



MAHALAXMI RUBTECH LIMITED

OFFSET PRINTING BLANKETS | TECHNICAL COATED FABRICS

Ref: MRT/CS/Correspondence/2019-20/25

Date: September 03, 2019

To,
The General Manager
Corporate Relationship Dept.
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Company Code / Scrip Code: 514450

Sub.: Annual Report - Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19 which is being dispatched/ sent to the members by the permitted mode(s).

The Annual Report for the financial year 2018-19 is uploaded on the website of the Company (www.mrtglobal.com).

Please take the same on record and oblige.

Thanking you,

Yours faithfully,
For, Mahalaxmi Rubtech Limited

Shailesh Koshti
(Company Secretary)



Encl.: Annual Report for the financial year 2018-19.



28th Annual Report 2018-19



MAHALAXMI RUBTECH LIMITED



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 / ADMINISTRATIVE OFFICE

YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road,
Ambawadi, Ahmedabad - 380 015 (india).

◆ FACTORY

UMA INDUSTRIAL ESTATE, PHASE III,
Vasna (Iyava) Sanand, Dist: Ahmedabad.

MAHALAXMI FABRIC MILLS

(A Unit of Mahalaxmi Rubtech Limited) Isanpur Road,
Near Narol Char Rasta, Narol, Ahmedabad - 382 405.

◆ REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED

506-508, Amarnath Business Centre-1, (ABC-1),
Beside Gala Business Centre, Near St Xavier's Collage, Corner,
Off C.G. Road, Ellisbridge, Ahmedabad - 380 006.
Tel.: 079-26465186-87 • Fax: 079-26465179
Email: ahmedabad@linkintime.co.in



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of “Mahalaxmi Rubtech Limited” will be held at “Lions Hall”, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad- 380 006 on Monday, September 30, 2019 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and if approved, adopt the Audited Standalone and Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2019 and the reports of the Directors and Auditors thereon.**

“**RESOLVED THAT** the audited standalone and consolidated financial statement of the company for the financial year ended 31st March 2019 consisting of the balance sheet as at 31st March, 2019, the statement of profit and loss, the cash flow statement and statement of changes in equity for the year ended on that date and the explanatory notes annexed to or forming part thereof together with the reports of the Board of Directors and Auditors’ thereon, be and are hereby adopted.”

- 2. To appoint a director in place of Mr. Jeetmal Bhoorchand Parekh (DIN: 00512415), who retire by rotation at this AGM and being eligible, offers himself for re-appointment.**

“**RESOLVED THAT** Mr. Jeetmal Bhoorchand Parekh (DIN: 00512415), director liable to retire by rotation at this meeting, being eligible and willing to offer himself for reappointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS:

- 3. RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITOR, M/S DALWADI & ASSOCIATES**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an 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 Accountant (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, 2020 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.”

- 4. TO CONSIDER THE RELATED PARTY TRANSACTIONS**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an 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 24th May, 2019, the consent of the members of the Company be and is hereby accorded to the proposed transactions between the Company and related entities Globale 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.”

- 5. CONTINUATION OF HOLDING OFFICE OF NON-EXECUTIVE DIRECTOR OF THE COMPANY BY MR. JEETMAL B. PAREKH (DIN: 00512415) WHO IS ABOVE THE AGE OF 75 YEARS TILL THE END OF HIS TERM, I.E. TILL HE RETIRES FROM OFFICE AS DIRECTOR.**

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

“**RESOLVED THAT** pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is effective from April 1, 2019, and other applicable Regulations, as amended from time to time (“Listing Regulations”) and applicable provisions of the Companies Act, 2013, as amended from time to time read with the reasons and justification as stated in the explanatory statement annexed herewith, consent of the Members of the Company be and is hereby accorded for continuation of holding of the office of Non- executive Director of the Company by Mr. Jeetmal Bhoorchand Parekh (DIN: 00512415) who is above the age of 75 (seventy five) years till the end of his term, i.e. till he retires from office as Director.



