has one Wholly Owned Subsidiary company Globale Tessile Private Limited (subsidiary company), which has yet to commence business.

OPERATION AND REVIEW AND STATES OF COMPANIES AFFAIRS:

The Company continues to see marginal growth with its overall performance in the financial year 2017-18 driven by the average performance in both segment in which the Company operates.

The total income of the company increased to ₹ 22997.84 Lakhs from ₹ 20304.48 Lakhs in the previous year, at a rate of 13.26 %. The Profit before Tax amounted to ₹ 564.48 Lakhs as against ₹ 503.71 Lacs in the previous year. The net profit after tax was increased to ₹ 381.30 Lakhs as against ₹ 339.79 Lakhs in the previous year.

DIVIDEND:

Board of Directors has not recommended any dividend for the Financial Year 2017-18.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of the Company and of its Wholly Owned Subsidiary, Globale Tessile Private Limited are prepared in compliance with applicable provisions of the Companies Act, 2013, and "Ind AS" issued by the Institute of Chartered Accountants of India as well as Listing Regulations as prescribed by the Securities and Exchange Board of India (SEBI) form part of this Annual Report.

FIXED DEPOSITS:

The company has not invited / accepted any deposits from public within the meaning of provisions of section 73 and 76 of the Companies Act, 2013 and the rules framed there under and the directives issued by the Reserve Bank of India. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

SHARE CAPITAL

Pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on 21 November, 2016, the Company has issued and allotted an aggregate of 4500000 warrants, convertible into equity shares of ₹ 10/- each of the Company, at any time within 18 months from the date of allotment of the warrant, at an exercise price of ₹ 45/- per warrant including premium of ₹ 35/- per warrant to persons belonging to promoter and promoter group of the company on preferential basis out of which 1150000 warrants

were already converted in the previous financial year and further 1500000 warrants were converted into 1500000 equity shares of ₹ 10/- each during the year. Such shares shall rank pari-passu in all respect including, as to dividend, with existing fully paid up equity shares of face value of ₹ 10 each and shall also subject to lock-in, in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations.

As a result of the above allotments of 1500000 equity shares, paid-up equity shares capital of the company was increased from ₹ 99702750/- comprising of 9970275 number of equity shares of ₹ 10 each as on March 31, 2017 to ₹ 114702750/- comprising of 11470275 number of equity shares of ₹ 10 each as on March 31, 2018. The allotted shares are listed and traded in the Stock Exchange where shares of the Company are Listed.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

The information required under section 134 (3)(m) of the Companies Act, 2013 read with the companies (Disclosures of Particulars in the report of the board of Directors) Rules, 1988 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure - I and form part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Your Company is engaged in the manufacturing and marketing of product falling under the category/segment of Traditional Textile and Technical Textile. A detailed analysis on the performance of the industry, the Company, internal control systems, risk management are enumerated in the Management Discussion and Analysis report forming part of this report as required under Regulation 34(2)(e) and Schedule V of the Listing Obligation and Disclosure Requirement, Regulation, 2015.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your company has complied with the requirements regarding Corporate Governance as required under regulation 34(3) and Schedule V of SEBI LODR, Regulation 2015. A Report on the Corporate Governance in this regard is made a part of this Report along with Certificate from the Company's Auditors confirming compliance with the conditions of Corporate Governance.

MEETINGS OF THE BOARD AND ITS COMMITTEE

Eleven meetings of the Board of Directors were conveyed and held during the year. Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.

DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act, 2013, at the ensuing Annual General Meeting (AGM), Mr. Jeetmal Bhoorchand Parekh (DIN: 00512415), retires by rotation and being eligible, offers himself for re-appointment. The notice convening the AGM includes the proposal for his re-appointment as director.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of section 164 of the Companies Act, 2013. There was no change in the Key Managerial Personnel during the year.

Details of managerial remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in the corporate governance report.

Governance Guidelines:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Directors' term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Directors' remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meet with the criteria for 'Independent Director' as laid down in the Act and Regulation 16 (1) (b) of the Listing Regulations.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulation, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Meeting of Independent Directors

During the year, a separate meeting of Independent Directors was held. In the said meeting, the independent directors assessed the quality, quantity and timeliness of flow of information between the management and the Board at the meeting and expressed that the current flow of information and contents were adequate for the Board to effectively perform its duties. They also reviewed the performance of the non-independent directors and the board as a whole and the performance of the chairperson of the Company taking into account the views of executive directors.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 19(4) of Listing Regulation.

DIRECTORS RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief, Makes the following statement:

- a. in the preparation of the annual accounts for the year ended on March 31, 2018, the applicable accounting standards have been followed and there are no material departures from the same;
- b. 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 March 31, 2018 and of the profit of the Company for the year ended on March 31, 2018;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared annual accounts on a going concern basis.
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Directors' Report.

AUDITORS:

Statutory Auditors

M/s. P C Bothra & Co, Chartered Accountants, Ahmedabad were appointed as Statutory Auditors at the 26th AGM held on September 27, 2017, for a period of one years i.e., until the conclusion of the ensuing 27th AGM.

Pursuant to the provisions of Section 139, 141 read with Companies (Audit and Auditors) Rules, 2014 and any other applicable provisions of the Act, including rules made thereunder, the Audit Committee at its meeting held on August 10, 2018 has reviewed the proposal to re-appoint M/s. P C Bothra & Co. as Statutory Auditors of the Company for a second term of four consecutive years commencing from the conclusion of 27th AGM (2018) until the conclusion of 31st AGM (2022) and recommended the same to the board for proposing it to the shareholders at the ensuing 27th AGM.

The Company has received a letter from M/s. P C Bothra & Co. consenting to the re-appointment and confirmation to the effect that their appointment, if made, would be within the prescribed limits and that they do not suffer from any disqualification under Section 141 of the Companies Act, 2013 and the rules made thereunder. M/s. P C Bothra & Co. have also submitted the peer review certificate issued to them by The Institute of Chartered Accountants of India. The notice of the ensuing 27th AGM contains necessary resolution in this regard. Members may consider appointing M/s. P C Bothra & Co. as Statutory Auditors of the Company as per the provisions of the Companies Act, 2013 till the conclusion of the 31st AGM (2022).

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013. The Statutory Auditors' Report to the members for the year ended March 31, 2018 does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditor

The Company has received a letter from the cost auditors M/s. Dalwadi & Associate, Cost Accountants in Practice having Firm Reg. No. 000338 to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment. The cost audit report for the year 2016-17 was filed before the due date with MCA.

The Board of Directors of the Company has on recommendation of the Audit Committee, at its meeting held on 30th May, 2018 appointed M/s. Dalwadi & Associate, Cost Accountants as the cost auditors of the Company to conduct the audit of cost records for the Financial Year 2018-19 maintained by the Company as required by the Companies (Cost Records and Audit) Rules 2014 as amended from time to time. The members are requested to ratify the remuneration to be paid to the cost auditors of the Company.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Hudda & Associates Company Secretaries LLP, (M. No. A31507 and CP No. 11560) to conduct Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as Annexure - II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Audit Observations

There is no qualification, reservation or adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the financial year ended on 31st March, 2018.

KEY MANAGERIAL PERSONNEL

Pursuant to section 203 of the Companies Act, 2013, your company had appointed its Key Managerial Personnel viz., Shri Rahul J. Parekh, Managing Director, Shri Anand J. Parekh, Jt. Managing Director, Shri Rajendra R. Mehta, Chief Financial Officer and Shri Shailesh Koshti as Company Secretary and Key Managerial Personnel. During the financial year 2017-18 there was no change in the Key Managerial Personnel of the Company.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and in terms of the Listing Agreement Your Company has established a Vigil Mechanism of the Company which also incorporates Whistle Blower Policy for its Directors and employees to safeguard against victimization of persons who use Vigil mechanism and to report genuine concerns. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: http://www.mrtglobal.com/images/investor_relation/policy/VigilMechanismWhistleBlower.pdf. The Audit Committee of your Company shall oversee the Vigil mechanism.

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 from March 23, 2001 pursuant to circular of SEBI.

EMPLOYEES:

The information required under sub section (12) of section 197 of the Companies Act, 2013 read with rule 5(2) and 5(3) of the companies (Appointment and Remuneration of Managerial Personnel) rule 2014, the details showing the name and other particulars of employees drawing remuneration in excess of limits set out in the said rule are as under.

- (a) Employees employed throughout the year and who were in receipt of remuneration of not less than ₹ 60,00,000/- per annum in terms of Rule 5 (2) (i) is None.

- (b) Employees employed for the part of the year and who were in receipt of remuneration of not less than ₹ 5,00,000/- per month in terms of section Rule 5 (2) (ii) is None.
- (c) None of the employees is covered under Rule 5 (2) (iii).

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request which is available for inspection by the Members at the Administrative Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining such information thereof, such Member may write to the Company Secretary in advance in this regard.

LISTING:

The Securities of your company are listed with the BSE Limited, and pursuant to Regulation 14 of Listing Regulation, the Annual Listing fees for the year 2018-19 have been paid within due date. The bill for annual custodian fees to NSDL & CDSL is been paid by the Company for the Securities of the Company held in dematerialized mode with them for year 2018-19.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has crossed the threshold limit to implement CSR in the financial year ended March 31, 2018, hence applicable compliances related to CSR will be complied accordingly.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2017-18.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company in MGT-9 is annexed herewith as Annexure - III and form part of this Report.

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), forms part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The Company has one wholly owned non-listed Indian Subsidiary Company i.e. Globale Tessile Private Limited is being Non-operative since inception. The Company does not have any Joint venture.

The requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations") with regard to subsidiary company have been complied with. The newly incorporated subsidiary is yet to commence business. Statement containing salient features of the financial statement of Subsidiary Companies in Form AOC-1 is not applicable to the Company.

The consolidated financial results reflect the operations of the following subsidiary.

Sr. No.	Name of Company	CIN / GLN	Address of the Company	Holding/Subsidiary/ Associate
1	Globale Tessile Private Limited	U17299GJ2017PTC098506	YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad 380015	Wholly owned subsidiary

Investment in Subsidiary

During Financial Year 2017-18, the Company had infused a capital of ₹ 5.00 Lakhs in its subsidiary, Globale Tessile Private Limited by subscribing to its equity shares on its incorporation.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has formulated a Risk Assessment & Management Policy. The details of the Risk Management are covered in the Corporate Governance Report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN, AND SECURITIES PROVIDED

Details of loans, investments, guarantees and securities covered under provisions of section 186 of the Companies Act, 2013 are provided in the standalone and consolidated financial statement.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material or potential conflict with the interest of the Company in accordance with the policy of the Company on materiality of related party transactions. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The Policy on materiality of related party transactions and dealing with related party Transactions as approved by the Board may be accessed on the Company's website at the link: http://www.mrtglobal.com/images/investor_relation/policy/RelatedPartyTransactionPolicy.pdf

Your Directors draw attention of the members to the financial statement which sets out related party disclosures. Details of contracts with related parties have been reported in form AOC-2 and annexed herewith as Annexure – IV and form part of this Report.

PLEDGE OF SHARES

None of the equity shares of the Directors of the Company are pledged with any banks or financial institutions.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

ENVIRONMENT

As a responsible corporate citizen and as a textile processing unit, environment safety has been one of the key concerns of the Company. It is the constant endeavour of the Company to strive for compliance of stipulated pollution control norms.

ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

DEPOSITORY SYSTEM

As the Members are aware, the Company's equity shares are tradable in electronic form. As on March 31, 2018, out of the Company's total equity paid-up share capital comprising of 1,14,70,275 equity shares, only 87,470 equity shares were in physical form and the remaining shares were in electronic form. In view of the numerous advantages offered by the Depository System, the Members holding shares in physical form are advised to avail themselves of the facility of dematerialization.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares and ESOS) to employees of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

APPRECIATION:

Your Directors thanks various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them.

The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year and look forward to their continued support in future. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company

For and on behalf of the Board
Mahalaxmi Rubtech Limited

Jeetmal B. Parekh
(Chairman)

Place: Ahmedabad
Date: May 30, 2018

ANNEXURES TO DIRECTORS' REPORT

ANNEXURE – I TO THE DIRECTORS' REPORT

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

1. 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	2017-18	2016-17
1. Electricity		
(a) Purchased:		
Units	8700888	9160048
Amount ₹	69881637	69740476
(b) Own Generation:		
(i) Through Diesel:		
Units	1400	1400
Amount ₹	25216	26248
(ii) Through Windmill		
Units	2223876	2340930
2. Fuel		
Waste Wood		
Tonnes	18293	19097
Amount ₹	79991949	77315759
Steam Coal		
Tonnes	26260	27730
Amount ₹	145155021	128099178

(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.

2. 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.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange earnings : ₹ 23.74 Crore
 Foreign exchange outgo : ₹ 7.07 Crore

ANNEXURE – II TO THE DIRECTORS' REPORT
Form No. MR – 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Mahalaxmi Rubtech Limited
47, New Cloth Market, O/s Raipur Gate,
Ahmedabad – 380002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahalaxmi Rubtech Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mahalaxmi Rubtech Limited ("the Company") for the financial year ended on 31 March 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- VI. We have relied on the representation made by the Company and its officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head / groups of Acts, Laws and Regulations as applicable to the Company are Factories Act, 1948; Industries (Development & Regulation) Act, 1951; Labour Laws and other industrial Laws related to labour and employees appointed by the Company either on its payroll or on contractual bases as related to wages, gratuity, provident fund, ESIC, compensation etc.; Act prescribed under prevention and control of pollution; Acts prescribed under Environmental protection; Acts prescribed under Direct Taxes and Indirect Taxes; Land Revenue Laws; Labour Welfare Act; Law related to intellectual Property Rights; The Legal Metrology Act, 2009; Act as prescribed under Shop and Establishment Act; Laws related to Banking Regulations;

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

- (i) Secretarial Standard issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Obligation and Disclosure Requirement, Regulation, 2015 as applicable to the Company.

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with all the laws applicable specifically to the Company:

We further report that, The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, further there were no such changes occurred in the Board of Directors of the Company during the reporting year. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period the company has following events / actions which is having major bearing on the Companies affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

1. The Company has incorporated its Wholly-Owned Subsidiary Company named Globale Tessile Private Limited on August 1, 2017.
2. The Company has converted 1500000 Warrants into 1500000 Equity Shares on October 14, 2017 out of 3350000 warrants outstanding as on date of conversion.
3. The Company has setup a new project of Coated Fabric, as a part of its expansion and diversification process under its existing Technical Textile Segment situated at Sanand, Ahmedabad

**For, Bunty Hudda & Associates,
Bunty Hudda (Proprietor)**

Place: Ahmedabad
Date: May 30, 2018

ACS No. 31507
C P No: 11560

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

‘Annexure A’

To,
The Members
Mahalaxmi Rubtech Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, Bunty Hudda & Associates,
Bunty Hudda (Proprietor)**

Place: Ahmedabad
Date: May 30, 2018

ACS No. 31507
C P No: 11560

ANNEXURE – III TO THE DIRECTORS’ REPORT

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2018**

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	L25190GJ1991PLC016327
ii)	Registration Date	25-09-1991
iii)	Name of the Company	Mahalaxmi Rubtech Limited
iv)	Category / Sub-Category of the Company	Limited by Shares / Public Company
v)	Address of the Registered office and contact details	47 New Cloth Market O/S Raipura Gate, Ahmedabad-380002 Tel.: +91-79-40008000 Fax: +91-79-40008020
vi)	Whether listed company	Yes / No (BSE Limited)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, 247, Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400083. Tel No.: 022 - 49186270, Fax No.: 022 - 4918 6060 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Weaving of Textile and Finishing of Textile	131	91.59 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Globale Tessile Private Limited YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380015	U17299GJ2017PTC098506	Wholly Owned Subsidiary	100 %	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoter s									
(1)	Indian									
a)	Individual/ HUF	5361246	0	5361246	53.77	6861246	0	6861246	59.82	6.05
b)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corp.	823977	0	823977	8.27	823977	0	823977	7.18	-1.09
e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (1):-	6185223	0	6185223	62.04	7685223	0	7685223	67.00	4.96
(2)	Foreign									
a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6185223	0	6185223	62.04	7685223	0	7685223	67.00	4.96
B	Public Shareholding									
1	Institutions									
a)	Mutual Funds	7900	0	7900	0.08	7900	0	7900	0.07	-0.01
b)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FII's	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	(specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1):-	7900	0	7900	0.08	7900	0	7900	0.07	-0.01
2	Non- Institutions									
a)	Bodies Corp.									
i)	Indian	631981	3350	635331	6.37	553912	3350	557262	4.86	-1.51
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	1672111	130370	1802481	18.08	1654452	80120	1734572	15.12	-2.96
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	997289	0	997289	10.00	1087156	0	1087156	9.48	-0.52
c)	Others									
i)	NRI	15862	4625	20487	0.21	26654	4000	30654	0.27	0.06
ii)	Clearing Member	65051	0	65051	0.65	48688	0	48688	0.42	-0.23
iii)	Trust	3400	0	3400	0.03	3400	0	3400	0.03	0.00
iv)	HUF	253113	0	253113	2.54	257131	0	257131	2.24	-0.30
v)	IEPF	0	0	0	0.00	58289	0	58289	0.51	0.51
	Sub-total (B)(2):-	3638807	138345	3777152	37.88	3689682	87470	3777152	32.93	-4.95
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	3646707	138345	3785052	37.96	3697582	87470	3785052	33.00	-4.96
C	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	9831930	138345	9970275	100.00	11382805	87470	11470275	100.00	0.00

* % of holding is calculated as 9970275 shares at the beginning of the year and 11470275 shares at the end of the year pursuant to conversion of 1500000 warrant into 1500000 equity share of the Company on 14-10-2017

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Jeetmal B. Parekh	994481	9.97	0.00	1494481	13.03	0.00	3.06
2	Rahul J. Parekh	1251119	12.55	0.00	1751119	15.27	0.00	2.72
3	Anand J. Parekh	1151122	11.55	0.00	1651122	14.39	0.00	2.84
4	Kamlaben J. Parekh	756570	7.59	0.00	756570	6.59	0.00	-1.00
5	Amita A. Parekh	371596	3.73	0.00	371596	3.24	0.00	-0.49
6	Ratna R. Parekh	354120	3.55	0.00	354120	3.09	0.00	-0.46
7	Mamta A. Surana	159238	1.60	0.00	159238	1.39	0.00	-0.21
8	Rahul Calchem Pvt. Ltd	286100	2.87	0.00	286100	2.49	0.00	-0.38
9	Mahalaxmi Calchem Pvt. Ltd	233490	2.34	0.00	233490	2.04	0.00	-0.30
10	Heena Agriculture Pvt. Ltd	94875	0.95	0.00	94875	0.83	0.00	-0.12
11	Anand Chem Industries Pvt. Ltd	130762	1.31	0.00	130762	1.14	0.00	-0.17
12	Sonnet Colours Pvt. Ltd	45625	0.46	0.00	45625	0.4	0.00	-0.06
13	Ashita Mercantile Pvt. Ltd	33125	0.33	0.00	33125	0.29	0.00	-0.04
14	Atulkumar Jain	4625	0.05	0.00	4625	0.04	0.00	-0.01
15	Jeetmal Bhoorchand HUF	180375	1.81	0.00	180375	1.57	0.00	-0.24
16	Jeetmal Prithviraj HUF	10250	0.10	0.00	10250	0.09	0.00	-0.01
17	Jeetmal Rahulkumar HUF	127750	1.28	0.00	127750	1.11	0.00	-0.17
	TOTAL	6185223	62.04	0.00	7685223	67.00	0.00	4.96

* % of holding is calculated as 9970275 shares at the beginning of the year and 11470275 shares at the end of the year pursuant to conversion of 1500000 warrant into 1500000 equity share of the Company on 14-10-2017.

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

Sl. No.	Date	Reason	Shareholding at the beginning of the year		Share holding at the end of the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
		At the beginning of the year	6185223	62.04	6185223	62.04
1	14-Oct-17	Conversion of Warrant	1500000	4.96		
		At the End of the year	7685223	67.00	7685223	67.00

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

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	ENVIRO CONTROL ASSOCIATES (INDIA) PRIVATE LIMITED	170455	1.49	01.04.2017		Nil movement during the year	0	
2	MANAV MERCANTILE PRIVATE LIMITED	87671	0.76	31.03.2018 01.04.2017		Nil movement during the year	170455	1.49
3	RAJESH JAYANTILAL KHANDHAR	85000	0.74	31.03.2018 01.04.2017		Nil movement during the year	87671	0.76
4	KARVY STOCK BROKING LIMITED	83759	0.73	31.03.2018 01.04.2017			85000	0.74
				07.04.2017	Transfer	-300	83459	0.73
				28.04.2017	Purchase	249	83708	0.73
				12.05.2017	Purchase	250	83958	0.73
				19.05.2017	Transfer	-10	83948	0.73
				09.06.2017	Purchase	21	83969	0.73
				16.06.2017	Transfer	-100	83869	0.73
				23.06.2017	Transfer	-40	83829	0.73
				21.07.2017	Purchase	10	83839	0.73
				28.07.2017	Transfer	-10	83829	0.73
				04.08.2017	Purchase	125	83954	0.73
				11.08.2017	Transfer	-129	83825	0.73
				01.09.2017	Transfer	-25	83800	0.73
				08.09.2017	Transfer	-500	83300	0.73
				06.10.2017	Purchase	20	83320	0.73
				13.10.2017	Transfer	-120	83200	0.73
				27.10.2017	Purchase	500	83700	0.73
				03.11.2017	Purchase	513	84213	0.73
				17.11.2017	Purchase	466	84679	0.74
				01.12.2017	Purchase	100	84779	0.74
				08.12.2017	Transfer	-300	84479	0.74
				15.12.2017	Transfer	-875	83604	0.73
				05.01.2018	Purchase	1000	84604	0.74
				26.01.2018	Purchase	100	84704	0.74
				09.02.2018	Transfer	-50	84654	0.74
				16.02.2018	Purchase	1361	86015	0.75
				23.02.2018	Transfer	-1381	84634	0.74
				09.03.2018	Transfer	-10	84624	0.74
				23.03.2018	Purchase	200	84824	0.74
5	VAST APPRO COMBINES PRIVATE LTD	69993	0.61	31.03.2018 01.04.2017		Nil movement during the year	84824	0.74
6	ROHIT C SHAH	69300	0.6	31.03.2018 01.04.2017		Nil movement during the year	0	
7	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	0	0	31.03.2018 01.04.2017		Nil movement during the year	69993	0.61
8	KAMAL KUMAR KESHWANI	58568	0.51	31.03.2018 01.04.2017		Transfer	69300	0.6
				28.04.2017	Transfer	-2046	58568	0.51
9	KANWAL KISHOR ARORA	38406	0.33	31.03.2018 01.04.2017		Transfer	58568	0.51
				14.04.2017	Purchase	56	56522	0.49
				21.04.2017	Purchase	1107	56522	0.49
				11.08.2017	Purchase	62	39631	0.35
				18.08.2017	Purchase	1982	41613	0.36
				25.08.2017	Purchase	1212	42825	0.37
				27.10.2017	Purchase	101	42926	0.37
				23.03.2018	Purchase	2002	44928	0.39
10	MANAV ARORA	41124	0.36	31.03.2018 01.04.2017		Transfer	44928	0.39
				21.04.2017	Purchase	2500	43624	0.38
11	PUMARTH INFRASTRUCTURE PVT. LTD.	38965	0.34	31.03.2018 01.04.2017		Transfer	43624	0.38
						Nil movement during the year	0	
12	LKP FINANCE LIMITED	47180	0.41	31.03.2018 01.04.2017		Transfer	38965	0.34
				19.05.2017	Transfer	-3399	43781	0.38
				16.06.2017	Transfer	-1000	42781	0.37
				24.11.2017	Transfer	-398	42383	0.37
				01.12.2017	Transfer	-24249	18134	0.16
				08.12.2017	Transfer	-18134	0	0
				31.03.2018			0	0

1. All the Calculation for Shareholding is calculated as per 11470275 equity shares.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jeetmal B. Parekh (Chairman)				
	At the beginning of the year*	994481	9.97	994481	9.97
	Date wise Increase / Decrease in Share holding during the year Allotment pursuant to conversion of warrant into equity share of the Company on 14-10-2017	500000	4.36	500000	4.36
	At the End of the year	1494481	13.03	1494481	13.03
2	Rahul J. Parekh (Managing Director)				
	At the beginning of the year*	1251119	12.55	1251119	12.55
	Date wise Increase / Decrease in Shareholding during the year Allotment pursuant to conversion of warrant into equity share of the Company on 14-10-2017	500000	4.36	500000	4.36
	At the End of the year	1751119	15.27	1751119	15.27
3	Anand J. Parekh (Jt. Managing Director)				
	At the beginning of the year*	1151122	11.55	1151122	11.55
	Date wise Increase / Decrease in Shareholding during the year Allotment pursuant to conversion of warrant into equity share of the Company on 14-10-2017	500000	4.36	500000	4.36
	At the End of the year	1651122	14.39	1651122	14.39
4	Malav J. Ajmera (Independent Director)				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
5	Nehal M. Shah (Independent Director)				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
6	Sangita S. Singhi (Independent Director)				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
7	Rajendra R. Mehta (Chief Financial Officer)				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
8	Shailesh P. Koshti (Company Secretary)				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0

* % of holding is calculated as 9970275 shares at the beginning of the year and 11470275 shares at the end of the year pursuant to conversion of 1500000 warrant into 1500000 equity share of the Company on 14-10-2017.

VI. INDEBTEDNESS

(Rs. in Crores)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	26.30	9.92	0	36.22
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	26.30	9.92	0	36.22
Change in Indebtedness during the financial year				
• Addition	4.40	3.00	0	7.40
• Reduction	1.00	5.25	0	6.25
Net Change	3.40	-2.25	0	1.15
Indebtedness at the end of the financial year				
i) Principal Amount	29.70	7.67	0	37.37
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	29.70	7.67	0	37.37

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Rahul Parekh	Anand Parekh	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1800000	1800000	3600000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32400	32400	64800
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- Others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	1832400	1832400	3664800
	Ceiling as per the Act	10% of the Net profit of the Company		

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
	Independent Directors		
	• Fee for attending board committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
	Other Non-Executive Directors		
	• Fee for attending board committee meetings	----- N.A. -----	
	• Commission		
	• Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

* As per Companies current remuneration policy, Non-Executive and Independent Director's are not paid any fee or commission or by any other means.

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		CEO	Company Secretary	CFO	
1	Gross salary	N.A.			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		350002	1560000	1910002
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		0	0	0
2	Stock Option		0	0	0
3	Sweat Equity		0	0	0
4	Commission			0	
	- as % of profit		0	0	0
	- Others, specify...		0	0	0
5	Others, please specify		0	0	0
	Total (A)	350002	1560000	1910002	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Sl. No.	Particulars of Remuneration	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal Made. If any (give details)
A.	COMPANY					
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

ANNEXURE – IV TO THE DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis : Not Applicable
2. Details of contracts or arrangements or transactions at arm's length basis :

MAXIMUM VALUE OF CONTRACT /TRANSACTION FOR THE FINANCIAL YEAR 2017-18		
(TRANSACTIONS/ CONTRACT CARRIED OUT IN ORDINARY COURSE OF BUSINESS)		
Nature of contract / transactions with Related Parties	Name of the related parties and nature of relationship	Value of the contract / transactions with each Related Party.
To sale goods and articles and/or To get job work done for party and/or To purchase goods and articles and / or To get job work done from party and/or To avail services from party and /or To provide services to party. (Including sell, purchase or otherwise dispose / acquire property if any kind and / or Letting / Leasing of property of any kind.)	M/s Mahalaxmi Exports (Associate concern)	₹ 66.63 Crores
	Anand Chem Industries Pvt. Ltd (Associate concern)	₹ 4.04 Crores
	Mahalaxmi Calchem Pvt. Ltd (Associate concern)	₹ 82.37 Lacs
	Shah Jeetmal Champalal (Associate concern)	₹ 1.05 Crores
	Rahul Textile (Associate concern)	₹ 1.08 Lacs
DIRECTORS/KMPS/ Relatives of Directors and KMPS / Other Firms and Companies in Which all or any of the following namely Mr. Rahul J Parekh Mr. Anand J. Parekh, Mr. Jeetmal B. Parekh and Mr. Rajendra R. Mehta are Interested as per the provisions of Section 2(76) of the Companies Act,2013.		

- a) Name of the related party and nature of relationship: As provided in the table above.
- b) Nature of the contract /arrangement / transaction: As provided in the table above.
- c) Duration of the contract / arrangement / Transaction: 2017-18
- d) Salient terms of the contract or arrangement or transaction including the value, if any: As provided in the table above.
- e) Date of approval at the Board Meeting held on: 26.05.2017, 14.09.2017, 12.12.2017 and 14.02.2018
- f) Amount paid as advance, if any : Nil

For and on behalf of the Board
Mahalaxmi Rubtech Limited

Place: Ahmedabad
Date: 30th May, 2018

Jeetmal B. Parekh
(Chairman)

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY

In 2017, the cyclical upswing underway since mid-2016 continued to strengthen and the global economy witnessed a pickup in growth. According to the International Monetary Fund (IMF), the year reported the broadest synchronized global growth surge since 2010. The advanced economies witnessed expansion owing to increased investments and manufacturing output. Similarly, key emerging markets and developing economies, including Brazil, China and India, posted strong upward momentum. Given stronger than expected economic activity in 2017, the IMF has revised its growth forecast for the United States from 2.3% to 2.7% in 2018 and from 1.9% to 2.5% in 2019. Stronger domestic demand in the United States is projected to increase imports. In Europe too, economic activity in 2018 and 2019 is projected to remain stronger than anticipated. Moreover, the advanced economies in Asia are expected to deliver stronger growth, while the emerging and developing ones are expected to grow at around 6.5% over 2018-19, broadly the same pace as in 2017.

INDIAN ECONOMY

India's economy picked up some pace in FY 2017-18 and the gross domestic product growth was better than FY 2016-17. With an improving business ecosystem, stable macroeconomic indicators and a liberal FDI regime, foreign capital inflow has provided impetus to the domestic economy. According to World Bank's Global Economic Prospects report, India's GDP is expected to rise to 7.4% in FY 2018-19 and 7.8% in FY 2019-20.

GLOBAL TEXTILE AND APPAREL INDUSTRY

Along with the upbeat outlook for the global economy, the textile including made-ups articles and apparel industry is also expected to witness growth across developed and emerging markets. While the apparel industry is still largely dominated by the European Union and the US, countries like China, India and Italy are emerging as key exporters of apparel and as future destinations for consumption. The global trade in the apparel segment is expected to grow at a CAGR of 5% and the global textiles trade is projected to grow at a CAGR of 3% over 2016-26. Fabric is expected to lead the category, followed by yarns and fibre.

INDIAN TEXTILE INDUSTRY

The Indian textiles industry is among the oldest in the country. It is projected to reach USD 230 billion by 2020 from around USD 120 billion. Currently, the domestic textiles industry contributes 10% to the manufacturing output of the country, generates about 4% to its GDP and employs more than 45 million people. Importantly, the sector contributes 15% to the export earnings of India. Mitigating the repercussions of currency fluctuation remains a challenge.

Exports have been a core feature of India's textile sector. The Indian textiles export market, estimated at \$18 billion, is expected to grow at a CAGR of 4% compared to the global CAGR of 3% over 2016-26.

BUSINESS OVERVIEW

The Company continues to sustain with its overall performance in the financial year 2017-18 driven by the average performance in existing and new business. Currently the Company is running well in Traditional Textile segment and substantial growth in the Technical Textile Segment. Your Directors have been making efforts on all fronts viz. production, marketing, finance and cost control etc. and these efforts have been yielding good results. The outlook for the company's products appears to be good and the company is confident of achieving improved operational performance.

The total income of the company increased to ₹ 22997.84 Lakhs from ₹ 20304.48 Lakhs in the previous year, at a rate of 13.26%. The Profit before Tax amounted to ₹ 564.48 Lakhs as against ₹ 503.71 Lacs in the previous year. The net profit after tax was increased to ₹ 379.71 Lakhs as against ₹ 333.51 Lakhs in the previous year.

Your company has continued to put in all possible efforts to boost exports, during the year under review achieved Export sales (F.O.B.) to the tune of ₹ 2974.29/- Lacs.

GST – ONE NATION ONE TAX AND ITS IMPACT ON YOUR COMPANY:

Another major reform in Indian Economy took place for implementation of GST w.e.f 1st July, 2017 which replaced multiple cascading taxes levied by the Central and State Governments. The passage of the Goods & Services Tax (GST) bill is a significant achievement and its implementation will have a positive impact on the economy. Goods and Services Tax (GST) is a landmark reform which will have a lasting impact on the economy and on businesses. Implementation of a well-designed GST model that applies to the widest possible base at a low rate can provide significant growth stimulus to the business and contribute to the Prime Minister's mission of 'Make in India'. Your Company has migrated itself to GST.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Your Company operates mainly in two broad areas: Traditional Textiles Division and Polymer Based Technical Textile Division. The Traditional Textile Division is having two separate units for Weaving and Processing.

In textile division your Company operates in three separate units i.e. "Maheeka Textech" (A Weaving Unit), Mahalaxmi Global (A Trading Unit) and "Mahalaxmi Fabric Mills" (A Fabric Processing Unit). Maheeka Textech is a high-tech weaving unit which includes warping, sizing and world-class automatic rapier looms and airjet looms for weaving of various types of fabrics. Maheeka Textech also has facility for manufacturing speciality fabrics used for technical textiles. Mahalaxmi Global mainly operates in shirting and high value fabrics. Mahalaxmi Fabric Mills a processing unit is engaged in dyeing, bleaching, printing and processing of various types of fabrics and at the end of the chain its fabric range goes in to high quality Apparel and Home Textiles, catering to Domestic as well as Global Market. Your company has continued plans for setting up new plant and machinery for technology up-gradation and expansion under TUFs. Your Company has end-to-end complete facility from warping, sizing, weaving, dyeing, bleaching, printing, processing and finishing of various types of fabrics such as cotton, polyester, Bottom-weight and other blends.

Polymer Based Technical Textile & Rubber Division at MRT manufactures Textile Printing Blankets, Offset Printing blankets and a range of other niche rubber products. Textile Printing Blankets are widely used on all type of textile screen printing machines. This division is also manufacturing Offset Printing Blankets used in Sheet Fed and Web printing machines. Going forward your company now intends to develop and launch various types of printing blankets used for different applications such as UV printing, High Speed Web Machines, Metal Printing etc. Your company is also now making efforts to market their offset printing blankets in the world market.

Since a long time MRT has been exporting its products to many countries, Your Company operates across multiple products and business in diverse markets and environment. This includes manufacturing of Polymer Coated Engineered Fabrics having diverse end uses. The Company is having domestic market, as well as exports to various countries across the globe. The Company have well equipped laboratory, quality assurance team and equipment to produce and offer its premium product line, with speciality character and performance, to match all kind of national or international norms and standards. The company regularly participates in international exhibitions enabling it to keep abreast with the latest global trends.

SEGMENTAL REVIEW AND ANALYSIS:

The performance of our Traditional Textile unit has been well and noted the significant increase in the turnover as well as in the profit. The Technical Textile Unit performs steady and has been some growth in turnover. Due to a general market recession, the demand and prices for technical textile products remained weak. In the Domestic market, with the help of continuous new product development and increasing value added product supply, the Company is offering a wide range of high quality products to all categories of the customers with continual developments in blends, weaving structures, designs, finishes, etc. This should enhance our margins in due course in spite of increase in labour cost, power cost, etc. In exports, due to a globally weak retail sentiment, mainly in the Europe, the pressure would remain on sales & prices.

STRENGTH AND WEAKNESS:

Indian textile industry is as old as the word textile itself. This industry holds a significant position in India by providing the most basic need of Indians. Starting from the procurement of raw materials to the final production stage of the actual textile, the Indian textile industry works on an independent basis.

In addition to availability of large labor force with required skills at a comparatively cheap rate, Indian Textile Industry has a great advantage in that India is the third largest cotton producing country in the World. The Indian textile industry is autonomous and self-governing. Cheap labour and strong entrepreneurial skills have always been the backbone of the Indian Apparel and textile Industry.

The Ministry of Textiles under the Government of India has taken some significant steps to promote the textile industry and Technical textile industries in the Country. Technology Up-gradation Fund Scheme aims at making available funds to the domestic textile industry for technology up-gradation and setting up for new units. This scheme aims to generate annual growth in volume terms in cloth production and in value terms in exports by increasing domestic value addition and technology depth and enhancing global competitiveness. The Indian Government and State Government have come up with a number of exports promotion policies for the textile and technical textile sector.

However, one of the biggest weakness of the Textile industry is its old machines, spinning and processing sector lacks modernization and there is a need of introducing new technology and also India has relatively less number of shuttle-less loom.

While the global textile industry is advancing technologically, local textile industry still relied on import of second hand textile machineries Moreover; huge tariff barriers are faced by the Industry on account of preferential tariff arrangements.

OPPORTUNITIES AND THREATS:

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players into the Indian market. The rise of e-commerce and emerging retail industry and malls provide huge opportunities for the apparel and home textiles. The organized apparel segment is expected to grow at a compound annual growth rate (CAGR) of more than 13 per cent over a 10- year period. There is scope for growth in the textile industry as India's share in the global trade in textiles is weak, compared to other countries, based on the availability of raw material and skills. The free trade environment is a good opportunity for Indian textile industry to increase its share in the global market.

The Company has established all its manufacturing facilities within a radius of 50 kilometers from each other and in the event of any natural calamity in the region, the operations of the Company may be hampered. Looking to the strategic advantage of being closer to the market, port and specific concessions extended by the State Government, it is a trade-off call for the continuing benefits to the organisation. The Company is not ruling out future expansions at geographically different locations to mitigate such risks.

Volatility in the foreign currencies could impact export earnings of the Company. However, as of now, a major part of the revenues is derived from domestic market with no significant imports of inputs. The Company follows prudent financial measures that are subjected to periodic reviews to hedge its revenues in foreign currency.

Obsolescence of technology, risk in industrial environment from competition, changing customer needs may affect company's business.

OUTLOOK:

During the year under review, the Textile Industry has performed reasonably well in comparison to the performance of the previous year. In the mid-long term, the Indian textile industry is expected to grow very strongly with growth being balanced from both domestic consumption as well as exports demand. In the near-term, domestic demand would depend on the revival of the macroeconomic factors. On exports front, there are both positive and negative factors.

Your company is looking grow selectively in high value-added segments within textiles, for maximum capital efficiency as well as de-risked business model. The company is taking all efforts to improve the quality and productivity to get more orders at competitive

rates. Due to well-established of weaving dying, bleaching and printing units, the Company is able to quote better rates and maintain high quality & productivity in the finished goods manufactured. The company's business is committed to achieve world benchmark quality besides expanding on new product offering from new clients. These measures will ensure the company maintaining its leadership position in the world market. Barring unforeseen circumstances, the company is confident of achieving better results in the current year.

KEY RISKS & CONCERNS

The textile business, like other businesses, is susceptible to various risks. The primary risk factor is raw material prices, mainly cotton and the biggest component of cost. Cotton prices are increasing regularly as are other input costs including power and logistics. Since cotton is an agricultural produce, it suffers from climatic and seasonal volatility. Whereas such volatility in case of a product higher in the textile value chain is generally passed through an increase in value added products in the basket provides insulation against such volatilities.

Textile industry is always subject to facing crisis in a cyclical way. Timely action is needed to overcome this situation by taking corrective and proactive steps, then and there.

FINANCIAL AND OPERATIONAL PERFORMANCE:

The financial performance during the year under review has marginal growth in terms of sales and profit earned by the Company. Please refer to brief description of the Company's financial highlights during the year and State of Company's Affair in the Board of Directors Report.

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 internal audit programme is finalized in consultation with the internal auditors and the audit committee of the Board. 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. The audit committee of the Board meets periodically to review various aspects of the performance of the company and also review the adequacy and effectiveness of the internal control system and suggests improvement for strengthening then from time to time.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

Your Company continues to have cordial and harmonious relations with its employees at all levels during the period under review. The company also puts emphasis on formal training and development programme to operators and workers, as a core activity and provides continuous training, both internally and externally, for upgradation of employee skills. The operations of the Company across functions have been strengthened through induction of appropriately qualified and experienced manpower.

Management identifies the potential of each employee and endeavors by providing them right opportunity to grow. Management of your Company strongly focuses on the performance of the managers. The Board acknowledges it's thanks to all the shop floor personnel and other employees for making significant contribution to your Company.

Our positive approach to competency, development and retention allows attracting, retaining and built the best team. 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. Industrial Relations were cordial and satisfactory.

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. Further your company also plans to make new investments for upgrading and modernizing their R & D facilities.

ISO 9001:2008 CERTIFICATION:

We wish to inform you that your company has obtained the ISO 9001:2008 Certification for Technical Textile & Rubber Division, Accredited by TUV South Asia Private Limited. 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, Offset Printing Blankets and Rubberised Textile Fabrics, through in-house R&D, and successfully market them around the world.

CAUTIONARY STATEMENT:

Comments in this Management Discussion and Analysis outlining the Company's strategies and objectives are believed by the Management to be true and to the best of its knowledge but at the time of preparation actual results may differ materially from those expressed or implied and hence the Company and the Management shall not be held responsible for any loss which may arise as a result of any action taken on the basis of information contained herein. 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

The Directors present the Company’s Report on Corporate Governance for the year ended March 31, 2018, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The “Listing Regulations”).

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance includes transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalization, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sin-quo-nun of modern management.

Company’s Philosophy on Code of Governance:

Your Company’s Philosophy on Corporate Governance is built on rich legacy of fair, transparent and effective governance which includes strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct. The Company remained committed towards protection and enhancement of overall long-term value for its entire stakeholder, customer, lender, employee and society. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company’s Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter–Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company adheres to good corporate practices and is constantly striving to make them better. 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 prescribed in Regulation 17 to 27 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and some of the practices followed by the Company on Corporate Governance, for the financial year ended 31st March, 2018.

Governance Structure

The Corporate Governance structure at Mahalaxmi Rubtech Limited is as follows:

1. Board of Directors:

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company’s management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

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 Eleven Board Meetings were held on 18.04.2017, 26.05.2017, 05.07.2017, 10.08.2017, 14.09.2017, 25.09.2017, 14.10.2017, 12.12.2017, 29.12.2017, 14.02.2018 and 03.03.2018. 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 27.09.2017	No. of other Directorships	Committee of the Board	
					Membership ***	Chairmanship ***
Jeetmal B. Parekh (DIN 00512415)	NED-P	11	YES	*5	1	0
Rahul J. Parekh (DIN 00500328)	MD	10	YES	*7	1	0
Anand J. Parekh (DIN 00500384)	JT. MD	11	YES	*4	2	0
Sangita Singhi (DIN 06999605)	NED-I (WD)	11	YES	3	1	1
Nehal M. Shah (DIN 00020062)	NED-I	9	NO	*7	0	1
Malav J. Ajmera (DIN 02441549)	NED-I	8	YES	*1	1	1

* All Private Limited Company, ***As required under the Listing Obligation and Disclosure Requirement, Regulation 2015 the disclosure includes memberships / chairmanships of Audit Committee, Nomination and remuneration Committee and Stakeholders Relationship Committee in public limited companies.

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

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

Roles, Responsibilities and Duties of the Board

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

Meetings of Independent Directors

The Company’s Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company’s affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors’ views to the Chairman and Managing Director. One meeting of Independent Directors was held during the year on March 03, 2018.

2. Committees of the Board:

The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Share Transfer Committee and Risk Management Committee. Each of the said Committee has been mandated to operate within a given framework.

A) Audit Committee:

Composition and Terms of Reference:

The Audit Committee comprises of two Independent Directors and one Executive Director. Shri Malav J. Ajmera – Independent Director is the Chairman, Shri Anand J. Parekh – Executive Director and Smt. Sangita Singhi – Independent Director are the members of the Committee. All members of the Audit Committee are financially literate and bring in expertise in the field of Finance, Taxation, Accounts, Management Expertise, Risk and International Finance. The Chairman of the Audit Committee has attended last Annual General Meeting of the Company held on 27th September, 2017. The Company Secretary acts as the Secretary to the Committee.

The statutory auditors and the internal auditors were present as invitees in all the meetings. The Managing Director and CFO of the Company attended the meetings by invitation. Based on the requirement, other directors attended the meetings by invitation. All the recommendations of the Audit Committee during the year, were considered, accepted and approved by the Board.