FURTHER RESOLVED THAT any Director of the Company and Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper, expedient or desirable for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

6. To regularization of Appointment of Mr. Nirmal Desai (DIN: 08534754) as an Independent Non-Executive Director:-

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

"RESOLVED THAT pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby given to the appointment of Mr. Nirmal Desai (DIN: 08534754), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from August 12, 2019 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non-Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

7. To regularization of Appointment of Mr. Chirag Shah (DIN: 00570434) as an Independent Non-Executive Director:-

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

"RESOLVED THAT pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby given to the appointment of Mr. Chirag Shah (DIN: 00570434), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from August 12, 2019 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non-Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

8. Re-appointment of Mr. Anand J. Parekh (DIN: 00500384) as Joint Managing Director

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

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article 191 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Anand J. Parekh, as Joint Managing Director (designated as "Key Managerial Person") of the Company with effect from October 1, 2018 to September 30, 2023, as well as the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Rahul J. Parekh.

RESOLVED FURTHER THAT the remuneration payable to Mr. Anand J. Parekh, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

By order of the Board of Directors
For Mahalaxmi Rubtech Limited

Shailesh P. Koshti
(Company Secretary)

Place : Ahmedabad
Date : August 12, 2019



NOTES

1. At the 27th AGM, M/s. P C Bothra & Co., Chartered Accountants (Firm Registration No. 306034E) were appointed as Statutory Auditors of the Company for a term of 4 years until the conclusion of 31st AGM of the Company. The ratification of their appointment, pursuant to Section 139 of the Companies Act, 2013, is not required, in terms of Notification No. S.O. 1833(E) dated May 7, 2018, issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of the AGM Notice.
2. 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.

Proxies submitted on behalf of Companies, Societies, Partnership Firms, etc. must be supported by appropriate resolution / authority, as applicable, issued by the member organization.
3. The Register of Members and Transfer Book of the Company will remain closed from Tuesday the 24th day of September, 2019 to Monday the 30th day of September, 2019 (both days inclusive) for the purpose of 28th Annual General Meeting.
4. 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.
5. 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 2010-11 has also been transferred to the IEPF.
6. Electronic copy of the Annual Report for FY 2018-19 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 2018-19 are being sent through the permitted mode. Members may also note that the Notice of 28th Annual General Meeting and Annual Report for 2018-19 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.
7. 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 Participants 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.
8. 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.
9. 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.
10. Members/ Proxies should bring the Attendance Slip sent herewith duly filled in and Photo ID proof for attending the Meeting.
11. 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.
12. 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 28th 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 28th 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 27th September, 2019 at 10:00 a.m. and ends on 29th September, 2019 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 23rd September, 2019, 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 and 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 deem 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 registrar and share transfer agents, Link Intime India Private Limited (Unit: Mahalaxmi Rubtech 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, Gujarat.

By order of the Board of Directors
For Mahalaxmi Rubtech Limited

Place : Ahmedabad
Date : August 12, 2019

Shailesh P. Koshti
(Company Secretary)

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

Item No. 3:

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 2019-20.

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. 3 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. 3 to this notice, for your approval.

Item No. 4:

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 24th May, 2019 has approved a proposal for entering into related party transactions with the related entities Globale Tessile Private Limited, Mahalaxmi Calchem Private Limited, Anand Chem Industries Private Limited, Mahalaxmi Exports, Shah Jeetmal Champalal and Rahul Textile (mentioned in resolution No. 4), 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	M/s Mahalaxmi Exports (Associate concern)	125
To get job work done for party and / or	Globale Tessile Private Limited (Wholly Owned Subsidiary)	100
To purchase goods and articles and / or	Anand Chem Industries Pvt. Ltd (Associate concern)	15
To get job work done from party and / or	Mahalaxmi Calchem Pvt. Ltd (Associate concern)	15
To avail services from party and / or	Shah Jeetmal Champalal (Associate concern)	15
To provide services to party.	Rahul Textile (Associate concern)	1
(Including sell, purchase or otherwise dispose / acquire property if any kind and / or Letting / Leasing of property of any kind.)		
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. 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:

Securities and Exchange Board of India ("SEBI") has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17(1A) of the Listing Regulations, which has been inserted by the Amendment Regulations, requires the listed entities to obtain approval of shareholders by way of special resolution to appoint or continue the directorship of Non-Executive Directors who have attained the age of 75 years. Regulation 17(1A) will become effective from 1st April, 2019.