The Committee met 6 times during the year on 26.05.2017, 10.08.2017, 14.09.2017, 25.09.2017, 12.12.2017 and 14.02.2018. The attendance of members at the meetings was as follows:

Name of Member	Status	No. of Meetings Attended
Malav J. Ajmera	Chairman	6
Anand J. Parekh	Member	6
Sangita Singhi	Member	6

The terms of reference and power of the Audit Committee cover the matters specified for Audit Committees under Regulation 18 of SEBI (LODR), Regulation 2015 and also as required under Section 177 of the Companies Act, 2013.

Review of Information by Audit Committee

Audit Committee has reviewed and satisfied that the Company’s internal audit function is adequately resourced and has appropriate standing within the Company. Audit Committee has also reviewed:-

- Management Discussion and Analysis of financial condition and results of operation,
- Statement of significant Related Party transactions submitted by the management,
- Internal Audit Reports relating to internal control weaknesses,
- Quarterly / Annual financial statements with statutory auditors and management before submission to the Board,
- Internal control systems, findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board,
- Internal audit function, internal audit reports relating to internal control weaknesses and functioning of whistle blower mechanism.
- Evaluation of internal financial controls and risk management systems
- Management discussion and analysis of financial condition, results of operation financial and risk management policies of the Company.

- Compliance with listing and other legal requirements relating to financial statements
- Changes, if any, in accounting policies and practices and reasons for the same, major accounting entries involving estimates based on the exercise of judgement by management and significant adjustments made in the financial statements arising out of the audit findings.
- Valuation of undertakings or assets of the company, as and when required as per the charter and the terms of reference, the Audit Committee, also:
- Recommends appointment of Auditors and their remuneration and approves the appointment of CFO
- Discusses the scope of audit and post-audit area of concern and qualifications, if any, with Statutory Auditors / Internal Auditors.

The Audit Committee reviews the quarterly unaudited / annual audited financial results of the Company. The unaudited results are subjected to limited review by the statutory auditors of the Company. The statutory auditors are eligible to issue limited review report as the audit firm has been subjected to peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of ICAI. The Audit Committee approves payments to statutory auditors for audit and non-audit services.

In accordance with the provisions of Companies Act, 2013, rules made thereunder and provisions of listing agreement / SEBI LODR, the Audit Committee accords prior approval for all Related party transactions (RPTs), including any modifications thereto, as per the policy on Related Party Transactions. The Audit Committee annually grants omnibus approvals for transactions that are routine or repetitive in nature and which are proposed to be undertaken / entered in the ordinary course of business at arm's length basis. While according omnibus approvals, the Audit Committee takes into consideration the following factors viz., maximum value of the transactions, including value per transaction, extent and manner of disclosures made to the Audit Committee. On a quarterly basis the Audit Committee reviews related party transactions entered into by the company pursuant to each of the omnibus approval.

The Audit Committee reviews all mandatory information under Part C of Schedule II pursuant to Regulation 18 SEBI LODR, including review of internal auditor observations, statutory compliance.

The appointment of Statutory Auditors and Cost Auditor, and fixation of their remuneration and other payments are as recommended by the Audit Committee.

The Board of Directors notes the Minutes of the Audit Committee Meetings at Board Meeting.

B) Nomination & Remuneration Committee

The Remuneration Committee inter alia, reviews and recommends the remuneration and commission / performance incentive of Executive and Non-Executive Directors. The Terms of reference of the Remuneration Committee include the matters specified in Regulation 19 of the LODR, Regulation 2015.

The committee comprises of 3 Non-Executive directors, Smt. Sangita Singhi as Chairman and Shri Jeetmal B. Parekh and Shri Malav J. Ajmera as members.

During the year under review, the committee met on two times on 22.05.2017 where all members were present in the meeting.

Details of Remuneration for the year 2017-18 paid to the Directors are as follows:

Remuneration for the year 2017-18 to Shri Rahul J. Parekh, Managing Director: -

- Basic Salary ₹ 18,00,000/- (Rupees Eighteen Lacs only), Perquisites: ₹ 32,400/- (Rupees Thirty-two Thousand Four Hundred only)
Remuneration for the year 2017-18 to Shri Anand J. Parekh, Jt. Managing Director: -
- Basic Salary ₹ 18,00,000/- (Rupees Eighteen Lacs only), Perquisites: ₹ 32,400/- (Rupees Thirty-two Thousand Four Hundred only) The other information of Directors are as under:

Name	Age	Designation	Date of Initial Appointment	Nature of Employment	Shares held
Jeetmal B. Parekh	75	Chairman	27.08.1993	-----	1494481
Rahul J. Parekh	46	Managing Director	05.07.1995	As Per terms of Appointment	1751119
Anand J. Parekh	42	Jt. Managing Director	19.11.2008	As Per terms of Appointment	1651122
Nehal M. Shah	46	Director	30.03.2005	-----	NIL
Malav J. Ajmera	41	Director	19.11.2008	-----	NIL
Sangita S. Singhi	47	Director	31.03.2016	-----	NIL

The company does not pay any remuneration for attending the Board / Committee Meeting to Non-executive directors and Independent Directors. There is no pecuniary relationship or transaction of the company with any non-executive directors.

Terms of Reference:

- To formulate criteria for determining qualifications, positive attributes and independence of director for evaluation of performance of Independent Directors and the Board.
- To approve the remuneration policy of directors.
- To devise policy on Board diversity.

- To provide guidance to the Board on matters relating to appointment of Directors, Independent Directors, KMP and SMP, i.e., the core management team one level below the executive directors.
- To evaluate performance, recommend and review remuneration of the executive directors based on their performance.
- To recommend to the board, the extension / continuation of term of appointment of Independent Directors based on report of performance evaluation.
- To consider and recommend professional indemnity and liability for Directors, KMP and SMP.

Remuneration Policy

The Company's philosophy for remuneration of Directors, key managerial personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy areas under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The key principles governing the Company's Remuneration Policy are as follows:

Remuneration for independent Directors and non-independent non-executive Directors

Independent Directors ('ID') and non-independent non-executive Directors ('NED') may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be members, and commission within regulatory limits, as recommended by the Nomination and Remuneration Committee ('NRC') and approved by the Board. As per the current policy of the company is no fees paid to independent Directors and non-independent non-executive Directors.

Remuneration for Managing Director ('MD')/ Executive Directors ('ED')/ Key Managerial Personnel ('KMP')/ rest of the Employees

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company also provides all employees with a social security. The Company provides retirement benefits as applicable.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company may provide MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.
- The Company may provide the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

Familiarisation programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company.

Board and Director Evaluation and criteria for evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director.

Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

C) Stakeholder's Relationship Committee (SR Committee)

Terms of Reference

The SR Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' 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 Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The SR Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the LODR, Regulation 2015 and provisions of the Companies Act, 2013.

The shareholders' Grievance Committee comprise of Non-Executive director (independent), and two Executive Directors. The committee met four times during the year on 26.05.2017, 10.08.2017, 14.10.2017 and 14.02.2018 all the members of committee attended the meeting.

Members:

Shri Nehal M. Shah – Chairman,

Shri Rahul J. Parekh – Member,

Shri Anand J. Parekh – Member

Shri Shailesh P. Koshti, Company Secretary is a Compliance Officer.

During the year company has received 4 complaints, All the Complains were resolved on time and no complaint remains pending at year end, if any. The status of complaints is periodically reported to the Committee and Board of Directors in their meetings, if any.

D) Share Transfer Committee:

To expedite the process of share transfers, the Board has delegated the power of share transfer, transmission, dematerialization / rematerialization, split / consolidation, issue of duplicate share certificates etc. to a committee comprising of such senior officials designated from time to time. The Committee meets on a case to case basis to approve share transfers and transmissions. The Committee reports the details of transfer of securities to the Board. No sitting fees payable to the committee members.

Pursuant to Regulation 40(9) of the Listing Regulations with the stock exchanges, the Company obtains a Certificate from a Practicing Company Secretary on half yearly basis, for due compliance of share transfer formalities. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, a certificate has also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchanges as required under the SEBI Listing Regulations.

3. Risk Management

A detailed review of business risks and the Company's plan to mitigate them is presented to the Audit Committee and Board. The Company has been taking steps to mitigate foreseeable business risks. Business risk evaluation and management is an ongoing and continuous process within the Company and regularly updated to the Audit Committee and Board.

The Company has formulated a Risk Assessment & Management Policy, duly reviewed by the Audit Committee, establishing the philosophy of the Company towards risk identification, analysis and prioritization of risks, development of risk mitigation plans and reporting to the Board periodically. The Policy would be applicable to all the functions and departments of the Company. The Risk Assessment & Management Policy would be implemented through the establishment of the Risk Management Committee accountable to the Board of Directors. The Committee shall include the Managing Director ('MD'), Jt. Managing Director ('JMD'), Chief Financial Officer, internal auditor of the Company and such other members as included by the Board/MD. The MD will be the Chairman of the Committee.

4. Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. - Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence. A copy of the Code has been put on the Company's website (www.mrtglobal.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Company's Chairman and Managing Director is published in this Report.

5. Green Initiatives

Pursuant to the Companies (Accounts) Rules, 2014 and as a measure of promoting Green Initiatives, the Company proposes to send the financial statements for the year ended March 31, 2018 and Notice of 27th Annual General Meeting by electronic mode to the members whose email ids are registered with the Depository Participant(s) / Company for communication purposes. For Members who have not registered their email address, physical copies will be sent in the permitted mode.

Members who have not registered their email ids with the Company are requested to register the same by sending an email to cs@mahalaxmigroup.net and also update the same with the Depository Participants.

The Company seeks your support in promoting the Green Initiatives, as it is designed to protect our fragile environment.

6. Unclaimed Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The details of unclaimed/ unpaid dividend are available on the website of the Company viz. www.mrtglobal.com

7. Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF authority.

The Company has sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPFA on November 13, 2017, to take immediate action in the matter. As required under the IEPF Rules, the Company has also published a Notice informing the Members' who have not claimed their shares for a period of 7 years to claim the same from the Company before they are transferred to IEPFA.

8. Disclosures:

- Details of related party transactions are furnished in the Financial Statements None of 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.
- The Company has adopted a Code of Conduct for Prevention of Insider Trading ("The Code") in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992 with effect from October 1, 2002. The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulation of 1992 which ordain new action steps by corporate and other market intermediaries for the purpose of prevention of Insider Trading. The Code is amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations.
- As per Section 177 of The Companies Act 2013 and Regulation 22 of the LODR, Regulation 2015, the company has adopted whistle Blower / Vigil Mechanism which includes concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The said policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the higher levels of supervisors including the Audit Committee.
- The Board has adopted Code of Conduct for its Designated Persons. Designated Persons mean Directors and Officers in Management Cadre - functional heads and above. The Company has for the period ended March 31, 2018, received from all Designated Persons, a declaration of compliance with the code. A certificate from the Managing Director, to this effect forms part of this Report.
- The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of the financial statements, the Company has not adopted a treatment different from that prescribed by any Accounting Standard.
- The Company has complied with all mandatory requirements and compliances time to time as required by various authorities and prescribed under various Laws and Regulations. The adoption of non-mandatory requirements has been dealt with further on in this Report.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

9. Compliance

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable, with regard to Corporate Governance.

10. Means of Communication to Shareholders

- (i) The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Gujarati) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- (iii) The Company's financial results and official press releases are displayed on the Company's Website www.mrtglobal.com
- (iv) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
- (v) A separate dedicated section under "Investors Relation", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.
- (vi) SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.
- (vii) The Company has designated the email id cs@mahalaxmigroup.net exclusively for investor relation and the same is prominently displayed on the Company's website www.mrtglobal.com

11. General Body Meeting:

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

Year	Location	Day & Date	Time	Special Resolutions passed
2016-17	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	Wednesday 27.09.2017	11.30 AM	No. Special Resolution passed in the meeting
2015-16	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	Thursday 29.09.2016	11.30 AM	1. To consider Related Party Transaction 2. Approval for keeping and maintaining the Registers, Returns etc. at a place, other than the Registered Office of the Company.
2014-15	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	Wednesday 30.09.2015	11.00 AM	1. To approve Consolidation of Share Capital of the Company. 2. To alter Clause V of Memorandum of Association.

Postal Ballot:

The Company has not passed any resolution through postal ballot during the years under reference. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed through Postal Ballot.

12. General Shareholder information

Annual General meeting to be held on	:	28th September 2018, Friday at 11.30 a.m.
Place of the meeting	:	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad – 380 006
Tentative Financial Calendar	:	1 st April 2018 to 31 st March 2019
Financial Results		
* First Quarter Results	:	By 14 th August, 2018
*Half Yearly Results	:	By 14 th November 2018
*Third Quarter Results	:	By 14 th February 2018
*Annual Results	:	Within 60 days from 31 st March, 2019
Book Closure Date	:	From 22 nd September, 2018 to 28 th , September, 2018 (both days inclusive)
Dividend Payment date	:	N.A.
Listing at Stock Exchanges:		
Name of Stock Exchange	:	BSE Limited
Stock Code	:	514450
ISIN NO. (dematerialized Shares)	:	INE112D01035
Corporate Identity Number (CIN)	:	L25190GJ1991PLC016327

The Company has already paid listing fees for the year 2017-18 to all the Stock Exchanges, where listed.

Market Price Data:
(as per BSE)

Month	Highest Rate (₹.)	Lowest Rate (₹.)
April, 2017	70.70	45.00
May, 2017	64.90	51.50
June, 2017	68.00	50.20
July, 2017	59.70	52.25
August, 2017	55.35	45.50
September, 2017	58.60	45.80
October, 2017	63.90	48.00
November, 2017	62.00	51.00
December, 2017	60.70	46.65
January, 2018	61.40	50.35
February, 2018	58.70	48.05
March, 2018	53.55	46.00

REGISTRAR AND TRANSFER AGENTS

Physical Mode:

Link Intime India Private Limited (unit Mahalaxmi Rubtech Limited)

506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Near XT Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad – 380006. Tel No.: 079 – 2646 5186, Fax No.: 079 – 2646 5179, Email: ahmedabad@linkintime.co.in

Depository Mode:

For National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL):

- | | |
|---|--|
| <p>1. Link Intime India Private Limited (Registered Office)
C-101, 247, Park, L. B. S. Marg,
Vikhroli (West), Mumbai - 400083.
Tel No.: 022 - 49186270, Fax No.: 022 - 4918 6060
Email: rnt.helpdesk@linkintime.co.in</p> | <p>2. Link Intime India Private Limited (Investor Relations Centre)
506-508, Amarnath Business Centre-1, (ABC-1),
Besides Gala Business Centre,
Near XT Xavier's College Corner, Off C G Road,
Ellisbridge, Ahmedabad - 380006.
Tel No.: 079 - 2646 5186, Fax No.: 079 - 2646 5179,
Email: ahmedabad@linkintime.co.in</p> |
|---|--|

Share Transfer System:

The transfer of shares in physical form is processed and completed by Registrar and Transfer Agent within a due time from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

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.

	No. of Shares		Shareholders		No. of Share held	
			Number	Total in %	Numbers	Total in %
Distribution of Share holding: (As on 31 st March 2018)	1	- 500	4578	84.98	534620	4.66
	501	- 1000	301	5.59	236756	2.06
	1001	- 2000	190	3.53	283088	2.47
	2001	- 3000	76	1.41	192318	1.68
	3001	- 4000	49	0.91	175120	1.53
	4001	- 5000	46	0.85	209272	1.82
	5001	- 10000	58	1.08	405619	3.54
	10001	& ABOVE	89	1.65	9433482	82.24
Total			5387	100.00	11470275	100.00
Shareholding Pattern: (As on 31 st March 2018)	Category		No. of Shares held		% to the Shareholding	
	Promoters & Associates		7685223		67.00%	
	Bodies Corporate		615551		5.37%	
	Non-Resident Indians		30654		0.27%	
	Banks & Mutual Funds		7900		0.07%	
	Public		3130947		27.29%	
TOTAL			11470275		100.00	

Dematerialization of Share and liquidity:

The trading of Equity shares of the Company in all categories is Compulsory in Demat mode with effect from 23.03.2001. As on 31st March, 2018, 99.24% Shares have been dematerialized.

Outstanding GDRs / ADRs / Warrants or any Convertible:

1850000 Warrants outstanding at the end of the financial year ended March 31, 2018 pursuant to allotment made on preferential basis to promoter and promoter group of the Company, as approved by the shareholders of the Company in their meeting held on November 21, 2016.

Shareholders who have not yet encashed their dividend warrants for the year 2011 -12 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.
Tel No: 079-22160776
E-mail: cs@mahalaxmigroup.net

Corporate office:

YSL avenue, opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad - 380 015.
Tel: 079- 4000 8000 / Fax: 079-4000 8030

COMPLIANCE CERTIFICATE:

[Regulation 17(8) of SEBI (Listing and Disclosure Requirements, 2015)]

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

- a) We have reviewed financial statements and the cash flow statement for the year ended 31-03-2018 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 their 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 if any and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place: Ahmedabad
Date: May 30, 2018

For Mahalaxmi Rubtech Limited

Rahul J. Parekh **Rajendra R. Mehta**
Managing Director Chief Financial Officer

Declaration by the Managing Director Regarding Compliance with the Code of Conduct

In accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, I hereby confirm that, Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Conduct of Board of Directors and Senior Management, as applicable to them, for the period ended 31st March, 2018
For the purpose of this declaration, Designated Persons mean Directors and Officers in Management Cadre and above.

On behalf of the Board of Directors,

Place: Ahmedabad
Date: May 30, 2018

Rahul J. Parekh
Managing Director

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Mahalaxmi Rubtech Limited

We have examined the compliance of conditions of Corporate Governance by Mahalaxmi Rubtech Limited ("the Company"), for the year ended on 31st March 2018, as specified in Chapter IV and Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

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 the above mentioned Listing Agreement and Regulations.

We state that in respect of investor grievances received during the year ended March 31, 2018, no investor grievances are pending against the Company as per records maintained by the Company and presented to the Stakeholders Relationship 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, P C Bothra & CO.
Chartered Accountants
Firm Registration No. 306034E

Place: Ahmedabad
Date: 30th May, 2018

Pawan K. Bothra
Partner
Membership No. 400385

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI RUBTECH LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **MAHALAXMI RUBTECH LIMITED**, ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the statement of profit and loss (including other comprehensive income), the statement of Cash Flows and the Statements of changes in equity for the year ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013, ("the Act") with respect to the preparation of these standalone Ind As financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in the India including the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with the relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind As financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind As financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind As financial statements. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the standalone Ind As financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by directors, as well as evaluating the overall presentation of the standalone Ind As financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind As financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the company as at March 31, 2018 and its performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of books;

- (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of Cash Flows and the Statements of changes in equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder .
- (e) On the basis of written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the Annexure 'B', and
- (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according the explanations given to us:
 - i. the company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii. the company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P.C. BOTHRA & CO.,
Chartered Accountants.
Firm Registration No. 306034E

(P. K. BOTHRA)
Partner.
M. No. 400385

AHMEDABAD: 30th May, 2018.

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2018:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) According to the information and explanations given to us, the company has adopted a policy of physical verification of the fixed assets in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- 2) (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
- (b) According to the information and explanations given to us, the discrepancies noticed on physical verification of the inventory as compared to books records were not material and have been properly dealt with in the books of account.
- 3) According to the information and explanations given to us and in our opinion the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) According to the information and explanations given to us and in our opinion, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the maintenance of cost records by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date they become payable.
- (b) According to the information and explanation given to us, the dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute and forum where dispute is pending are as under:

Name of the Statute	Amount in involved (₹ In Lakhs)	Forum where dispute is pending
Service Tax	2.09	CESTAT

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutes. The Company has not taken any loan from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. To the best of our knowledge and belief and according to the information and explanations given to us, the term loans obtained during the year were, prima facie, applied by the company for the purpose for which they were obtained, other than temporary deployment pending application.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or fraud on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment of equity shares during the year under review. We further report that the company has complied with the requirement of Section 42 of the Companies Act, 2013 and the amounts raised have been applied by the company during the year for which the funds were raised other than temporary deployment pending utilization.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For P.C. BOTHRA & CO.,
Chartered Accountants.
Firm Registration No. 306034E

(P. K. BOTHRA)
Partner.
M. No. 400385

AHMEDABAD: 30th May, 2018.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "Report on other legal and regulatory requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of **MAHALAXMI RUBTECH LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls.

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For P.C. BOTHRA & CO.,
Chartered Accountants.
Firm Registration No. 306034E

(P. K. BOTHRA)
Partner.
M. No. 400385

AHMEDABAD: 30th May, 2018.

BALANCE SHEET AS AT 31ST MARCH, 2018

	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	1	641156101	601050948	637106049
Capital work-in-progress	2	39574536	10688795	2446431
Intangible assets	3	43309288	6554442	7524978
Financial assets				
Investments	4	1712060	1124317	1067452
Loans		—	—	—
Other financial assets	5	2056870	1742420	1742420
Other non-current assets	6	5349041	21498623	11851373
Total non-current assets		733157896	642659545	661738703
Current assets				
Inventories	7	333373529	308015759	253168165
Financial assets				
Investments		—	—	—
Trade receivables	8	410003681	375557315	305376858
Cash and cash equivalents	9	2014551	7025873	6056457
Bank balances other than cash and cash equivalents	10	116111888	110416269	86682998
Loans	11	3303252	3030048	2880423
Other financial assets	12	32816901	24567872	19927162
Other current assets	13	43106516	10647010	16917083
Assets classified as held for sale	14	2461395	—	—
Total current assets		943191713	839260146	691009146
TOTAL ASSETS		1676349609	1481919691	1352747849
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	114702750	99702750	88202750
Other Equity	16	605037893	531515978	420822743
Total Equity		719740643	631218728	509025493
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	135944450	154087017	244776705
Other financial liabilities		—	—	—
Provisions	18	11379243	9855915	8082728
Deferred Tax Liabilities (Net)	19	40825289	36035641	42634806
Other non-current liabilities	20	39864121	-	-
Total non-current liabilities		228013102	199978573	295494239
Current liabilities				
Financial liabilities				
Borrowings	21	199587410	179563965	137375470
Trade payables	22	451780481	395000045	327013042
Other financial liabilities	23	62848034	50010832	74991837
Other current liabilities	24	13453646	14617518	6858184
Provisions		—	—	—
Current tax liabilities (net)	25	926292	11530030	1989584
Total current liabilities		728595864	650722390	548228117
TOTAL LIABILITIES		956608966	850700963	843722356
TOTAL EQUITIES AND LIABILITIES		1676349609	1481919691	1352747849
Summary of significant accounting policies				

The Notes forming an integral part of these financial statements

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
 (DIN: 00512415)

Director
 (DIN: 02441549)

Chief Financial Officer

AHMEDABAD: 30th May, 2018.

Managing Director
 (DIN: 00500328)

Director
 (DIN: 00020062)

Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary
 M.No. 34887

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

PARTICULARS	NOTE NO.	For the year ended 31st March 2018 ₹	For the year ended 31st March 2017 ₹
Income			
Revenue from operations	26	2278048492	2026577753
Other income	27	21735627	3870518
Total income		2299784119	2030448271
Expenses			
Cost of material consumed and Trading Purchase	28	1470008125	1227435346
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(15258665)	9030920
Manufacturing & Operating Costs	30	512027702	474883291
Employee benefits expense	31	114354222	102188307
Finance costs	32	15331791	16218156
Depreciation and amortization expense	1	84764149	80376952
Other expenses	33	62108721	69944094
Total expenses		2243336046	1980077065
Profit/(Loss) before tax		56448074	50371205
Income tax expense			
Current tax		13450000	22681000
MAT Credit Adjustment		—	—
Deferred tax		4868000	(6289000)
Total income tax expense		18318000	16392000
Profit/(Loss) for the year		38130074	33979205
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on post employment defined benefit plan		(324742)	(995053)
Income tax effect		107360	328965
		(217382)	(666088)
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI		87743	56865
Income tax effect		(29008)	(18800)
		58735	38065
Total other comprehensive income for the year		(158647)	(628023)
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)		3.54	3.79
Diluted earnings /(loss) per share (INR)		3.02	2.76
Summary of significant accounting policies			

The Notes forming an integral part of these financial statements

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
 (DIN: 00512415)

Director
 (DIN: 02441549)

Chief Financial Officer

AHMEDABAD: 30th May, 2018.

Managing Director
 (DIN: 00500328)

Director
 (DIN: 00020062)

Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary

M.No. 34887

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	(₹ in Lakhs)	
	Year ended	
	31.03.2018	31.03.2017
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	564.48	503.71
Adjustments for:		
Depreciation and amortization expenses	847.64	803.77
Interest Paid	128.63	115.94
Provision for gratuity	11.99	7.78
Net exchange differences	-13.35	-1.36
Deferred Revenue Expenses written off	7.48	6.15
Amortisation of Deferred Income	-25.48	0.00
Amortisation of benefit on unsecured loan	-3.54	—
Amortisation of Leasehold Land	0.50	0.50
(Gain)/ loss on Disposal of fixed assets	-62.71	-0.61
Liabilities written back	-82.21	-34.30
Bad Debts written off	14.33	18.95
Operating Profit before working capital changes	1387.77	1420.54
Changes in working capital		
Adjustments for:		
Decrease in inventories	-253.58	-548.48
Decrease in trade receivables	-345.44	-719.40
Decrease in other financial assets	-82.50	-46.41
Decrease in other current assets	-324.60	62.70
Decrease in non-current financial assets	-3.14	0.00
Decrease in non-current assets	150.79	-104.62
Increase in trade payables	650.01	714.17
Increase in other current liabilities	-11.64	77.59
Increase in non-current liabilities	257.77	0.00
Increase in other financial liabilities	128.37	-249.81
Cash generated from operations	1553.82	606.29
Net income tax paid	-241.28	-137.36
Net cash flows used in operating activities (A)	1312.54	468.93
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	-1843.05	-516.86
Purchase of Investments	-5.00	—
Proceeds from sale/ disposal of fixed assets	91.23	1.54
Net cash flow from investing activities (B)	-1756.82	-515.32
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of share capital	675.00	517.50
Proceeds from exercise of share warrants	-168.75	376.88
Proceeds from long-term borrowings	-177.88	-906.90
Proceeds from short-term borrowings	200.23	421.88
Capital Subsidy Received	51.16	0.00
Interest paid	-128.63	-115.94
Net cash flow from financing activities (C)	451.14	293.42
Net increase in cash and cash equivalents (A+B+C)	6.85	247.03
Cash and cash equivalents at the beginning of the year	1174.42	927.39
On current accounts		
Cash and cash equivalents at the end of the year	1181.27	1174.42

The accompanying notes are an integral part of the financial statements.

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
 (DIN: 00512415)

Director
 (DIN: 02441549)

Chief Financial Officer

AHMEDABAD: 30th May, 2018.

Managing Director
 (DIN: 00500328)

Director
 (DIN: 00020062)

Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary

M.No. 34887

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

(Amount in INR Rupees, unless otherwise stated)

	Equity Share Capital	Reserve and surplus				Items of OCI		Money Received against Share Warrants	Total
		Securities Premium	General Reserve	Capital Reserve	Retained earnings	Equity Instruments through OCI	Other Comprehensive Income		
Balance as at 1 April 2016	88202750	---	151562549	1500000	267610752	415431	(265989)	-	509025493
Profit for the year					33979205				33979205
Other comprehensive income									
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)							(666088)		(666088)
Fair Valuation of Investments measured at FVTOCI(Net of tax)						38065			38065
Issue of Equity Shares at premium by converting Share Warrants	11500000	40250000							51750000
Money received against share warrants								37687500	37687500
Income tax of earlier years					(595447)				(595447)
Balance as at 31 March 2017	99702750	40250000	151562549	1500000	300994510	453496	(932077)	37687500	631218728
Balance as at 1 April 2017	99702750	40250000	151562549	1500000	300994510	453496	(932077)	37687500	631218728
Profit for the year					38130074				38130074
Other comprehensive income									
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)							(217382)		(217382)
Fair Valuation of Investments measured at FVTOCI(Net of tax)						58735			58735
Issue of Equity Shares at premium by converting Share Warrants	15000000	52500000						(16875000)	50625000
Income tax of earlier years					(74512)				(74512)
Balance as at 31 March 2018	114702750	92750000	151562549	1500000	339050072	512232	(1149460)	20812500	719740643

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
 (DIN: 00512415)

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 (DIN: 02441549)

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 AHMEDABAD: 30th May, 2018.

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Director
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Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary
 M.No. 34887

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 MARCH 2018**

**1 Property, plant and equipment
Tangible Assets**

<u>Gross Carrying Amounts</u>	Freehold Land	Building	Plant & Machinery	Electric Installation	Furniture Fixtures	Office Equipments	Vehicles	Total
As at April 1,2016	95268517	200792650	691837498	17413422	17443113	12022348	14451354	1049228902
Additions	---	5264199	34091966	---	192660	2052462	1842537	43443824
Disposals	---	---	114965	---	---	---	572826	687791
Classified as held for sale	---	---	---	---	---	---	---	---
Other Adjustments	---	---	---	---	---	---	---	---
Gross carrying Amt as on 31st March 2017	95268517	206056849	725814499	17413422	17635773	14074810	15721065	1091984935
As at 31st March,2017	95268517	206056849	725814499	17413422	17635773	14074810	15721065	1091984935
Additions	---	239500	117741124	---	14500	1180489	7951131	127126744
Disposals	---	---	35176679	---	---	---	2684829	37861508
Classified as held for sale	---	---	12869568	---	---	---	---	12869568
Other Adjustments	---	---	---	---	---	---	---	---
Gross carrying Amt as on 31st March 2018	95268517	206296349	795509376	17413422	17650273	15255299	20987367	1168380603
<u>Accumulated Depreciation/Amortisation</u>								
As at April 1,2016	---	42377464	342115258	9465112	5630805	7407369	5126843	412122851
Depreciation For the Year	---	6293485	66615268	1612681	1584454	1648917	1651610	79406416
Deductions / Adjustments	---	---	101328	---	---	---	493952	595280
Depreciation as on 31st March 2017	---	48670949	408629198	11077793	7215259	9056286	6284501	490933987
As at 31st March,2017								
Opening	---	48670949	408629198	11077794	7215259	9056286	6284501	490933987
Depreciation For the Year	---	6446264	69606320	1126522	1302199	1560273	1666993	81708572
Deductions / Adjustments	---	---	43038461	---	---	---	2379596	45418057
Depreciation as on 31st March 2018	---	55117213	435197058	12204316	8517458	10616560	5571898	527224502
<u>Net Carrying Amount</u>								
As at April 1, 2016	95268517	158415186	349722239	7948310	11812308	4614979	9324511	637106049
As at March 31, 2017	95268517	157385900	317185301	6335629	10420514	5018524	9436564	601050948
As at March 31, 2018	95268517	151179136	360312318	5209106	9132815	4638739	15415469	641156101

2 Capital Work in Progress

As at April 1, 2016	2446431
As at March 31, 2017	10688795
As at March 31, 2018	39574536

3 Intangible assets

	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As at 1 April 2017	Additions	Deductions	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	Other Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017	
Commercial Right-ETP Pipeline	9705360	39810423	---	49515783	3150918	3055577		--	6206495	43309288	6554442	
Total	9705360	39810423	-	49515783	3150918	3055577	0	0	6206495	43309288	6554442	

Intangible assets

	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As at 1 April 2016	Additions	Deductions	As at 31 March 2017	As at 1 April 2016	For the year	Deductions/ Adjustments	Other Adjustments	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016	
Particulars	9705360	---	---	9705360	2180382	970536	---	---	3150918	6554442	7524978	
Total	9705360	-	-	9705360	2180382	970536	0	0	3150918	6554442	7524978	

4. FINANCIAL ASSETS- INVESTMENTS (As valued, verified & certified by the management)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Investment in equity instrument designated as at fair value through OCI			
1. Investment in Associate Companies : (Unquoted)			
700 (700) Equity Shares of Rahul Cal Chem Pvt. Ltd..of Rs.100 each fully paid	108643	109445	110708
685 (685) Equity Shares of Mahalaxmi Calchem Pvt. Ltd..of Rs.10 each fully paid	1103317	1014772	956644
2 Investment in Subsidiary Companies : (Unquoted)			
50000 (NIL) Equity Shares of Globale Tessile Pvt. Ltd..of Rs.10 each fully paid	500000	—	—
3 Investment in Others : (Unquoted)			
1 (1) Share of The Social Co-op Bank Ltd. of Rs.100 each fully paid up	100	100	100
TOTAL	1712060	1124317	1067452

The details of aggregate of quoted and unquoted investment:

Particulars	Book Value (In Rs.)		Market Value (In Rs.)	
	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 31.03.2018	AS AT 31.03.2017
Aggregate Quoted Investment	—	—	—	—
Aggregate Unquoted Investment	1712060	1124317	—	—

5. NON-CURRENT FINANCIAL ASSETS - OTHERS (Unsecured and considered good)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Margin Money with Banks	1275150	1186200	1186200
Security Deposits	781720	556220	556220
Total	2056870	1742420	1742420

6. OTHER NON-CURRENT ASSETS	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Non Financial Assets (Unsecured and considered good)			
Capital advance	3500015	19244071	8781942
Deferred Revenue Expenses	309423	618849	928275
Issue Expenses	792355	565751	871579
Deferred Employee Cost	297248	569952	719577
Leasehold Land	450000	500000	550000
Total	5349041	21498623	11851373

7. INVENTORIES (As verified, valued & certified by management)	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Raw Materials (including goods in transit)	196845534	188728726	120908938
Finished Goods	106336056	67147463	77860595
Semi-finished Goods	3670866	29919992	30388800
Fents & Rags	7460570	5141372	2990352
Stores, Spares, Coal, Packing & Design Materials	18955973	16973676	20914951
Trading Goods	104530	104530	104530
Total	333373529	308015759	253168165

8. TRADE RECEIVABLE	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Trade Receivables	301945466	315001649	266406838
Receivables from related parties (Refer Note No.43)	108058215	60555666	38970020
Total Trade Receivables	410003681	375557315	305376858
Break up of Security Details:			
Secured, considered good	—	—	—
Unsecured, considered good	409471257	375133794	305087777
Dobutful	532424	423521	289081
Total Trade Receivables	410003681	375557315	305376858

9. CASH AND CASH EQUIVALENTS	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Balances with banks			
On current accounts	1308401	6171674	4317463
Cash on hand	706149	854199	1738994
Total cash and cash equivalents	2014551	7025873	6056457

10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	115000000	105000000	85150000
Balances with Banks held as margin money	635000	4742000	741000
In Fixed deposit with maturity more than 12 months	—	—	—
Earmarked Balance with banks (pertaining to dividend accounts with banks)	476888	674269	791998
Total	116111888	110416269	86682998

11. CURRENT FINANCIAL ASSETS - LOANS	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Unsecured, considered good			
To Subsidiary Companies	500	—	—
To Employees	3302752	3030048	2880423
	3303252	3030048	2880423

12. Current Financial assets - Others	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Interest Receivable under TUFs	1416961	3224373	2609936
Export Benefit Receivable	7358756	4159299	3487979
Accrued Income	8937403	7236696	10288633
Interest accrued on fixed deposits	15103781	9947504	3540614
	32816901	24567872	19927162

13. Other current assets	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Prepaid Expenses	3483769	3484321	4637967
Advance to employees	1882200	985500	672200
Balance with Statutory Authorities	26234336	2886475	6496094
Leasehold Land	50000	50000	50000
Others	11456211	3240714	5060822
Total	43106516	10647010	16917083

14. Assets classified as held for sale	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Plant & Machinery	2461395	—	—
Total	2461395	—	—

15. Equity Share Capital	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Authorized			
25000000 (25000000) Equity Shares of Re.10 each	250000000	250000000	250000000
	250000000	250000000	250000000
Issued, subscribed and paid up			
11470275 (9970275) Equity Shares of Rs.10 each fully paid	114702750	99702750	88202750
Total	114702750	99702750	88202750

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares	Amount	Number of shares	Amount
(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year				
Shares outstanding at the beginning of the year	9970275	99702750	8820275	88202750
Add: Issued during the year	1500000	15000000	1150000	11500000
Outstanding at the end of the year	11470275	114702750	9970275	99702750

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

However, no such preferential amounts exist currently.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Jeetmal B. Parekh	1494481	13.03%	994481	9.97%	644481	7.31%
Rahul J. Parekh	1751119	15.27%	1251119	12.55%	851119	9.65%
Kamlaben J. Parekh	756570	6.60%	756570	7.59%	756570	8.58%
Anand J. Parekh	1651122	14.39%	1151122	11.55%	751122	8.52%

(d) Aggregate number of shares issued for consideration other than cash:

Equity Shares include 1034775 shares of ₹ 10 each issued as fully paid up Bonus Shares and 3646400 shares of ₹ 10 each issued pursuant to a scheme of amalgamation of erstwhile Mahalaxmi Fabric Mills P Ltd. with the company without payment received in cash

16. Other Equity	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
(a) Securities premium reserve			
Opening balance	40250000	—	—
Add : Received during the year	52500000	40250000	—
Closing balance	92750000	40250000	—
(b) General reserve			
Opening balance	151562549	151562549	151562549
Addition during the year	—	—	—
Closing balance	151562549	151562549	151562549
(c) Capital Reserve			
Opening balance	1500000	1500000	1500000
Addition during the year	—	—	—
Closing balance	1500000	1500000	1500000
(d) Retained Earnings			
Opening balance	300994510	267610752	236275259
Add: Net profit for the year	38130074	33979205	31200003
Less: Income Tax of earlier years	74512	595447	(135490)
Closing balance	339050072	300994510	267610752

16. Other Equity (Contd...)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
(e) Equity Instruments through OCI			
Opening Balance	453496	415431	—
For The Year (net of Tax)	58735	38065	415431
	512232	453496	415431
(e) Other items of Other Comprehensive Income			
Opening balance	(932077)	(265989)	—
Re-measurement gain/(loss) on defined benefit plans (net of tax)	(217382)	(666088)	(265989)
Closing balance	(1149460)	(932077)	(265989)
(f) Money Received against Share Warrants			
Opening balance	37687500	-	-
Add : Received/ (Utilized)during the year (Net)	(16875000)	37687500	-
	20812500	37687500	-
Total Other Equity	605037893	531515978	420822743

17. Non-Current Borrowings	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Secured			
Term Loans from Banks and Financial Institutions			
Term Loans	84381813	53984950	52859415
Vehicle Loans	5183823	868985	2059209
Total (A)	89565636	54853935	54918624
Unsecured			
From Directors	46378814	99233082	189858082
Total (B)	46378814	99233082	189858082
TOTAL (A+B)	135944450	154087017	244776706

Nature of Securities and terms of repayment for Long Term Borrowings:

Term Loans:

- Rupee Term loan from Bank of Baroda of Rs. 53.73 lacs (P.Y. Rs. 108.81 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from September, 2014. Last installment due in March, 2019.
- Rupee term loan from Bank of Baroda amounting to Rs. NIL (P.Y 56.40 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from April, 2014. Last installment due in March, 2018.
- Rupee term loan from Bank of Baroda amounting to Rs. 274.34 lacs (P.Y Rs. 363.38 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from May, 2016. Last installment due in April, 2021.
- Rupee term loan from Bank of Baroda amounting to Rs.334.10 lacs (P.Y Rs. 274.28 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from June, 2017. Last installment due in May, 2022.
- Rupee term loan from Bank of Baroda amounting to Rs.477.41 lacs (P.Y Rs. Nil) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from May, 2018. Last installment due in April, 2023.
- Rupee term loan from Bank of Baroda amounting to Rs. 123.85 lacs (P.Y Rs. Nil lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from April, 2018. Last installment due in March 2023.

Vehicle Loans

- Vehicle Loan from HDFC Bank amounting to Rs. Nil (P.Y.0.96 Lacs) secured by way of hypothecation of Motor Truck and repayable in 36 monthly installments commencing from November, 2014. Last installment due in October, 2017.
- Vehicle Loan from HDFC Bank amounting to Rs. Nil (P.Y.1.14 Lacs) secured by way of hypothecation of Motor Truck and repayable in 36 monthly installments commencing from September, 2014. Last installment due in August, 2017.

- 3 Vehicle Loan from HDFC Bank amounting to Rs. Nil (P.Y.5.08 Lacs) secured by way of hypothecation of Staff Bus and repayable in 36 monthly installments commencing from March, 2015. Last installment due in February, 2018.
- 4 Vehicle Loan from Voxswagen Finance P.Ltd. amounting to Rs. 2.98 lacs (P.Y.14.39 Lacs) secured by way of hypothecation of Motor Car repayable in 36 monthly installments commencing from July, 2015. Last installment due in June, 2018.
- 5 Vehicle Loan from HDFC Bank amounting to Rs. 5.70 lacs (P.Y.9.53 Lacs) secured by way of hypothecation of Motor Car Repayable in 36 monthly installments commencing from August 2016. Last installment due in July, 2019
- 6 Vehicle Loan from AXIS Bank amounting to Rs. 64.50 lacs (P.Y.Nil) secured by way of hypothecation of Motor Car Repayable in 60 monthly installments commencing from April 2018. Last installment due in March, 2022

18. Provisions (Non Current)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Provision for post employment benefit obligations			
Provision for Gratuity	11379243	9855915	8082728
Total	11379243	9855915	8082728

19. Deferred Tax Liabilities (Net)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Deferred Tax Liability			
Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	44554000	39229000	44986000
Fair Valuation Gain on Investments	252978	223971	205171
Deferred Tax Asset:			
Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	3414000	2957000	2425000
Remeasurements of defined benefit plans	567689	460330	131365
Deferred Tax Liabilities (Net)	40825289	36035641	42634806

20. Other Non-current Liabilities	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Deferred Income for Capital Subsidy	3446604	—	—
Deferred Income for EPCG Liability	10640075	—	—
Others	25777442	—	—
	39864121	-	-

21. Short-Term Borrowings	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Working Capital Loans from Banks			
Secured			
Cash Credit	106539614	139487246	120156402
Foreign Bills Purchase	11623319	10124104	7455951
Overdraft	51424477	29952615	9763117
Unsecured Loan from Banks	30000000	—	—
Total short-term borrowings	199587410	179563965	137375470

Details of securities for working capital borrowings Cash Credit and Foreign Bills Purchase facilities are secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and overdraft is secured by way of pledge of fixed receipts of the company.