Accordingly, a special resolution is being proposed to be passed by the members for continuation of holding office of Director by Mr. Jeetmal Bhoorchand Parekh, who is presently already above the age of 75 (Seventy Five) years, till he resigns from the post and becomes liable to retire by rotation, pursuant to Section 152 of the Companies Act, 2013, in the Annual General Meeting of the Company.

Mr. Jeetmal B. Parekh is founder member and one of the Promoter Directors of the Company and is the Chairman of Board of Directors since 1993. He is a Non-Executive Director and also a member of Nomination and Remuneration Committee of the Board.

Mr. Jeetmal B. Parekh is a well-known leading industrialist having vast rich business experience. 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 in production, quality control, marketing and export matters.

It is under his leadership and guidance the Company has diversified from Textiles into Technical Textile, which are presently the growing businesses of the Company.

It is his strong acumen and belief in Corporate Governance which enabled the Company in manufacturing products from diversified industries and to face intense competition and challenges of the businesses.

His proactive leadership and foresight have immensely contributed in the success of the Company.

He is associated with various charitable trusts and educational, cultural & philanthropic institutions.

Mr. Jeetmal B. Parekh is related to Mr. Rahul J. Parekh, Managing Director and Mr. Anand J. Parekh Joint Managing Director of the Company being his son's.

Mr. Jeetmal B. Parekh is interested in the resolution set out at Item No.5 of the Notice. Except Mr. Jeetmal B. Parekh, Mr. Rahul J. Parekh and Mr. Anand J. Parekh, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or



interested, financially or otherwise, in the resolution. This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

Considering the rich experience, leadership quality and his valuable contribution to the Company, the Board of Directors recommend the approval by the Members for continuation of directorship of Mr. Jeetmal B. Parekh as a Non-Independent Director, notwithstanding that he has attained the age of seventy-five years.

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

Item No. 6:

Mr. Nirmal Desai (DIN: 08534754) was appointed as an Additional Non-Executive Independent Director w.e.f. August 12, 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. Nomination and Remuneration Committee has recommended regularization of Mr. Nirmal Desai as an Independent Non-Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

Mr. Desai holds Post-doctoral fellowship, in Pharmacological from the University of Debrecen, Hungary and holding doctorate degree in "Synthesis of Pyrrolopyrimidines and their related Compounds" from Loyola Centre for Research & Development. He is Vice President and Life member of "Ahmedabad Chemical Technologies Association" and has a rich experience in Administration and human relationship management, law matters, business standards and ethics, management learning programmes.

Section 149 and Section 152 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the AGM.

In the opinion of the Board Mr. Nirmal Desai he is a person of integrity, possesses the relevant expertise and experience, fulfils the conditions specified in the said Act and the rules made there under and is independence of the management of the Company and He is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during Normal Business Hours on any working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non-Executive Directors confirming compliance with the provisions of Section 149 (6) of the Companies Act, 2013. Upon the confirmation of the appointment of him as Independent Non-Executive Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Non-Executive Director. The Board accordingly recommends the Resolutions at Item No. 6 of this Notice for the approval of the Members as Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Nirmal Desai is in any way concerned or interested, financially or otherwise, in the Resolution at Item No.6 of this Notice.

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

Item No. 7:

Mr. Chirag Shah (DIN: 00570434) was appointed as an Additional Non-Executive Independent Director w.e.f. August 12, 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. Nomination and Remuneration Committee has recommended regularization of Mr. Chirag Shah as an Independent Non-Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

Mr. Shah holds Bachelor's degree in Chemical Engineering with post graduate diploma in management and studies (marketing) with rich experience of over 26 years' in the manufacturing and marketing of engineering polymers & plastics and implementation of effective Corporate Governance and Ethics standards, Corporate Finance and other related matters. Mr. Shah is also a Director of Aflon Allplast Private Limited and Aflon Engineering Private Limited.