22. Trade Payablese	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Trade Payables			
Payable to related parties	14088008	1735232	809597
Payable to Others	437692474	393264813	326203444
Total Trade Payables	451780482	395000045	327013041

23. Other financial liabilities	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Current Maturities of long term debts	37838560	28547911	56213756
Salary & Wages Payable	14397792	10292319	10617887
Unpaid Salary & Bonus	18175	38656	26769
Unclaimed Dividend	476888	674269	791998
Other Payables	10116619	10457677	7341427
	62848034	50010832	74991837

24. Other current liabilities	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Advances from Customers	2683139	9818076	2516883
Statutory Duties & Taxes	3859007	4049442	4341301
Capital Creditors	6911500	750000	—
	13453646	14617518	6858184

25. Current tax liabilities (net)	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Opening Balance	11530030	1989584	8630000
Add: Current Tax payable for the year	13450000	22681000	14909000
Less: Taxes paid (including TDS and MAT Credit)	24053738	13140554	21549416
	926292	11530030	1989584

26. Revenue from operations	AS AT	AS AT
	31 March 2018	31 March 2017
	₹	₹
Sale of products and services	1932668955	1655433948
Job Work Charges	330073253	354882019
Other Operating revenue		
Export Entitlement Benefits	15306284	16261786
Total revenue from operations	2278048492	2026577753

27. Other income	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Exchange Rate Fluctuation	1335048	135996
Sale of Scrap	216275	—
Insurance Claims	25820	62716
Liability Written Back	8220750	3429522
Vatav Kasar	12842	31171
Profit on Sale/disposal of Fixed Assets	6285227	61488
Amortisation of Deferred Income under EPCG Scheme	877948	—
Amortisation of Deferred Income (Capital Subsidy)	1669649	—
Notional Interest Income on Loan to employee	272704	149625
Notional Interest Income on Unsecured Borrowings	354268	—
Trans Stock Credit	2465096	—
	21735627	3870518

28. Cost of raw material consumed and trading purchase	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Raw Material Consumed:		
Opening Stock	188728727	120908938
Add: Purchases	1453783782	1295255134
Less: Closing Stock	196845534	188728726
Cost of raw material consumed	1445666976	1227435346
Purchase of Trading Goods	24341149	—
	1470008125	1227435346

29. Changes in inventories of finished goods, stock-in-trade and work-in-progress	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Inventories at the beginning of the year		
Finished Goods	67147463	77860595
Semi Finished Goods	29919992	30388800
Trading Goods	104530	104530
Fents & Rags	51 41372	2990352
	102313357	111344277
Less: Inventories at the end of the year		
Finished Goods	106336056	67147463
Semi Finished Goods	3670866	29919992
Trading Goods	104530	104530
Fents & Rags	7460570	5141372
	117572022	102313357
Net decrease/ (increase)	(15258665)	9030920

30. Manufacturing & Operating Cost	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Stores, Spares & Maintenance Expenses	54527197	64623089
Job Charges Paid	53580437	35774535
Design Expenses	6444012	8194597
Power & Fuel Expenses	290708364	277038790
Processing Charges	87369320	72796914
Laboratory Expenses	487722	823287
Freight, Clearing & Forwarding Expenses	14123250	11834323
Central Excise Duty	132205	72538
Pollution Control Expenses	4655195	3725218
	512027702	474883291

31. Employee benefits expense	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Salaries, wages, bonus and other allowances	104981861	92993852
Gratuity	1968645	1398557
Contribution to Provident Fund and ESI	3482471	4510337
Employees' Welfare Expenses	3648541	3135936
Amortisation of deferred employee benefit	272704	149625
	114354222	102188307

32. Finance costs	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Interest (Net)	12862818	11594134
Bank Commission & Charges	2468973	4624022
	15331791	16218156

33. Other expenses	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
E.C.G.C. Premium	527035	397808
Telecommunication Expenses	906963	996588
General Expenses	335420	357253
Insurance Premium	3273199	3336298
Advertisement Expenses	397017	527154
Audit Fees	300000	287500
Car Expenses	994890	771633
Packing Materials Expenses	11113986	16576204
Legal & Consulting Expenses	2702821	2197140
Postage & Courier Expenses	642879	685092
Rent, Rates and Taxes	1786431	1678906
Deferred Revenue Expenses written off	748362	615254

33. Other expenses (Contd...)	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Loss on Sale of Fixed Assets	14136	—
Bus & Truck Expenses	938887	915934
Miscellaneous Expenses	2677843	1851355
Amortisation of Leasehold Land	50000	50000
Value Added Tax	739172	3671871
Export Freight	5972900	4872261
Commission Expenses	20503867	19529635
Factory Expenses	341880	396873
Bad Debts written off	1432572	1895420
Service Tax	901383	1430747
Business Promotion Expenses	—	463751
Printing & Stationery Expenses	1105611	1350261
Travelling Expenses	3701467	3462486
Exhibition Expenses	-	1626670
	62108721	69944094

34. *Note : The following is the break-up of Auditors remuneration (exclusive of service tax)	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Statutory Audit Fee	300000	287500
Tax Audit Fee	—	57500
For Others (Reports, Certificates, etc.)	53000	74725
Total	353000	419725

35. First-time adoption of Ind-AS

These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2018, together with the comparative year data as at and for the year ended 31st March 2017, as described in the significant accounting policies. The transition to Ind AS has been carried out in accordance with Ind AS 101- "First time adoption of Indian Accounting Standards" with 1st April, 2016 as the transition date.

This note explains the exemptions availed by the company on first time adoption of Ind As and the principal adjustment made by the company in restating its Indian GAAP financial statements as at 1st April 2016 and financial statements as at and for the year ended 31st March 2017 in accordance with Ind AS 101.

Exemptions applied

Ind AS 101 allows first - time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has, accordingly, applied following exemptions :

- a) The company has elected to consider carrying amount of all items of property, plant and equipments measured as per Indian GAAP as recognized in the financial statements as at the date of transition, as deemed cost as the date of transition. The effect of consequential changes arising on the application of other Ind AS has been adjusted to the deemed cost of property, plant & Equipment.
- b) The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 1st April 2016.
- c) The estimates at 1st April 2016 and 31st March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items under Indian GAAP did not require estimation :
 - i) Fair values of Financial Assets & Financial Liabilities

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1st April, 2016 and 31st March, 2017.

Notes to the reconciliation of equity as at 1st April,2016 and 31st March,2017 and Total comprehensive Income for the year ended 31st March,2017.

i. Leasehold land

Under Indian GAAP, land on lease was not covered under 'leases' and therefore it was shown as Tangible assets. Under Ind AS, land on lease is considered as operating lease. Therefore, net block of leasehold land has been re-classified under the head " other non current assets" and " Other current assets" as ' Leasehold land' further the amortization of leasehold payment for the year ended 31st March 2017 has been reclassified from Depreciation and amortization' to 'Other expenses'. However, the same has no impact on the total equity as at 31st March,2017.

ii. Fair value of Investments

Under Indian GAAP, investments in equity instruments are classified as long term investments based on the intended holding period and realizability . Long term investments were carried at cost less provision for other than temporary diminution in the value of investments. Ind AS requires such investments to be measured at fair value except investment in subsidiaries, associates and joint venture for which exemption has been availed. Accordingly, the Company has designated such investments as investment measured at FVTOCI cost in accordance with Ind AS. The difference between the instruments fair value and carrying amount as per Indian GAAP has been recognized in fair value measurement through OCI

iii. Financial instruments measured at amortized cost :

Under Indian GAAP, interest free Loan to employees are recorded at their transactions value. Under Ind AS, these loans are to be measured at amortized cost on the basis of effective interest rate method. Due to this, loans to employees has been decreased and difference between carrying amount and amortized cost has been recognized as Deferred employee cost' under the head other 'Non-current assets' and 'Other Current Assets' Further, Employee benefit expense has been increased due to amortization of the deferred employee benefit which is offset by the notional interest income on loan to employee

iv. Defined benefit obligation

Under Ind AS remeasurements i.e. actuarial gains and losses are to be recognized in " other comprehensive income" and are not to be reclassified to profit and loss in a subsequent period. Under the Indian GAAP, these remeasurements were forming part of the profit or loss . Therefore, actuarial gain / loss has been recognized in OCI which was earlier recognized as Employee benefits expenses. However, the same has no impact on the total equity.

v. Deferred Tax

Under Indian GAAP, deferred tax was recognized for the temporary timing differences which focus on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between carrying amount of an asset or liability in the balance sheet and its tax base. Further, the application of Ind AS has resulted in recognition of deferred tax on certain temporary differences which was not required under Indian GAAP.

Accordingly, deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earning /OCI in accordance with Ind AS.

vi. Statement of Cash Flows

The transition from Indian GAAP to Ind AS has not had a material impact on statement of cash flows.

Reconciliation of equity as on 31st March 2017 and 1st April 2016

Particulars	Notes to first-time adoption	As at 31.03.2017			As at 01.04.2016		
		As per Indian GAAP	IND AS Adjustments	As per IND AS	As per Indian GAAP	IND AS Adjustments	As per IND AS
ASSETS							
Non-current assets							
Property, plant and equipment	35(i)	601600948	(550000)	601050948	637706049	(600000)	637106049
Capital work-in-progress		10688795	—	10688795	2446431	—	2446431
Intangible assets		6554442	—	6554442	7524978	—	7524978
Financial assets							
Investments	35(ii)	446850	677467	1124317	446850	620602	1067452
Loans		—	—	—	—	—	—
Other financial assets		1742420	—	1742420	1742420	—	1742420
Other non-current assets	35(i),(iii)	20428671	1069952	21498623	10581796	1269577	11851373
Total non-current assets		641462126	1197419	642659545	660448524	1290179	661738703
Current assets							
Inventories		308015759	—	308015759	253168165	—	253168165

Particulars	Notes to first-time adoption	As at 31.03.2017			As at 01.04.2016		
		As per Indian GAAP	IND AS Adjustments	As per IND AS	As per Indian GAAP	IND AS Adjustments	As per IND AS
Financial assets							
Investments		—	—	—	—	—	—
Trade receivables		375557315	—	375557315	305376858	—	305376858
Cash and cash equivalents		7025873	—	7025873	6056457	—	6056457
Bank balances other than cash and cash equivalents		110416269	—	110416269	86682998	—	86682998
Loans	35(iii)	3600000	(569952)	3030048	3600000	(719577)	2880423
Other financial assets		24567872	—	24567872	19927162	—	19927162
Other current assets	35(i)	10597010	50000	10647010	16867083	50000	16917083
Total current assets		839780098	(519952)	839260146	691678723	(669577)	691009146
TOTAL ASSETS		1481242223	677467	1481919691	1352127246	620602	1352747849
EQUITY AND LIABILITIES							
Equity							
Equity share capital		99702750	—	99702750	88202750	—	88202750
Other equity	35(ii), (iv)	530602151	913826	531515978	420275946	546796	420822743
Total equity		630304901	913826	631218728	508478696	546796	509025493
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings		154087016	—	154087017	244776705	—	244776705
Other financial liabilities		—	—	—	—	—	—
Provisions		9855915	—	9855915	8082728	—	8082728
Deferred Tax Liabilities (Net)	35(ii),(iv),(v)	36272000	(236359)	36035641	42561000	73806	42634806
Other non-current liabilities		—	—	—	—	—	—
Total non-current liabilities		200214931	(236359)	199978573	295420433	73806	295494239
Current liabilities							
Financial liabilities							
Borrowings		179563965	—	179563965	137375470	—	137375470
Trade payables		395000045	—	395000045	327013041	—	327013041
Other financial liabilities		50010832	—	50010832	74991837	—	74991837
Other current liabilities		14617518	—	14617518	6858184	—	6858184
Provisions		—	—	—	—	—	—
Current tax liabilities (net)		11530030	—	11530030	1989584	—	1989584
Total current liabilities		650722390	—	650722390	548228116	—	548228116
TOTAL EQUITIES AND LIABILITIES		1481242223	677467	1481919691	1352127246	620602	1352747849

Note:

The figures of Indian GAAP have been reclassified to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 as applicable to a company whose financial statements are required to be drawn up in compliance of the (Indian Accounting Standards) Rules, 2015

Reconciliation of Total Comprehensive Income for the year ended 31.03.2017

Income	Notes to first-time adoption	As at 31.03.2017		
		As per Indian GAAP	IND AS Adjustments	As per IND AS
Revenue from operations		2026577753	—	2026577753
Other income	35(iii)	3720893	149625	3870518
Total income		2030298646	149625	2030448271
Expenses				
Cost of material consumed and Trading Purchase		1227435346	—	1227435346
Changes in inventories of finished goods, stock-in-trade and work-in-progress		9030920	—	9030920
Manufacturing & Operating Costs		474883291	—	474883291
Employee benefits expense	35(iii), (iv)	103033735	(845428)	102188307
Finance costs		16218156	—	16218156
Depreciation and amortization expense	35(i)	80426952	(50000)	80376952
Other expenses	35(i)	69894094	50000	69944094
Total expenses		1980922493	(845428)	1980077065
Profit/(Loss) before tax		49376152	995053	50371205
Income tax expense				
Current tax		22681000	—	22681000
Deferred tax		(6289000)	—	(6289000)
Total income tax expense		16392000	—	16392000
Profit/(Loss) for the year		32984152	995053	33979205
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
Re-measurement gains/ (losses) on post employment defined benefit plan	35(iv)	—	(995053)	(995053)
Income tax effect on above items		—	328965	328965
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI	35(ii)	—	56865	56865
Income tax effect on above items		—	(18800)	(18800)
Total other comprehensive income for the year		32984152	367030	33351182

Note:

The figures of Indian GAAP have been reclassified to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 as applicable to a company whose financial statements are required to be drawn up in compliance of the (Indian Accounting Standards) Rules, 2015

Reconciliation of Equity

Nature of Adjustments	AS AT	AS AT
	31 March 2017	31 March 2016
Equity as per Previous GAAP	630304901	508478696
Add: Fair Valuation of equity instruments	453496	415431
Deferred tax impact for Ind AS Adjustments	460331	131366
Equity as per Ind AS	631218728	509025493

36 (a) Financial Instruments by Category

(a) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:

As at 31st March 2018

Particulars	At Amortized cost	At fair values through OCI	Total carrying values	Total Fair value
Assets:				
Investments (Non Current)		1712060	1712060	1712060
Other Financial Non- current assets	2056870		2056870	2056870
Trade Receivables	410003682		410003682	410003682
Cash & Cash Equivalents	2014551		2014551	2014551
Other Bank Balance	116111888		116111888	116111888
Loan	3303252		3303252	3303252
Other Financial current assets	32816901		32816901	32816901
Total	566307144	1712060	568019204	568019204
Liabilities:				
Borrowings	135944450		135944450	135944450
Borrowings (Current)	199587410		199587410	199587410
Trade Payables	451780481		451780481	451780481
Other Financial Liabilities (Current)	62848034		62848034	62848034
Total	850160375		850160375	850160375
As at 31st March 2017				
Assets:				
Investments (Non Current)		1124317	1124317	1124317
Other Financial Non- current assets	1742420		1742420	1742420
Trade Receivables	375557315		375557315	375557315
Cash & Cash Equivalents	7025873		7025873	7025873
Other Bank Balance	110416269		110416269	110416269
Loan	3030048		3030048	3030048
Other Financial current assets	24567872		24567872	24567872
Total	522339797	1124317	523464114	523464114
Liabilities:				
Borrowings	154087017		154087017	154087017
Borrowings (Current)	179563965		179563965	179563965
Trade Payables	395000045		395000045	395000045
Other Financial Liabilities (Current)	50010832		50010832	50010832
Total	778661859	—	778661859	778661859
As at 01 April 2016				
Assets:				
Investments (Non Current)		1067452	1067452	1067452
Other Financial Non- current assets	1742420		1742420	1742420
Trade Receivables	305376858		305376858	305376858
Cash & Cash Equivalents	6056457		6056457	6056457
Other Bank Balance	86682998		86682998	86682998
Loan	2880423		2880423	2880423
Other Financial current assets	19927162		19927162	19927162
Total	422666318	1067452	423733770	423733770
Liabilities:				
Borrowings	244776705		244776705	244776705
Borrowings (Current)	137375470		137375470	137375470
Trade Payables	327013042		327013042	327013042
Other Financial Liabilities (Current)	74991837		74991837	74991837
Total	784157054	—	784157054	784157054

(b) Fair Value Measurement

(i) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e.as prices) or indirectly (i.e. derived from prices)

Level 3- Input for the assets or liabilities that are not based on observable market data (unobservable inputs)

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As 31st March 2018

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31.03.2018				
Fair values through OCI	1712060	–	1712060	–
As at 31.03.2017				
Fair values through OCI	1124317	–	1124317	–
As at 01.04.2016				
Fair values through OCI	1067452	–	1067452	–

(Amt.in Lacs)

37. The details of Contingent Liabilities and Commitments (to the extent not provided for):	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
A Contingent Liabilities:			
1 Outstanding Bank Guarantee	107.57	106.64	84.64
2 Outstanding Letter of Credit	0.00	18.47	22.78
3 Disputed Service Tax Liability	2.09	2.09	2.09
4 Disputed Income Tax Liability	—	9.81	9.99
5 Employees’ cases pending before labour courts	103.56	64.62	73.32
In other cases of Employees’ pending before labour courts, the liability is indeterminate			
The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.			
B Commitments:			
1 Estimated amount of capital contacts (including covered by Letter of Credit and guarantee) remaining to be executed on capital accountant not provided for (Net of Advances)	710.78	986.16	494.35

38 Amortisation of Intangible assets

Commercial Right to use effluent treatment pipeline and CETP has been amortised @ 10% on straight line basis as the useful life thereof has been estimated to be not more than 10 years.

39 During the year the Company has received an amount of Rs.5,06,25,000 towards allotment of 1500000 equity shares upon conversion of 1500000 warrant made in the month of October 2017 on completion of required formalities (Refer Note 15). As per the objects of the preferential allotment, the end use of the funds raised is towards meeting of long term working capital requirement and capital expenditure for ongoing expansion of the company. The amounts raised is being applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending utilisation.

40 Based on review carried out as on 31.03.2018, no impairment loss is required to be provided for as per Accounting Standard 28 on “Impairment of Assets”.

41. Calculation of Earning per Share		AS AT	AS AT
		31 March 2018	31 March 2017
Earning per Share			
Net Profit after Tax	Rs.	38130074	33979205
Nominal Value of equity share	Rs.	10	10
Weighted average number of equity shares	Nos.		
- for Basic EPS		10664796	8965207
- for Diluted EPS		12514796	12315207
Basic EPS	Rs.	3.58	3.79
Diluted EPS	Rs.	3.05	2.76

42 The Disclosures as required to be made relating to Micro, Small and Medium Enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME) are not furnished in view of the non availability of the relevant information with the company from all such enterprises. 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.

43 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>
Globale Tessile Private Limited	Subsidiary
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

(b) Transactions during the year with Related Parties:

Nature of Transaction	Associate	Key Managerial Personnel
Rent paid		
Shah Jeetmal Champalal	12000	
Rahul Textile	108000	
Globale Tessile Private Limited		8000
	120000	8000
Remuneration Paid		
Rahul Jeetmal Parekh		1832400
Anand Jeetmal Parekh		1832400
	—	3664800
Purchase		
Mahalaxmi Cal Chem P Ltd.	6326273	
Anand Chem Ind. P. Ltd.	28213282	
Mahalaxmi Exports	508207	
Shah Jeetmal Champalal	6126270	
	41174032	—

Nature of Transaction	Associate	Key Managerial Personnel
Job charges Paid		
Mahalaxmi Exports	10914651	
	10914651	—
Sales		
Mahalaxmi Exports	646717901	
Shah Jeetmal Champalal	4379794	
	651097695	—
Job charges Received		
Mahalaxmi Exports	8196123	
	8196123	—
(c) Outstandings		
Payables		
Anand Chem Industries Pvt. Ltd.	12176818	
Mahalaxmi Cal Chem P Ltd.	1911190	
	14088008	—
Receivables		
Mahalaxmi Exports	108058215	
	108058215	—
Loans Repaid		
Jeetmal Bhoorchand Parekh		10000000
Rahul Jeetmal Parekh		24000000
Anand Jeetmal Parekh		18500000
	---	52500000
Unsecured Loans Payable		
Jeetmal Bhoorchand Parekh		5404218
Rahul Jeetmal Parekh		32765783
Anand Jeetmal Parekh		8563081
	—	46733082

44 Derivatives Instruments:

(a) Derivatives outstanding as at the Balance Sheet Date:

Currency	Exposure to Buy / Sell	No. of Contracts	As at the year ended	
			Rs. Lacs	Foreign Currency
NIL		—	—	—

(b) Foreign currency exposure at the year end not hedged by derivative instruments:

Particulars	As at 31-03-2018	As at 31-03-2017
Payable against import of goods & services		
Rupees in Lakhs	92	42
US Dollar	88143	49463
GBP	—	—
Euro	43187	15010
Advance payment to suppliers and for expenses		
Rupees in Lacs	—	—
Euro	—	—
US Dollar	—	—
Receivable against export of goods and services		
Rupees in Lacs	173	142
US Dollar	58751	90516
Euro	166366	120810

The Company entered in to derivative contracts strictly for hedging purposes only and not for trading or speculation purposes.

45 Disclosure pursuant to Accounting Standard-17 “Segment Reporting”:

PARTICULARS	2017-18			2016-17		
	Rubber / Technical Textiles Products	Textile Products	Consolidated	Rubber / Technical Textiles Products	Textile Products	Consolidated
BUSINESS SEGMENT						
Segment Revenue						
External sales	202886797	2075161695	2278048492	170426641	1856151112	2026577753
Inter- Segment Sales	—	22593152	22593152	—	30358148	30358148
	202886797	2097754847	2300641644	170426641	1886509260	2056935901
Less: Inter- Segment Sales	—	(22593152)	(22593152)	—	(30358148)	(30358148)
Total Revenue	202886797	2075161695	2278048492	170426641	1856151112	2026577753
Results						
Segment results before Interest	10961889	37422423	48384311	4767461	54066434	58833894
Interest	(2868452)	(9994366)	(12862818)	(2991415)	(8602719)	(11594134)
Unallocable Expenses	—	—	(809046)	—	—	(533800)
Other Income	6200846	15408739	21609585	1434918	2044420	3479338
Unallocable Income	—	—	126042	—	—	185910
Profit after Interest	14294282	42836796	56448075	3210964	47508135	50371207
Extraordinary Items	—	—	—	—	—	—
Current Tax	—	—	13450000	—	—	22681000
Deferred Tax	—	—	4868000	—	—	(6289000)
Net Profit after Tax	—	—	38130075	—	—	33979207
Other Comprehensive Income	—	—	(158647)	—	—	—
Other Information						
Segment Assets	289904837	1267093737	1556998573	282675569	1126031030	1408706598
Unallocable Assets	—	—	92300207	—	—	72997799
Segment Liabilities	79599531	781383853	860983385	115935568	664324281	780259849
Unallocable Liabilities	—	—	108716980	—	—	81374946
Capital Work in Progress						
Segment CWIP	—	39574536	39574536	—	10095815	10095815
Unallocable CWIP	—	—	—	—	—	592980
Depreciation	27060769	53439690	80500459	26886912	49249332	76136243
Unallocable Depreciation	—	—	4263690	—	—	4290708
GEOGRAPHICAL SEGMENT						
Revenue						
India	108034885	1924842766	2032877651	111157876	1679126355	1790284231
Outside India	94851912	150318929	245170841	59268765	177024757	236293522

46 Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Non-Funded)	
	2017-18	2016-17
Defined Benefit obligation at beginning of year	9855915	8082728
Current Service Cost	1022481	755172
Interest Cost	728352	643385
Past Service Cost	217812	—
Actuarial (gain)/loss	324742	995053
Benefits paid	(770059)	(620423)
Defined Benefit obligation at year end	11379243	9855915

Reconciliation of opening and closing balances of fair value of Plan Assets

	Gratuity (Non-Funded)	
	2017-18	2016-17
Fair value of Plan assets at beginning of year	—	—
Expected return on plan assets	—	—
Actuarial gain/loss	—	—
Employer contribution	—	—
Benefits paid	—	—
Fair value of Plan assets at year end	—	—
Actual return on plan assets	—	—

Reconciliation of fair value of assets and obligations

	As at 31.03.18	As at 31.03.17
Fair value of Plan assets	—	—
Present value of obligation	11379243	9855915
Amount recognised in Balance Sheet	11379243	9855915

Expenses recognised in Profit & Loss A/c

	2017-18	2016-17
Current Service Cost	1022481	755172
Interest Cost	728352	643385
Past Service Cost	217812	—
Expected return on Plan assets	—	—
NET COST	1968645	1398557

Expenses recognised in OCI

	2017-18	2016-17
Actuarial (gain)/loss	324742	995053
Total	324742	995053

Investment Details

	31.03.18	31.03.17
GOI Securities	0	0
Public Securities	0	0
State Government Securities	0	0
Insurance Policies	0	0
Others (including bank balances)	0	0

Actuarial assumptions

	Gratuity (Non-Funded)	
	2017-18	2016-17
Mortality Table(LIC)		
Attrition Rate	0	0
Discount rate (per annum)	0	0
Expected rate of return on Plan Assets(per annum)	0	0
Rate of escalation in salary (Per Annum)	0	0

47 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk

The company operates internationally and business is transacted in several currencies.

The export sales of company comprise around 11% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

Foreign Currency

Particulars	As At 31st March 2018	As At 31st March 2017
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	237582.34	243088.53
In Euro	166366.03	120810.24
Amount hedged through forwards & options # (B)		
In USD	178831.22	152572.06
In Euro	—	—
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	58751.12	90516.47
In Euro	166366.03	120810.24
b) Exposure on account of Financial Liabilities		
Trade Payables (D)		
In USD	88143.35	49462.62
In Euro	43187	15010
Amount Hedged through forwards & options # (E)		
In USD	—	—
In Euro	—	—
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	88143.35	49462.62
In Euro	43187	15010
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
In USD	-29392.23	41053.85
In Euro	123179.03	105800.24

Foreign Currency Risk Sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

Net Impact on Profit before Tax

Particulars	As at 31-Mar-18	As at 31-Mar-17
USD sensitivity		
INR/USD -Increase by 5%	-95789.278	133137.64
INR/USD -Decrease by 5%	95789.278	-133137.64
EURO sensitivity		
INR/EURO -Increase by 5%	497711	366423.26
INR/EURO -Decrease by 5%	-497711	-366423.26

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Exposure to Interest Rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. In Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Long term debts from Banks and Financial Institutions	895.66	548.54
Current Maturities of long term debts	378.39	285.48
Unsecured Loan		
- From Bank	300.00	0.00
- From Related Parties	463.79	992.33
Short term Borrowings from Banks	1181.63	1496.11
Overdraft from Bank	514.24	299.53
Total borrowings	3733.71	3621.99
% of Borrowings out of above bearing variable rate of interest	73.81%	64.33%

Interest rate sensitivity

A change of 50 bps in interest rate would have following impact on Profit before tax

Particulars	As at March 31, 2018	As at March 31, 2017
50 bps increase would decrease the profit before tax by	-13.78	-11.65
50 bps decrease would increase the profit before tax by	13.78	11.65

(iii) Investment Risk

The company is exposed to equity price risk arising from equity investments.

The company manages equity price risk by investing in fixed deposits/Fixed Maturity Plans. The company does not actively trade equity investments. Protection principle is given high priority by limiting company’s investments to fixed deposits/Fixed Maturity plans only.

Liquidity Risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company’s principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Borrowings		
expiring within one year	2838.05	3073.45
expiring beyond one year	895.66	548.54
	3733.71	3621.99
Trade Payables		
expiring within one year	4398.88	3829.89
expiring beyond one year	118.92	120.11
	4517.80	3950.00
Other Financial liabilities		
expiring within one year	245.33	207.89
expiring beyond one year	4.77	6.74
	250.10	214.63

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual fund units, bonds, fixed maturity plan etc. issued by institutions having proven track record. The Company’s credit risk in case of all other financial instruments is negligible.

The company assesses the credit risk for the overseas customers based on external credit ratings assigned by credit rating agencies. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by ECGC.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 8

Write off policy

The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.

48 Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company’s capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Company’s gearing ratio was as follows:

(Amount in Lakhs)

Particulars	Financial Year ended 31.03.2018	Financial Year ended 31.03.2017
Total Borrowings	3733.71	3621.99
Less: Cash and cash equivalents	20.15	70.26
Net debt	3713.56	3551.73
Total equity	7197.41	6312.19
Gearing ratio	51.60%	56.27%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March 2018 and 31st March 2017. There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2018 and 31 March 2017.

49. Significant accounting policies

1 General Information

Mahalaxmi Rubtech Limited (the “Company”) is a listed public limited company domiciled in India and was incorporated on 25th September, 1991 under the provisions of the Companies Act, 1956 applicable in India. Its registered office is located at 47, New Cloth market , Ahmedabad. The Company is primarily engaged in the business of manufacturing of traditional textile and technical textiles products.

2 Summery of Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements for the year ended 31 March 2018 are the first set of financial statements prepared in accordance with Ind AS. Refer note 35 for an explanation of how the Company has adopted Ind AS.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management’s evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

2.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

2.4 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its all intangible assets recognised as at April 1, 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

The Company has amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible asset is 10 years.

2.5 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.6 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.7 Financial Instruments.

Fair value measurement

The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.

Financial Assets

The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income or through Profit or loss) and those to be measured at amortised cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable to transaction costs.

2.8 Revenue Recognition

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the companys activities as described below:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

Sale of products:

Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale. Revenue from sales is based on the price specified in the sales contracts, net of all discounts, returns and goods and service tax at the time of sale.

2.9 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.

(b) Deferred tax

Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. At each balance sheet, the company re-assesses unrecognised deferred tax assets, if any, and the same is recognised to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.10 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.11 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are shown as other non current assets . Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease .

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, finished goods, semi finished goods, trading goods and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding taxes those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Fent, rags and rejections are stated at net realisable value. In determining the cost, FIFO method is used.

2.13 Impairment of assets

The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised for such excess amount.

2.14 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

2.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.16 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

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

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. the impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or

- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

- (i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

- (ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized.

- (iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

2.17 Employee Benefits

- (a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.

- (b) **Other long-term employee benefit obligations**

- (i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

- (ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.19 Research & Development

Expenditure on research and development is recognised as an expense when it is incurred. Expenditure which results in increase in property, plant and equipment are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

2.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions. All government grants are initially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account. Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.

2.21 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.

2.22 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronouncements including an estimation of the likely outcome of any open tax assessments/ litigations. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available, based on estimates thereof.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date For P C BOTHARA & CO. Chartered Accountants. Firm Registration No. : 306034E	Chairman (DIN: 00512415)	Managing Director (DIN: 00500328)	Jt. Managing Director (DIN: 00500384)
S/d- (P. K. BOTHRA) Partner Membership No. : 400385 AHMEDABAD: 30th May, 2018.	Director (DIN: 02441549)	Director (DIN: 00020062)	Director (DIN: 06999605)
	Chief Financial Officer AHMEDABAD: 30th May, 2018.		Company Secretary M.No. 34887

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**To The Members of Mahalaxmi Rubtech Limited****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Mahalaxmi Rubtech Limited (hereinafter referred to as the 'Company') and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group') comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The Respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Other Matters

- (i) The Consolidated Financial Statements include one subsidiary which reflect total assets of Rs.4.99 lakhs as at March 31st, 2018, total revenue of Rs. Nil and net cash inflow of Rs.4.92 lakhs for year then ended which have been audited by another auditor.
- (ii) We did not audit the financial statements and other financial information, in respect of subsidiary. These financial statements and other financial information have been audited by other auditor whose financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such other auditor.
- (iii) Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) on the basis of the written representations received from the directors of the Company as on March 31, 2018, taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. which is based on the auditor's report of the Company and its subsidiary companies incorporated in India.

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for the reasons stated therein.

- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the "Other Matters" paragraph:
 - i) the consolidated financial statements has disclosed the impact of pending litigations on the consolidated financial position of the Group.
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

**For P.C. BOTHRA & CO.,
Chartered Accountants.
Firm Registration No. 306034E**

**(P. K. BOTHRA)
Partner.
M. No. 400385
AHMEDABAD: 30th May, 2018.**

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Mahalaxmi Rubtech Limited of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Mahalaxmi Rubtech Limited (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the ICAI'). These

responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P.C. BOTHRA & CO.,
Chartered Accountants.
Firm Registration No. 306034E**

**(P. K. BOTHRA)
Partner.
M. No. 400385
AHMEDABAD: 30th May, 2018**

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	1	641156101	601050948	637106049
Capital work-in-progress	2	39574536	10688795	2446431
Intangible assets	3	43309288	6554442	7524978
Financial assets				
Investments	4	1212060	1124317	1067452
Loans		—	—	—
Other financial assets	5	2056870	1742420	1742420
Other non-current assets	6	5356301	21498623	11851373
Total non-current assets		732665156	642659545	661738703
Current assets				
Inventories	7	333373529	308015759	253168165
Financial assets		—	—	—
Investments		—	—	—
Trade receivables	8	410003682	375557315	305376858
Cash and cash equivalents	9	2507181	7025873	6056457
Bank balances other than cash and cash equivalents	10	116111888	110416269	86682998
Loans	11	3303252	3030048	2880423
Other financial assets	12	32816901	24567872	19927162
Other current assets	13	43106516	10647010	16917083
Assets classified as held for sale	14	2461395	—	—
Total current assets		943684343	839260146	691009146
TOTAL ASSETS		1676349499	1481919691	1352747849
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	114702750	99702750	88202750
Other Equity	16	605022283	531515978	420822743
Total Equity		719725033	631218728	509025493
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	135954950	154087017	244776705
Other financial liabilities		—	—	—
Provisions	18	11379243	9855915	8082728
Deferred Tax Liabilities (Net)	19	40825289	36035641	42634806
Other non-current liabilities	20	39864121	0	0
Total non-current liabilities		228023603	199978573	295494239
Current liabilities				
Financial liabilities				
Borrowings	21	199587410	179563965	137375470
Trade payables	22	451780482	395000045	327013041
Other financial liabilities	23	62853034	50010832	74991837
Other current liabilities	24	13453646	14617518	6858184
Provisions	—	—	—	—
Current tax liabilities (net)	25	926292	11530030	1989584
Total current liabilities		728600864	650722390	548228116
TOTAL LIABILITIES		956624467	850700963	843722355
TOTAL EQUITIES AND LIABILITIES		1676349499	1481919691	1352747849
Summary of significant accounting policies				

The Notes forming an integral part of these financial statements

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
 (DIN: 00512415)

Director
 (DIN: 02441549)

Chief Financial Officer

AHMEDABAD: 30th May, 2018.

Managing Director
 (DIN: 00500328)

Director
 (DIN: 00020062)

Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary

M.No. 34887

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

PARTICULARS	NOTE NO.	For the year ended 31st March 2018 ₹	For the year ended 31st March 2017 ₹
Income			
Revenue from operations	26	2278048492	2026577753
Other income	27	21735627	3870518
Total income		2299784119	2030448271
Expenses			
Cost of material consumed and Trading Purchase	28	1470008125	1227435346
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	-15258665	9030920
Manufacturing & Operating Costs	30	512027702	474883291
Employee benefits expense	31	114354222	102188307
Finance costs	32	15332086	16218156
Depreciation and amortization expense	1	84764149	80376952
Other expenses	33	62124036	69944094
Total expenses		2243351656	1980077065
Profit /(Loss) before tax		56432464	50371205
Income tax expense			
Current tax		13450000	22681000
MAT Credit Adjustment		—	—
Deferred tax		4868000	-6289000
Total income tax expense		18318000	16392000
Profit/(Loss) for the year		38114464	33979205
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on post employment defined benefit plan		-324742	-995053
Income tax effect		107360	328965
		-217382	-666088
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI		87743	56865
Income tax effect		-29008	-18800
		58735	38065
Total other comprehensive income for the year		-158647	-628023
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)		3.54	3.79
Diluted earnings /(loss) per share (INR)		3.02	2.76
Summary of significant accounting policies			

The accompanying notes are an integral part of the financial statements.

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

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Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary
 M.No. 34887

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	(₹ in Lakhs)	
	Year ended	
	31.03.2018	31.03.2017
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	564.32	503.71
Adjustments for:		
Depreciation and amortization expenses	847.64	803.77
Interest Paid	128.63	115.94
Provision for gratuity	11.99	7.78
Net exchange differences	-13.35	-1.36
Deferred Revenue Expenses written off	7.48	6.15
Amortisation of Deferred Income	-25.48	0.00
Amortisation of benefit on unsecured loan	-3.54	—
Amortisation of Leasehold Land	0.50	0.50
(Gain)/ loss on Disposal of fixed assets	-62.71	-0.61
Liabilities written back	-82.21	-34.30
Bad Debts written off	14.33	18.95
Operating Profit before working capital changes	1387.61	1420.54
Changes in working capital		
Adjustments for:		
Decrease in inventories	-253.58	-548.48
Decrease in trade receivables	-345.44	-719.40
Decrease in other financial assets	-82.50	-46.41
Decrease in other current assets	-324.60	62.70
Decrease in non-current financial assets	-3.14	0.00
Decrease in non-current assets	150.71	-104.62
Increase in trade payables	650.01	714.17
Increase in other current liabilities	-11.64	77.59
Increase in non-current liabilities	257.77	0.00
Increase in other financial liabilities	128.42	-249.81
Cash generated from operations	1553.64	606.28
Net Income tax paid	-241.28	-137.36
Net cash flows used in operating activities (A)	1312.36	468.92
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	-1843.05	-516.86
Purchase of Investments	0.00	—
Proceeds from sale/ disposal of fixed assets	91.23	1.54
Net cash flow from investing activities (B)	-1751.82	-515.32
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of share capital	675.00	517.50
Proceeds from exercise of share warrants	-168.75	376.88
Proceeds from long-term borrowings	-177.78	-906.90
Proceeds from short-term borrowings	200.23	421.88
Capital Subsidy Received	51.16	0.00
Interest paid	-128.63	-115.94
Net cash flow from financing activities (C)	451.24	293.42
Net increase in cash and cash equivalents (A+B+C)	11.78	247.02
Cash and cash equivalents at the beginning of the year	1174.42	927.39
On current accounts		
Cash and cash equivalents at the end of the year	1186.20	1174.42

The accompanying notes are an integral part of the financial statements.

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
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AHMEDABAD: 30th May, 2018.

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Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary

M.No. 34887

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

(Amount in INR Rupees, unless otherwise stated)

	Equity Share Capital	Reserve and surplus				Items of OCI		Money Received against Share Warrants	Total
		Securities Premium	General Reserve	Capital Reserve	Retained earnings	Equity Instruments through OCI	Other Comprehensive Income		
Balance as at 1 April 2016	88202750	---	151562549	1500000	267610752	415431	(265989)	-	509025493
Profit for the year					33979205				33979205
Other comprehensive income									
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)							(666088)		(666088)
Fair Valuation of Investments measured at FVTOCI(Net of tax)						38065			38065
Issue of Equity Shares at premium by converting Share Warrants	11500000	40250000							51750000
Money received against share warrants								37687500	37687500
Income tax of earlier years					(595447)				(595447)
Balance as at 31 March 2017	99702750	40250000	151562549	1500000	300994510	453496	(932077)	37687500	631218728
Balance as at 1 April 2017	99702750	40250000	151562549	1500000	300994510	453496	(932077)	37687500	631218728
Profit for the year					38114464				38114464
Other comprehensive income									
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)							(217382)		(217382)
Fair Valuation of Investments measured at FVTOCI(Net of tax)						58735			58735
Issue of Equity Shares at premium by converting Share Warrants	15000000	52500000						(16875000)	50625000
Income tax of earlier years					(74512)				(74512)
Balance as at 31 March 2018	114702750	92750000	151562549	1500000	339034462	512232	(1149460)	20812500	719725033

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
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 AHMEDABAD: 30th May, 2018.

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Director
 (DIN: 00020062)

Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary
 M.No. 34887

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 MARCH 2018**

**1 Property, plant and equipment
Tangible Assets**

<u>Gross Carrying Amounts</u>	Freehold Land	Building	Plant & Machinery	Electric Installation	Furniture Fixtures	Office Equipments	Vehicles	Total
As at April 1,2016	95268517	200792650	691837498	17413422	17443113	12022348	14451354	1049228902
Additions	----	5264199	34091966	----	192660	2052462	1842537	43443824
Disposals	----	----	114965	----	----	----	572826	687791
Classified as held for sale	----	----	----	----	----	----	----	----
Other Adjustments	----	----	----	----	----	----	----	----
Gross carrying Amt as on 31st March 2017	95268517	206056849	725814499	17413422	17635773	14074810	15721065	1091984935
As at 31st March,2017	95268517	206056849	725814499	17413422	17635773	14074810	15721065	1091984935
Additions	---	239500	117741124	---	14500	1180489	7951131	127126744
Disposals	---	---	35176679	---	---	---	2684829	37861508
Classified as held for sale	---	---	12869568	---	---	---	---	12869568
Other Adjustments	----	----	----	----	----	----	----	----
Gross carrying Amt as on 31st March 2018	95268517	206296349	795509376	17413422	17650273	15255299	20987367	1168380603
<u>Accumulated Depreciation/Amortisation</u>								
As at April 1,2016	----	42377464	342115258	9465112	5630805	7407369	5126843	412122851
Depreciation For the Year	----	6293485	66615268	1612681	1584454	1648917	1651610	79406416
Deductions / Adjustments	----	----	101328	----	----	----	493952	595280
Depreciation as on 31st March 2017	----	48670949	408629198	11077793	7215259	9056286	6284501	490933987
As at 31st March,2017								
Opening	---	48670949	408629198	11077794	7215259	9056287	6284501	490933987
Depreciation For the Year	---	6446264	69606320	1126522	1302199	1560273	1666993	81708572
Deductions / Adjustments	---	---	43038461	---	---	---	2379596	45418057
Depreciation as on 31st March 2018	---	55117213	435197058	12204316	8517458	10616560	5571898	527224502
<u>Net Carrying Amount</u>								
As at April 1, 2016	95268517	158415186	349722239	7948310	11812308	4614979	9324511	637106051
As at March 31, 2017	95268517	157385900	317185301	6335629	10420514	5018524	9436564	601050948
As at March 31, 2018	95268517	151179136	360312318	5209106	9132815	4638739	15415469	641156101

2 Capital Work in Progress

As at April 1, 2016	2446431
As at March 31, 2017	10688795
As at March 31, 2018	39574536

3 Intangible assets

	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As at 1 April 2017	Additions	Deductions	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	Other Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017	
Commercial Right-ETP Pipeline	9705360	39810423	---	49515783	3150918	3055577		--	6206495	43309288	6554442	
Total	9705360	39810423	-	49515783	3150918	3055577	0	0	6206495	43309288	6554442	

Intangible assets

	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As at 1 April 2016	Additions	Deductions	As at 31 March 2017	As at 1 April 2016	For the year	Deductions/ Adjustments	Other Adjustments	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016	
Particulars	9705360	---	---	9705360	2180382	970536	---	---	3150918	6554442	7524978	
Total	9705360	-	-	9705360	2180382	970536	0	0	3150918	6554442	7524978	

4. FINANCIAL ASSETS- INVESTMENTS (As valued, verified & certified by the management)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Investment in equity instrument designated as at fair value through OCI			
1. Investment in Associate Companies : (Unquoted)			
700 (700) Equity Shares of Rahul Cal Chem Pvt. Ltd..of Rs.100 each fully paid	108643	109445	110708
685 (685) Equity Shares of Mahalaxmi Calchem Pvt. Ltd..of Rs.10 each fully paid	1103317	1014772	956644
2 Investment in Subsidiary Companies : (Unquoted)			
50000 (NIL) Equity Shares of Globale Tessile Pvt. Ltd..of Rs.10 each fully paid	—	—	—
3 Investment in Others : (Unquoted)			
1 (1) Share of The Social Co-op Bank Ltd. of Rs.100 each fully paid up	100	100	100
TOTAL	1212060	1124317	1067452

The details of aggregate of quoted and unquoted investment:

Particulars	Book Value (In Rs.)		Market Value (In Rs.)	
	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 31.03.2018	AS AT 31.03.2017
Aggregate Quoted Investment	—	—	—	—
Aggregate Unquoted Investment	1212060	1124317	—	—

5. NON-CURRENT FINANCIAL ASSETS - OTHERS (Unsecured and considered good)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Margin Money with Banks	1275150	1186200	1186200
Security Deposits	781720	556220	556220
Total	2056870	1742420	1742420

6. OTHER NON-CURRENT ASSETS	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Non Financial Assets (Unsecured and considered good)			
Capital advance	3500015	19244071	8781942
Deferred Revenue Expenses	309423	618849	928275
Issue Expenses	799615	565751	871579
Deferred Employee Cost	297248	569952	719577
Leasehold Land	450000	500000	550000
Total	5356301	21498623	11851373

7. INVENTORIES (As verified, valued & certified by management)	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Raw Materials (including goods in transit)	196845534	188728726	120908938
Finished Goods	106336056	67147463	77860595
Semi-finished Goods	3670866	29919992	30388800
Fents & Rags	7460570	5141372	2990352
Stores, Spares, Coal, Packing & Design Materials	18955973	16973676	20914951
Trading Goods	104530	104530	104530
Total	333373529	308015759	253168165

8. TRADE RECEIVABLE	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Trade Receivables	301945467	315001649	266406838
Receivables from related parties (Refer Note No.43)	108058215	60555666	38970020
Total Trade Receivables	410003682	375557315	305376858
Break up of Security Details:			
Secured, considered good	—	—	—
Unsecured, considered good	409471257	375133794	305087777
Dobutful	532424	423521	289081
Total Trade Receivables	410003682	375557315	305376858

9. CASH AND CASH EQUIVALENTS	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Balances with banks			
On current accounts	1800106	6171674	4317463
Cash on hand	707074	854199	1738994
Total cash and cash equivalents	2507180	7025873	6056457

10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	115000000	105000000	85150000
Balances with Banks held as margin money	635000	4742000	741000
In Fixed deposit with maturity more than 12 months	—	—	—
Earmarked Balance with banks (pertaining to dividend accounts with banks)	476888	674269	791998
Total	116111888	110416269	86682998

11. CURRENT FINANCIAL ASSETS - LOANS	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Unsecured, considered good			
To Subsidiary Companies	500	—	—
To Employees	3302752	3030048	2880423
	3303252	3030048	2880423

12. Current Financial assets - Others	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Interest Receivable under TUFs	1416961	3224373	2609936
Export Benefit Receivable	7358756	4159299	3487979
Accrued Income	8937403	7236696	10288633
Interest accrued on fixed deposits	15103781	9947504	3540614
	32816901	24567872	19927162

13. Other current assets	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Prepaid Expenses	3483769	3484321	4637967
Advance to employees	1882200	985500	672200
Balance with Statutory Authorities	26234336	2886475	6496094
Leasehold Land	50000	50000	50000
Others	11456211	3240714	5060822
Total	43106516	10647010	16917083

14. Assets classified as held for sale	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Plant & Machinery	2461395	—	—
Total	2461395	—	—

15. Equity Share Capital	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
	₹	₹	₹
Authorized			
25000000 (25000000) Equity Shares of Re.10 each	250000000	250000000	250000000
	250000000	250000000	250000000
Issued, subscribed and paid up			
11470275 (9970275) Equity Shares of Rs.10 each fully paid	114702750	99702750	88202750
Total	114702750	99702750	88202750

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares	Amount	Number of shares	Amount
(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year shares				
Outstanding at the beginning of the year	9970275	99702750	8820275	88202750
Add: Issued during the year	1500000	15000000	1150000	11500000
Outstanding at the end of the year	11470275	114702750	9970275	99702750

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Re.10 per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

However, no such preferential amounts exist currently.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Jeetmal B. Parekh	1494481	13.03%	994481	9.97%	644481	7.31%
Rahul J. Parekh	1751119	15.27%	1251119	12.55%	851119	9.65%
Kamlaben J. Parekh	756570	6.60%	756570	7.59%	756570	8.58%
Anand J. Parekh	1651122	14.39%	1151122	11.55%	751122	8.52%

(d) Aggregate number of shares issued for consideration other than cash:

Equity Shares include 1034775 shares of Rs.10 each issued as fully paid up Bonus Shares and 3646400 shares of Rs. 10 each issued pursuant to a scheme of amalgamation of erstwhile Mahalaxmi Fabric Mills P Ltd. with the company without payment received in cash

16. Other Equity	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
(a) Securities premium reserve			
Opening balance	40250000	—	—
Add : Received during the year	52500000	40250000	—
Closing balance	92750000	40250000	—
(b) General reserve			
Opening balance	151562549	151562549	151562549
Addition during the year	—	—	—
Closing balance	151562549	151562549	151562549
(c) Capital Reserve			
Opening balance	1500000	1500000	1500000
Addition during the year	—	—	—
Closing balance	1500000	1500000	1500000
(d) Retained Earnings			
Opening balance	300994510	267610752	236275259
Add: Net profit for the year	38114464	33979205	31200003
Less: Income Tax of eariler years	74512	595447	(135490)
Closing balance	339034462	300994510	267610752

16. Other Equity (Contd...)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
(e) Equity Instruments through OCI			
Opening Balance	453496	415431	—
For The Year (net of Tax)	58735	38065	415431
	512232	453496	415431
(e) Other items of Other Comprehensive Income			
Opening balance	(932077)	(265989)	—
Re-measurement gain/(loss) on defined benefit plans (net of tax)	(217382)	(666088)	(265989)
Closing balance	(1149460)	(932077)	(265989)
(f) Money Received against Share Warrants			
Opening balance	37687500	-	-
Add : Received/ (Utilized)during the year (Net)	(16875000)	37687500	-
	20812500	37687500	-
Total Other Equity	605022283	531515978	420822743

17. Non-Current Borrowings	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Secured			
Term Loans from Banks and Financial Institutions			
Term Loans	84381813	53984950	52859415
Vehicle Loans	5183823	868985	2059209
Total (A)	89565636	54853935	54918624
Unsecured			
From Directors	46389314	99233082	189858082
Total (B)	46389314	99233082	189858082
TOTAL (A+B)	135954950	154087017	244776706

Nature of Securities and terms of repayment for Long Term Borrowings:

Term Loans:

- 1 Rupee Term loan from Bank of Baroda of Rs. 53.73 lacs (P.Y. Rs. 108.81 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from September, 2014. Last installment due in March, 2019.
- 2 Rupee term loan from Bank of Baroda amounting to Rs. NIL (P.Y 56.40 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from April, 2014. Last installment due in March, 2018.
- 3 Rupee term loan from Bank of Baroda amounting to Rs. 274.34 lacs (P.Y Rs. 363.38 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from May, 2016. Last installment due in April, 2021.
- 4 Rupee term loan from Bank of Baroda amounting to Rs.334.10 lacs (P.Y Rs. 274.28 lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from June, 2017. Last installment due in May, 2022.
- 5 Rupee term loan from Bank of Baroda amounting to Rs.477.41 lacs (P.Y Rs. Nil) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from May, 2018. Last installment due in April, 2023.
- 6 Rupee term loan from Bank of Baroda amounting to Rs.123.85 lacs (P.Y Rs. Nil lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from April, 2018. Last installment due in March 2023.

Vehicle Loans

- 1 Vehicle Loan from HDFC Bank amounting to Rs. Nil (P.Y.0.96 Lacs) secured by way of hypothecation of Motor Truck and repayable in 36 monthly installments commencing from November, 2014. Last installment due in October, 2017.
- 2 Vehicle Loan from HDFC Bank amounting to Rs. Nil (P.Y.1.14 Lacs) secured by way of hypothecation of Motor Truck and repayable in 36 monthly installments commencing from September, 2014. Last installment due in August, 2017.

- 3 Vehicle Loan from HDFC Bank amounting to Rs. Nil (P.Y.5.08 Lacs) secured by way of hypothecation of Staff Bus and repayable in 36 monthly installments commencing from March, 2015. Last installment due in February, 2018.
- 4 Vehicle Loan from Voxswagen Finance P.Ltd. amounting to Rs. 2.98 lacs (P.Y.14.39 Lacs) secured by way of hypothecation of Motor Car repayable in 36 monthly installments commencing from July, 2015. Last installment due in June, 2018.
- 5 Vehicle Loan from HDFC Bank amounting to Rs. 5.70 lacs (P.Y.9.53 Lacs) secured by way of hypothecation of Motor Car Repayable in 36 monthly installments commencing from August 2016. Last installment due in July, 2019
- 6 Vehicle Loan from AXIS Bank amounting to Rs. 64.50 lacs (P.Y.Nil) secured by way of hypothecation of Motor Car Repayable in 60 monthly installments commencing from April 2018. Last installment due in March, 2022

18. Provisions (Non Current)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Provision for post employment benefit obligations			
Provision for Gratuity	11379243	9855915	8082728
Total	11379243	9855915	8082728

19. Deferred Tax Liabilities (Net)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Deferred Tax Liability			
Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	44554000	39229000	44986000
Fair Valuation Gain on Investments	252978	223971	205171
Deferred Tax Asset:			
Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	3414000	2957000	2425000
Remeasurements of defined benefit plans	567689	460330	131365
Deferred Tax Liabilities (Net)	40825289	36035641	42634806

20. Other Non-current Liabilities	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Deferred Income for Capital Subsidy	3446604	—	—
Deferred Income for EPCG Liability	10640075	—	—
Others	25777442	—	—
	39864121	-	-

21. Short -Term Borrowings	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Working Capital Loans from Banks			
Secured			
Cash Credit	106539614	139487246	120156402
Foreign Bills Purchase	11623319	10124104	7455951
Overdraft	51424477	29952615	9763117
Unsecured Loan from Banks	30000000	—	—
Total short-term borrowings	199587410	179563965	137375470

Details of securities for working capital borrowings Cash Credit and Foreign Bills Purchase facilities are secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and overdraft is secured by way of pledge of fixed receipts of the company.

22. Trade Payablese	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Trade Payables			
Payable to related parties	14088008	1735232	809597
Payable to Others	437692474	393264813	326203444
Total Trade Payables	451780482	395000045	327013041

23. Other financial liabilities	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Current Maturities of long term debts	37838560	28547911	56213756
Salary & Wages Payable	14397792	10292319	10617887
Unpaid Salary & Bonus	18175	38656	26769
Unclaimed Dividend	476888	674269	791998
Other Payables	10121619	10457677	7341427
	62853034	50010832	74991837

24. Other current liabilities	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Advances from Customers	2683139	9818076	2516883
Statutory Duties & Taxes	3859007	4049442	4341301
Capital Creditors	6911500	750000	—
	13453646	14617518	6858184

25. Current tax liabilities (net)	AS AT	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹	1 April 2016 ₹
Opening Balance	11530030	1989584	8630000
Add: Current Tax payable for the year	13450000	22681000	14909000
Less: Taxes paid (including TDS and MAT Credit)	24053738	13140554	21549416
	926292	11530030	1989584

26. Revenue from operations	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Sale of products and services	1932668955	1655433948
Job Work Charges	330073253	354882019
Other Operating revenue		
Export Entitlement Benefits	15306284	16261786
Total revenue from operations	2278048492	2026577753

27. Other income	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Exchange Rate Fluctuation	1335048	135996
Sale of Scrap	216275	—
Insurance Claims	25820	62716
Liability Written Back	8220750	3429522
Vatav Kasar	12842	31171
Profit on Sale/disposal of Fixed Assets	6285227	61488
Amortisation of Deferred Income under EPCG Scheme	877948	—
Amortisation of Deferred Income (Capital Subsidy)	1669649	—
Notional Interest Income on Loan to employee	272704	149625
Notional Interest Income on Unsecured Borrowings	354268	—
Trans Stock Credit	2465096	—
	21735627	3870518

28. Cost of raw material consumed and trading purchase	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Raw Material Consumed:		
Opening Stock	188728727	120908938
Add: Purchases	1453783782	1295255134
Less: Closing Stock	196845534	188728726
Cost of raw material consumed	1445666976	1227435346
Purchase of Trading Goods	24341149	—
	1470008125	1227435346

29. Changes in inventories of finished goods, stock-in-trade and work-in-progress	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Inventories at the beginning of the year		
Finished Goods	67147463	77860595
Semi Finished Goods	29919992	30388800
Trading Goods	104530	104530
Fents & Rags	51 41372	2990352
	102313357	111344277
Less: Inventories at the end of the year		
Finished Goods	106336056	67147463
Semi Finished Goods	3670866	29919992
Trading Goods	104530	104530
Fents & Rags	7460570	5141372
	117572022	102313357
Net decrease/ (increase)	(15258665)	9030920

30. Manufacturing & Operating Cost	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Stores, Spares & Maintenance Expenses	54527197	64623089
Job Charges Paid	53580437	35774535
Design Expenses	6444012	8194597
Power & Fuel Expenses	290708364	277038790
Processing Charges	87369320	72796914
Laboratory Expenses	487722	823287
Freight, Clearing & Forwarding Expenses	14123250	11834323
Central Excise Duty	132205	72538
Pollution Control Expenses	4655195	3725218
	512027702	474883291

31. Employee benefits expense	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Salaries, wages, bonus and other allowances	104981861	92993852
Gratuity	1968645	1398557
Contribution to Provident Fund and ESI	3482471	4510337
Employees' Welfare Expenses	3648541	3135936
Amortisation of deferred employee benefit	272704	149625
	114354222	102188307

32. Finance costs	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Interest (Net)	12862818	11594134
Bank Commission & Charges	2468973	4624022
	15331791	16218156

33. Other expenses	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
E.C.G.C. Premium	527035	397808
Telecommunication Expenses	906963	996588
General Expenses	335420	357253
Insurance Premium	3273199	3336298
Advertisement Expenses	397017	527154
Audit Fees	300000	287500
Car Expenses	994890	771633
Packing Materials Expenses	11113986	16576204
Legal & Consulting Expenses	2702821	2197140
Postage & Courier Expenses	642879	685092
Rent, Rates and Taxes	1786431	1678906
Deferred Revenue Expenses written off	748362	615254

33. Other expenses (Contd...)	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Loss on Sale of Fixed Assets	14136	—
Bus & Truck Expenses	938887	915934
Miscellaneous Expenses	2677843	1851355
Amortisation of Leasehold Land	50000	50000
Value Added Tax	739172	3671871
Export Freight	5972900	4872261
Commission Expenses	20503867	19529635
Factory Expenses	341880	396873
Bad Debts written off	1432572	1895420
Service Tax	901383	1430747
Business Promotion Expenses	—	463751
Printing & Stationery Expenses	1105611	1350261
Travelling Expenses	3701467	3462486
Exhibition Expenses	-	1626670
	62108721	69944094

34. *Note : The following is the break-up of Auditors remuneration (exclusive of service tax)	AS AT	AS AT
	31 March 2018 ₹	31 March 2017 ₹
Statutory Audit Fee	305000	287500
Tax Audit Fee	—	57500
For Others (Reports, Certificates, etc.)	53000	74725
Total	358000	419725

35. First-time adoption of Ind-AS

These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2018, together with the comparative year data as at and for the year ended 31st March 2017, as described in the significant accounting policies. The transition to Ind AS has been carried out in accordance with Ind AS 101- "First time adoption of Indian Accounting Standards" with 1st April, 2016 as the transition date.

This note explains the exemptions availed by the company on first time adoption of Ind As and the principal adjustment made by the company in restating its Indian GAAP financial statements as at 1st April 2016 and financial statements as at and for the year ended 31st March 2017 in accordance with Ind AS 101.

Exemptions applied

Ind AS 101 allows first - time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has, accordingly, applied following exemptions :

- a) The company has elected to consider carrying amount of all items of property, plant and equipments measured as per Indian GAAP as recognized in the financial statements as at the date of transition, as deemed cost as the date of transition. The effect of consequential changes arising on the application of other Ind AS has been adjusted to the deemed cost of property, plant & Equipment.
- b) The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 1st April 2016.
- c) The estimates at 1st April 2016 and 31st March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items under Indian GAAP did not require estimation :
 - i) Fair values of Financial Assets & Financial Liabilities

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1st April, 2016 and 31st March, 2017.

Notes to the reconciliation of equity as at 1st April,2016 and 31st March,2017 and Total comprehensive Income for the year ended 31st March,2017.

i. Leasehold land

Under Indian GAAP, land on lease was not covered under 'leases' and therefore it was shown as Tangible assets. Under Ind AS, land on lease is considered as operating lease. Therefore, net block of leasehold land has been re-classified under the head " other non current assets" and " Other current assets" as ' Leasehold land' further the amortization of leasehold payment for the year ended 31st March 2017 has been reclassified from Depreciation and amortization' to 'Other expenses'. However, the same has no impact on the total equity as at 31st March,2017.

ii. Fair value of Investments

Under Indian GAAP, investments in equity instruments are classified as long term investments based on the intended holding period and realizability . Long term investments were carried at cost less provision for other than temporary diminution in the value of investments. Ind AS requires such investments to be measured at fair value except investment in subsidiaries, associates and joint venture for which exemption has been availed. Accordingly, the Company has designated such investments as investment measured at FVTOCI cost in accordance with Ind AS. The difference between the instruments fair value and carrying amount as per Indian GAAP has been recognized in fair value measurement through OCI

iii. Financial instruments measured at amortized cost :

Under Indian GAAP, interest free Loan to employees are recorded at their transactions value. Under Ind AS, these loans are to be measured at amortized cost on the basis of effective interest rate method. Due to this, loans to employees has been decreased and difference between carrying amount and amortized cost has been recognized as Deferred employee cost' under the head other 'Non-current assets' and 'Other Current Assets' Further, Employee benefit expense has been increased due to amortization of the deferred employee benefit which is offset by the notional interest income on loan to employee

iv. Defined benefit obligation

Under Ind AS remeasurements i.e. actuarial gains and losses are to be recognized in " other comprehensive income" and are not to be reclassified to profit and loss in a subsequent period. Under the Indian GAAP, these remeasurements were forming part of the profit or loss . Therefore, actuarial gain / loss has been recognized in OCI which was earlier recognized as Employee benefits expenses. However, the same has no impact on the total equity.

v. Deferred Tax

Under Indian GAAP, deferred tax was recognized for the temporary timing differences which focus on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between carrying amount of an asset or liability in the balance sheet and its tax base. Further, the application of Ind AS has resulted in recognition of deferred tax on certain temporary differences which was not required under Indian GAAP.

Accordingly, deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earning /OCI in accordance with Ind AS.

vi. Statement of Cash Flows

The transition from Indian GAAP to Ind AS has not had a material impact on statement of cash flows.

Reconciliation of equity as on 31st March 2017 and 1st April 2016

Particulars	Notes to first-time adoption	As at 31.03.2017			As at 01.04.2016		
		As per Indian GAAP	IND AS Adjustments	As per IND AS	As per Indian GAAP	IND AS Adjustments	As per IND AS
ASSETS							
Non-current assets							
Property, plant and equipment	35(i)	601600948	(550000)	601050948	637706049	(600000)	637106049
Capital work-in-progress		10688795	—	10688795	2446431	—	2446431
Intangible assets		6554442	—	6554442	7524978	—	7524978
Financial assets							
Investments	35(ii)	446850	677467	1124317	446850	620602	1067452
Loans		—	—	—	—	—	—
Other financial assets		1742420	—	1742420	1742420	—	1742420
Other non-current assets	35(i),(iii)	20428671	1069952	21498623	10581796	1269577	11851373
Total non-current assets		641462126	1197419	642659545	660448524	1290179	661738703
Current assets							
Inventories		308015759	—	308015759	253168165	—	253168165

Particulars	Notes to first-time adoption	As at 31.03.2017			As at 01.04.2016		
		As per Indian GAAP	IND AS Adjustments	As per IND AS	As per Indian GAAP	IND AS Adjustments	As per IND AS
Financial assets							
Investments		—	—	—	—	—	—
Trade receivables		375557315	—	375557315	305376858	—	305376858
Cash and cash equivalents		7025873	—	7025873	6056457	—	6056457
Bank balances other than cash and cash equivalents		110416269	—	110416269	86682998	—	86682998
Loans	35(iii)	3600000	(569952)	3030048	3600000	(719577)	2880423
Other financial assets		24567872	—	24567872	19927162	—	19927162
Other current assets	35(i)	10597010	50000	10647010	16867083	50000	16917083
Total current assets		839780098	(519952)	839260146	691678723	(669577)	691009146
TOTAL ASSETS		1481242223	677467	1481919691	1352127246	620602	1352747849
<u>EQUITY AND LIABILITIES</u>							
Equity							
Equity share capital		99702750	—	99702750	88202750	—	88202750
Other equity	35(ii),(iv)	530602151	913826	531515978	420275946	546796	420822743
Total equity		630304901	913826	631218728	508478696	546796	509025493
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings		154087016	—	154087017	244776705	—	244776705
Other financial liabilities		—	—	—	—	—	—
Provisions		9855915	—	9855915	8082728	—	8082728
Deferred Tax Liabilities (Net)	35(ii),(iv),(v)	36272000	(236359)	36035641	42561000	73806	42634806
Other non-current liabilities		—	—	—	—	—	—
Total non-current liabilities		200214931	(236359)	199978573	295420433	73806	295494239
Current liabilities							
Financial liabilities							
Borrowings		179563965	—	179563965	137375470	—	137375470
Trade payables		395000045	—	395000045	327013041	—	327013041
Other financial liabilities		50010832	—	50010832	74991837	—	74991837
Other current liabilities		14617518	—	14617518	6858184	—	6858184
Provisions		—	—	—	—	—	—
Current tax liabilities (net)		11530030	—	11530030	1989584	—	1989584
Total current liabilities		650722390	—	650722390	548228116	—	548228116
TOTAL EQUITIES AND LIABILITIES		1481242223	677467	1481919691	1352127246	620602	1352747849

Note:

The figures of Indian GAAP have been reclassified to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 as applicable to a company whose financial statements are required to be drawn up in compliance of the (Indian Accounting Standards) Rules, 2015

Reconciliation of Total Comprehensive Income for the year ended 31.03.2017

Income	Notes to first-time adoption	As at 31.03.2017		
		As per Indian GAAP	IND AS Adjustments	As per IND AS
Revenue from operations		2026577753	—	2026577753
Other income	34(iii)	3720893	149625	3870518
Total income		2030298646	149625	2030448271
Expenses				
Cost of material consumed and Trading Purchase		1227435346	—	1227435346
Changes in inventories of finished goods, stock-in-trade and work-in-progress		9030920	—	9030920
Manufacturing & Operating Costs		474883291	—	474883291
Employee benefits expense	34(iii), (iv)	103033735	(845428)	102188307
Finance costs		16218156	—	16218156
Depreciation and amortization expense	34(i)	80426952	(50000)	80376952
Other expenses	34(i)	69894094	50000	69944094
Total expenses		1980922493	(845428)	1980077065
Profit/(Loss) before tax		49376152	995053	50371205
Income tax expense				
Current tax		22681000	—	22681000
Deferred tax		(6289000)	—	(6289000)
Total income tax expense		16392000	—	16392000
Profit/(Loss) for the year		32984152	995053	33979205
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
Re-measurement gains/ (losses) on post employment defined benefit plan	34 (iv)	—	(995053)	(995053)
Income tax effect on above items		—	328965	328965
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI	34 (ii)	—	56865	56865
Income tax effect on above items		—	(18800)	(18800)
Total other comprehensive income for the year		32984152	367030	33351182

Note:

The figures of Indian GAAP have been reclassified to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 as applicable to a company whose financial statements are required to be drawn up in compliance of the (Indian Accounting Standards) Rules, 2015

Reconciliation of Equity

Nature of Adjustments	AS AT	AS AT
	31 March 2017	31 March 2016
Equity as per Previous GAAP	630304901	508478696
Add: Fair Valuation of equity instruments	453496	415431
Deferred tax impact for Ind AS Adjustments	460331	131366
Equity as per Ind AS	631218728	509025493

36 (a) Financial Instruments by Category

(a) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:

As at 31st March 2018

Particulars	At Amortized cost	At fair values through OCI	Total carrying values	Total Fair value
Assets:				
Investments (Non Current)		1212060	1212060	1212060
Other Financial Non- current assets	2056870		2056870	2056870
Trade Receivables	410003682		410003682	410003682
Cash & Cash Equivalents	2507181		2507181	2507181
Other Bank Balance	116111888		116111888	116111888
Loan	3303252		3303252	3303252
Other Financial current assets	32816901		32816901	32816901
Total	566799773	1212060	568011833	568011833
Liabilities:				
Borrowings	135954950		135954950	135954950
Borrowings (Current)	199587410		199587410	199587410
Trade Payables	451780482		451780482	451780482
Other Financial Liabilities (Current)	62853034		62853034	62853034
Total	850175876		850175876	850175876
As at 31st March 2017				
Assets:				
Investments (Non Current)		1124317	1124317	1124317
Other Financial Non- current assets	1742420		1742420	1742420
Trade Receivables	375557315		375557315	375557315
Cash & Cash Equivalents	7025873		7025873	7025873
Other Bank Balance	110416269		110416269	110416269
Loan	3030048		3030048	3030048
Other Financial current assets	24567872		24567872	24567872
Total	522339797	1124317	523464114	523464114
Liabilities:				
Borrowings	154087017		154087017	154087017
Borrowings (Current)	179563965		179563965	179563965
Trade Payables	395000045		395000045	395000045
Other Financial Liabilities (Current)	50010832		50010832	50010832
Total	778661859	—	778661859	778661859
As at 01 April 2016				
Assets:				
Investments (Non Current)		1067452	1067452	1067452
Other Financial Non- current assets	1742420		1742420	1742420
Trade Receivables	305376858		305376858	305376858
Cash & Cash Equivalents	6056457		6056457	6056457
Other Bank Balance	86682998		86682998	86682998
Loan	2880423		2880423	2880423
Other Financial current assets	19927162		19927162	19927162
Total	422666318	1067452	423733770	423733770
Liabilities:				
Borrowings	244776705		244776705	244776705
Borrowings (Current)	137375470		137375470	137375470
Trade Payables	327013041		327013041	327013041
Other Financial Liabilities (Current)	74991837		74991837	74991837
Total	784157053	—	784157053	784157053

(b) Fair Value Measurement

(i) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e.as prices) or indirectly (i.e. derived from prices)

Level 3- Input for the assets or liabilities that are not based on observable market data (unobservable inputs)

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As 31st March 2018

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31.03.2018				
Fair values through OCI	1212060	—	1212060	—
As at 31.03.2017				
Fair values through OCI	1124317	—	1124317	—
As at 01.04.2016				
Fair values through OCI	1067452	—	1067452	—

(Amt.in Lacs)

37. The details of Contingent Liabilities and Commitments (to the extent not provided for):	AS AT	AS AT	AS AT
	31 March 2018	31 March 2017	1 April 2016
A Contingent Liabilities:			
1 Outstanding Bank Guarantee	107.57	106.64	84.64
2 Outstanding Letter of Credit	0.00	18.47	22.78
3 Disputed Service Tax Liability	2.09	2.09	2.09
4 Disputed Income Tax Liability	—	9.81	9.99
5 Employees' cases pending before labour courts	103.56	64.62	73.32
In other cases of Employees' pending before labour courts, the liability is indeterminate			
The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.			
B Commitments:			
1 Estimated amount of capital contacts (including covered by Letter of Credit and guarantee) remaining to be executed on capital accountant not provided for (Net of Advances)	710.78	986.16	494.35

38 Amortisation of Intangible assets

Commercial Right to use effluent treatment pipeline and CETP has been amortised @ 10% on straight line basis as the useful life thereof has been estimated to be not more than 10 years.

39 During the year the Company has received an amount of Rs.5,06,25,000 towards allotment of 1500000 equity shares upon conversion of 1500000 warrant made in the month of October 2017 on completion of required formalities (Refer Note 15). As per the objects of the preferential allotment, the end use of the funds raised is towards meeting of long term working capital requirement and capital expenditure for ongoing expansion of the company. The amounts raised is being applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending utilisation.

40 Based on review carried out as on 31.03.2018, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".

41. Calculation of Earning per Share		AS AT	AS AT
		31 March 2018	31 March 2017
Earning per Share			
Net Profit after Tax	Rs.	38114464	33979205
Nominal Value of equity share	Rs.	10	10
Weighted average number of equity shares	Nos.		
- for Basic EPS		10664796	8965207
- for Diluted EPS		12514796	12315207
Basic EPS	Rs.	3.54	3.79
Diluted EPS	Rs.	3.02	2.76

42 The Disclosures as required to be made relating to Micro, Small and Medium Enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME) are not furnished in view of the non availability of the relevant information with the company from all such enterprises. 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.

43 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>
Globale Tessile Private Limited	Subsidiary
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

(b) Transactions during the year with Related Parties:

Nature of Transaction	Associate	Key Managerial Personnel
Rent paid		
Shah Jeetmal Champalal	12000	
Rahul Textile	108000	
Globale Tessile Private Limited		
	120000	-
Remuneration Paid		
Rahul Jeetmal Parekh		1832400
Anand Jeetmal Parekh		1832400
	-	3664800
Purchase		
Mahalaxmi Cal Chem P Ltd.	6326273	
Anand Chem Ind. P. Ltd.	28213282	
Mahalaxmi Exports	508207	
Shah Jeetmal Champalal	6126270	
	41174032	-

Nature of Transaction		Associate	Key Managerial Personnel
Job charges Paid			
Mahalaxmi Exports		10914651	
		10914651	—
Sales			
Mahalaxmi Exports		646717901	
Shah Jeetmal Champalal		4379794	
		651097695	—
Job charges Received			
Mahalaxmi Exports		8196123	
		8196123	—
(c) Outstandings			
Payables			
Anand Chem Industries Pvt. Ltd.		12176818	
Mahalaxmi Cal Chem P Ltd.		1911190	
		14088008	—
Receivables			
Mahalaxmi Exports		108058215	
		108058215	—
Loans Taken			
Rahul Jeetmal Parekh			10000
		—	10000
Loans Repaid			
Jeetmal Bhoorchand Parekh			10000000
Rahul Jeetmal Parekh			24000000
Anand Jeetmal Parekh			18500000
		—	52500000
Unsecured Loans Payable			
Jeetmal Bhoorchand Parekh		—	5404218
Rahul Jeetmal Parekh		—	32775783
Anand Jeetmal Parekh		—	8563081
		—	46743082

44 Derivatives Instruments:

(a) Derivatives outstanding as at the Balance Sheet Date:

Currency	Exposure to Buy / Sell	No. of Contracts	As at the year ended	
			Rs. Lacs	Foreign Currency
NIL		—	—	—

(b) Foreign currency exposure at the year end not hedged by derivative instruments:

Particulars	As at 31-03-2018	As at 31-03-2017
Payable against import of goods & services		
Rupees in Lakhs	92	42
US Dollar	88143	49463
GBP	—	—
Euro	43187	15010
Advance payment to suppliers and for expenses		
Rupees in Lacs	—	—
Euro	—	—
US Dollar	—	—
Receivable against export of goods and services		
Rupees in Lacs	173	142
US Dollar	58751	90516
Euro	166366	120810

The Company entered in to derivative contracts strictly for hedging purposes only and not for trading or speculation purposes.

45 Disclosure pursuant to Accounting Standard-17 “Segment Reporting”:

PARTICULARS	2017-18			2016-17		
	Rubber / Technical Textiles Products	Textile Products	Consolidated	Rubber / Technical Textiles Products	Textile Products	Consolidated
BUSINESS SEGMENT						
Segment Revenue						
External sales	202886797	2075161695	2278048492	170426641	1856151112	2026577753
Inter- Segment Sales		22593152	22593152		30358148	30358148
	202886797	2097754847	2300641644	170426641	1886509260	2056935901
Less: Inter- Segment Sales		(22593152)	(22593152)		(30358148)	(30358148)
Total Revenue	202886797	2075161695	2278048492	170426641	1856151112	2026577753
Results						
Segment results before Interest	10961889	37679516	48641404	4767461	54066434	58833894
Interest	(2868452)	(9994366)	(12862818)	(2991415)	(8602719)	(11594134)
Unallocable Expenses	—	—	(809046)	—	—	(533800)
Other Income	6200846	15136036	21336882	1434918	2044420	3479338
Unallocable Income	—	—	126041	—	—	185910
Profit after Interest	14294282	42821186	56432464	3210964	47508135	50371207
Extraordinary Items	—	—	—	—	—	—
Current Tax	—	—	13450000	—	—	22681000
Deferred Tax	—	—	4868000	—	—	(6289000)
Net Profit after Tax	—	—	38114464	—	—	33979207
Other Comprehensive Income			(158647)			
Other Information						
Segment Assets	289904837	1267093738	1556998574	282675569	1126031030	1408706598
Unallocable Assets	—	—	92300207	—	—	72997799
Segment Liabilities	79599531	781383853	860983385	115935568	664324281	780259849
Unallocable Liabilities	—	—	108716980	—	—	81374946
Capital Work in Progress						
Segment CWIP	0	39574536	39574536	0	10095815	10095815
Unallocable CWIP	—	—	0	—	—	592980
Depreciation	27060769	53439690	80500459	26886912	49249332	76136243
Unallocable Depreciation	—	—	4263690	—	—	4290708
GEOGRAPHICAL SEGMENT						
Revenue						
India	108034885	1924842766	2032877651	111157876	1679126355	1790284231
Outside India	94851912	150318929	245170841	59268765	177024757	236293522

46 Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Non-Funded)	
	2017-18	2016-17
Defined Benefit obligation at beginning of year	9855915	8082728
Current Service Cost	1022481	755172
Interest Cost	728352	643385
Past Service Cost	217812	—
Actuarial (gain)/loss	324742	995053
Benefits paid	(770059)	(620423)
Defined Benefit obligation at year end	11379243	9855915

Reconciliation of opening and closing balances of fair value of Plan Assets

	Gratuity (Non-Funded)	
	2017-18	2016-17
Fair value of Plan assets at beginning of year	—	—
Expected return on plan assets	—	—
Actuarial gain/loss	—	—
Employer contribution	—	—
Benefits paid	—	—
Fair value of Plan assets at year end	—	—
Actual return on plan assets	—	—

Reconciliation of fair value of assets and obligations

	As at 31.03.18	As at 31.03.17
Fair value of Plan assets	—	—
Present value of obligation	11379243	9855915
Amount recognised in Balance Sheet	11379243	9855915

Expenses recognised in Profit & Loss A/c

	2017-18	2016-17
Current Service Cost	1022481	755172
Interest Cost	728352	643385
Past Service Cost	217812	—
Expected return on Plan assets	—	—
NET COST	1968645	1398557

Expenses recognised in OCI

	2017-18	2016-17
Actuarial (gain)/loss	324742	995053
Total	324742	995053

Investment Details

	31.03.18	31.03.17
GOI Securities	0	0
Public Securities	0	0
State Government Securities	0	0
Insurance Policies	0	0
Others (including bank balances)	0	0

Actuarial assumptions

	Gratuity (Non-Funded)	
	2017-18	2016-17
Mortality Table(LIC)		
Attrition Rate	0	0
Discount rate (per annum)	0	0
Expected rate of return on Plan Assets(per annum)	0	0
Rate of escalation in salary (Per Annum)	0	0

47 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk

The company operates internationally and business is transacted in several currencies.

The export sales of company comprise around 11% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

Foreign Currency

Particulars	As At 31st March 2018	As At 31st March 2017
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	237582.34	243088.53
In Euro	166366.03	120810.24
Amount hedged through forwards & options # (B)		
In USD	178831.22	152572.06
In Euro	—	—
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	58751.12	90516.47
In Euro	166366.03	120810.24
b) Exposure on account of Financial Liabilities		
Trade Payables (D)		
In USD	88143.35	49462.62
In Euro	43187	15010
Amount Hedged through forwards & options # (E)		
In USD	—	—
In Euro	—	—
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	88143.35	49462.62
In Euro	43187	15010
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
In USD	-29392.23	41053.85
In Euro	123179.03	105800.24

Foreign Currency Risk Sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

Net Impact on Profit before Tax

Particulars	As at 31-Mar-18	As at 31-Mar-17
USD sensitivity		
INR/USD -Increase by 5%	-95789.278	133137.64
INR/USD -Decrease by 5%	95789.278	-133137.64
EURO sensitivity		
INR/EURO -Increase by 5%	497711	366423.26
INR/EURO -Decrease by 5%	-497711	-366423.26

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Exposure to Interest Rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. In Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Long term debts from Banks and Financial Institutions	895.66	548.54
Current Maturities of long term debts	378.39	285.48
Unsecured Loan		
- From Bank	300.00	0.00
- From Related Parties	463.79	992.33
Short term Borrowings from Banks	1181.63	1496.11
Overdraft from Bank	514.24	299.53
Total borrowings	3733.71	3621.99
% of Borrowings out of above bearing variable rate of interest	73.81%	64.33%

Interest rate sensitivity

A change of 50 bps in interest rate would have following impact on Profit before tax

Particulars	As at March 31, 2018	As at March 31, 2017
50 bps increase would decrease the profit before tax by	-13.78	-11.65
50 bps decrease would increase the profit before tax by	13.78	11.65

(iii) Investment Risk

The company is exposed to equity price risk arising from equity investments.

The company manages equity price risk by investing in fixed deposits/Fixed Maturity Plans. The company does not actively trade equity investments. Protection principle is given high priority by limiting company’s investments to fixed deposits/Fixed Maturity plans only.

Liquidity Risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company’s principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

(Rs. in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17
Borrowings		
expiring within one year	2838.16	3073.45
expiring beyond one year	895.66	548.54
	3733.82	3621.99
Trade Payables		
expiring within one year	4398.88	3829.89
expiring beyond one year	118.92	120.11
	4517.80	3950.00
Other Financial liabilities		
expiring within one year	245.33	207.89
expiring beyond one year	4.77	6.74
	250.10	214.63

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual fund units, bonds, fixed maturity plan etc. issued by institutions having proven track record. The Company’s credit risk in case of all other financial instruments is negligible.

The company assesses the credit risk for the overseas customers based on external credit ratings assigned by credit rating agencies. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by ECGC.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 8

Write off policy

The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.

48 Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company’s capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Company’s gearing ratio was as follows:

(Amount in Lakhs)

Particulars	Financial Year ended 31.03.2018	Financial Year ended 31.03.2017
Total Borrowings	3733.82	3621.99
Less: Cash and cash equivalents	25.07	70.26
Net debt	3708.74	3551.73
Total equity	7197.25	6312.19
Gearing ratio	51.53%	56.27%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March 2018 and 31st March 2017. There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2018 and 31 March 2017.

49 Significant accounting policies

1 The Company overview

The Consolidated Financial Statements comprise financial Statements of “Mahalaxmi Rubtech Limited” (‘the Holding Company’) and its subsidiary (collectively referred to as “the Group”) for the year ended 31st March, 2018.

The principal activities of the Group, is manufacturing of traditional textile and technical textiles products.

2 Summary of Significant accounting policies

2.1 Basis of Preparation and statement of compliance of Consolidated Financial Statements

The Consolidated financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.

These Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These Consolidated financial statements for the year ended 31 March 2018 are the first set of financial statements prepared in accordance with Ind AS. Refer note 35 for an explanation of how the Company has adopted Ind AS.

Accounting Policies have been applied consistently to all periods presented in these financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

All the amounts included in the consolidated financial statements are reported in Indian rupees, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

2.2 Principles of Consolidation

- (a) The financial statements of the Holding company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- (b) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (c) The carrying amount of the parent’s investment in subsidiary is offset (eliminated) against the parent’s portion of equity in the subsidiary.

(d) The financial statements of the following subsidiary company have been considered for consolidation

Name of the Entity	Relationship	% of holding
Globale Tessile Private Limited	Subsidiary	100%

2.3 Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management’s evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

2.4 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work-in-progress’.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under ‘Other Income’.

2.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

2.6 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its all intangible assets recognised as at April 1, 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

The Company has amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible asset is 10 years.

2.7 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.9 Financial Instruments.

Fair value measurement

The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.

Financial Assets

The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income or through Profit or loss) and those to be measured at amortised cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable to transaction costs.

2.10 Revenue Recognition

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

In respect of above, the amounts received in advance are reflected in the Balance sheet under "Other Current and Non-current Liabilities" as "Advance from Customers".

Sale of products:

Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale. Revenue from sales is based on the price specified in the sales contracts, net of all discounts, returns and goods and service tax at the time of sale.

2.11 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.

(b) Deferred tax

Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

At each balance sheet, the company re-assesses unrecognised deferred tax assets, if any, and the same is recognised to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.12 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.13 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are shown as other non current assets. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease.

2.14 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, finished goods, semi finished goods, trading goods and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding taxes those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Fent, rags and rejections are stated at net realisable value. In determining the cost, FIFO method is used.

2.15 Impairment of assets

The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised for such excess amount.

2.16 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

2.17 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.18 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

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

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

2.19 Employee Benefits**(a) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Other long-term employee benefit obligations**(i) Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

2.20 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company’s earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.21 Research & Development

Expenditure on research and development is recognised as an expense when it is incurred. Expenditure which results in increase in property, plant and equipment are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

2.22 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions. All government grants are initially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account. Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.

2.23 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.

2.24 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronouncements including an estimation of the likely outcome of any open tax assessments/ litigations. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available, based on estimates thereof.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

For and on behalf of Board of Directors of Mahalaxmi Rubtech Ltd.

As per our report of even date
For P C BOTHARA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E
 S/d-
(P. K. BOTHRA)
 Partner
 Membership No. : 400385
 AHMEDABAD: 30th May, 2018.

Chairman
 (DIN: 00512415)

Director
 (DIN: 02441549)

Chief Financial Officer
 AHMEDABAD: 30th May, 2018.

Managing Director
 (DIN: 00500328)

Director
 (DIN: 00020062)

Jt. Managing Director
 (DIN: 00500384)

Director
 (DIN: 06999605)

Company Secretary
 M.No. 34887



MAHALAXMI RUBTECH LIMITED

CIN: L25190GJ1991PLC016327

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the companies (management and administration) Rules, 2014

Name of the Company : **Mahalaxmi Rubtech Limited**

Registered Office : 47, New Cloth Market, Ahmedabad - 380002, Gujarat, India

Name of the member(s):	
Registered address:	
Email address:	
Folio No. / *Client ID:	
*DP ID:	

I/ We, being the member(s) of _____ shares of Mahalaxmi Rubtech Limited, hereby appoint:

1. Name : _____ Address : _____

E-mail Id : _____ Signature : _____

or failing him / her

2. Name : _____ Address : _____

E-mail Id : _____ Signature : _____

or failing him / her

3. Name : _____ Address : _____

E-mail Id : _____ Signature : _____

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 27th Annual General Meeting to be held on Friday, the 28th day of September, 2018 at 11.30 a.m. at Lions Hall", Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad-380006 any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolution	Optional**	
		For	Against

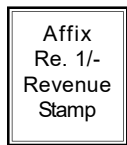
ORDINARY BUSINESS

1	Adoption of audited financial statements for the financial year, ended March 31, 2018 together with the reports of the director's and Auditor's thereon		
2	Re-appointment of Mr. Jeetmal Bhoorchand Parekh (DIN: 00512415) who retires by rotation		
3	Appointment of M/s. P C Bothra Co., Chartered Accountants, Statutory Auditors for the term of four years and fixing their remuneration		



Sr. No.	Resolution	Optional**	
		For	Against
SPECIAL BUSINESS			
4	Ratification of remuneration payable to Cost Auditors, M/s Dalwadi & Associates (Ordinary Resolution)		
5	To consider the Related Party Transactions (Ordinary Resolution)		
6	To approve conversion of loan into equity (Special Resolution)		
7	To consider and decide place of maintaining and keeping Register of Members & other registers at place other than the Registered Office of the Company. (Special Resolution)		
8	Change/alter Memorandum of Association - Object Clause of the Company. (Special Resolution)		

** Applicable for investors holding shares in electronic form.



Signed this _____ day of _____ 2018

Signature of Shareholder

Signature of first proxy holder

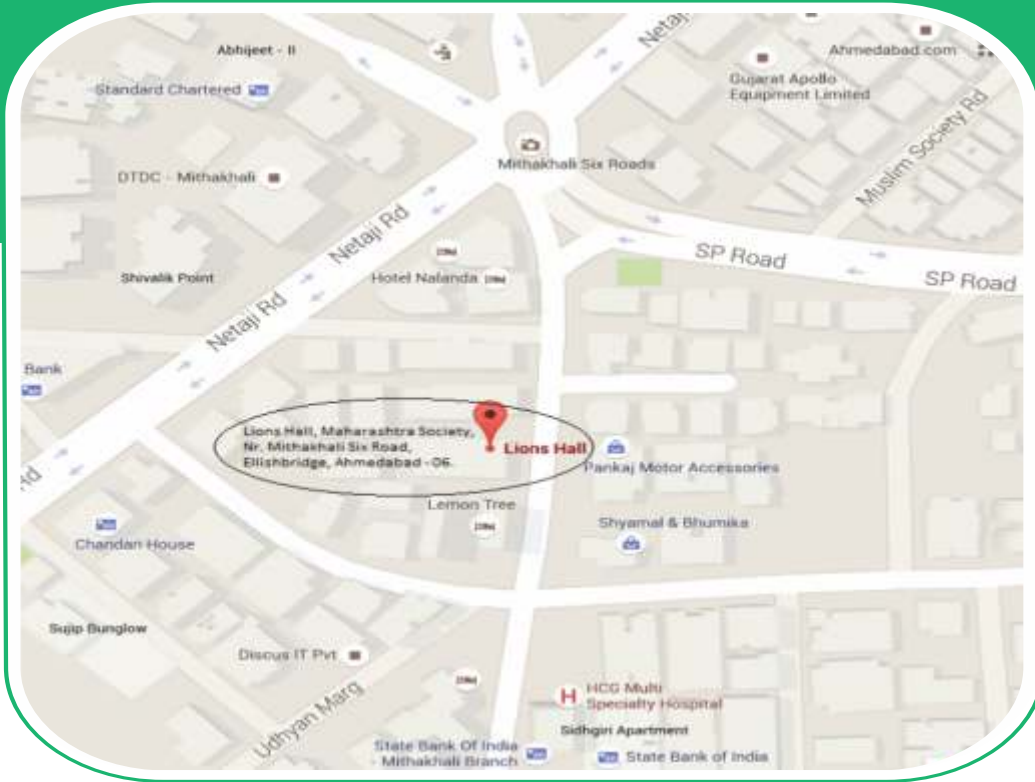
Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly complete and deposited at the Corporate Office of the Company not less than 48 hours before the commencement of the meeting.
2. For the Resolution, Explanatory Statement and Notes, please refer to Notice of the 27th Annual General Meeting.
3. A proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** This is only optional. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. Please complete all details including membership details in above box before submission. Blank / incomplete Proxies shall be considered invalid.

Map of the AGM Venue



MAHALAXMI RUBTECH LIMITED

Regd. office: 47, New Cloth Market, Ahmedabad 380002. Gujarat.

CIN : L25190GJ1991PLC016327

ATTENDANCE SLIP

Full name of the member attending _____

Full name of joint-holder _____

Full name of Proxy* _____

*(To be filled in if the Proxy instead of the member)

I hereby record my presence at the Annual General Meeting held at "LIONS Hall", Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad - 380 006 on Friday the 28th day of September 2018 at 11.30 a.m.

Folio No. _____ *DP ID No. _____ *Client ID No. _____

*Applicable for members holding shares in electronic form.

No. of Share(s) held _____

Member's /Proxy's signature

BY COURIER / REGISTERED POST

To,



If undelivered, please return to:-



MAHALAXMI RUBTECH LIMITED

CIN: L25190GJ1991PLC016327

Regd. Office: 47, New Cloth Market, Ahmedabad - 380 002, India.

Tel: 079-4000 8000 Fax: 079-4000 8030

Website: www.mrtglobal.com