Section 149 and Section 152 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the AGM.

In the opinion of the Board Mr. Chirag Shah he is a person of integrity, possesses the relevant expertise and experience, fulfils the conditions specified in the said Act and the rules made there under and is independence of the management of the Company and He is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during Normal Business Hours on any working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non-Executive Directors confirming compliance with the provisions of Section 149 (6) of the Companies Act, 2013. Upon the confirmation of the appointment of him as Independent Non-Executive Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said



Independent Non-Executive Director. The Board accordingly recommends the Resolutions at Item No. 7 of this Notice for the approval of the Members as Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Chirag Shah is in any way concerned or interested, financially or otherwise, in the Resolution at Item No.7 of this Notice.

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

Item No. 8:

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on November 05, 2018 approving re-appointment of Mr. Anand J. Parekh, as Joint Managing Director (designated as "Key Managerial Person") of the Company for a further period of five years with effect from October 1, 2018 to September 30, 2023, with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Anand J. Parekh. This is subject to the approval of the shareholders at this Annual General Meeting.

The Board of Directors in its meeting held on November 05, 2018 recommended by Nomination and Remuneration Committee, approved the payment of remuneration of ₹ 18,00,000/- plus perquisites as specified, per annum to Mr. Anand J. Parekh (DIN: 00500384) as Joint Managing Director of the Company, recommended to be continue for the next term of 5 years from October 01, 2018 to September 30, 2023, with authority to the Board of Directors to alter and vary the terms and conditions of the remuneration and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Anand J. Parekh.

Mr. Anand J. Parekh is the Promoter Directors of the Company. Mr. Anand J. Parekh was first appointed on the Board of the Company in 2008. He is considered as a pioneer of expose MRT to export multiple products and business in diverse markets and environment. The appointment and remuneration were approved by the Board based on expertise, experience, industry standards, responsibilities handled by the Managing Director of the Company.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Brief terms and condition of the revised remuneration of Mr. Anand J. Parekh is as follows including allowances and perquisites.

	Particulars	Mr. Anand J. Parekh
1.	Salary	₹ 1,50,000 (Rupees One Lakh Fifty Thousand only) per month
2.	PF Contribution	Contribution to Provident Fund shall be as per the rules of the Company
3.	Gratuity	Gratuity payable shall not exceed half a month's basic salary for each completed year of service.
4.	Leave Travel Allowance	For self and family, once a year in accordance with Rules of the Company
5.	Car & Telephone	The Company will provide car with driver. The Cell phone and telephone facility at residence shall not considered as perquisites. Use of cell phone / telephone shall be reimbursed.
6.	Personal Accident Insurance	For an amount, premium of which shall not exceed ₹ 20,000 p.a./-
7.	Entertainment and other business	Entertainment, traveling and all other expenses incurred for the business of the Company shall be Expenses reimbursed as per Rule of the Company.
8.	Club Fees	Membership Fees and expense of Two Club in India.
9.	Gas/ Water / Electricity	Actual Expenditure (Incurred)
10.	Medical Expenses	Reimbursement of medical expenses and medical policy for self and family
11.	Other allowances, benefits and perquisites	Any other allowances, benefits and perquisites admissible to the senior officer of the Company as Perquisites per Rules of the Company.

Other terms and conditions:

In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed. The perquisites as listed above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

All other existing terms and conditions for the re-appointment shall remain unchanged.

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 and their respective relatives, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 8 of the Notice, save and except as shareholder and to the extent of their shareholding in the Company.

The Shareholders' approval is solicited for the resolutions at Item No. 8 of the accompanying Notice.



DISCLOSURE RELATING TO DIRECTORS SEEKING CONTINUATION OF APPOINTMENT OR SEEKING APPOINTMENT / RE-APPOINTMENT IN THIS GENERAL MEETING PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS 2015:

Name of the Director	Mr. Anand J. Parekh	Mr. Jeetmal B. Parekh
Director Identification Number (DIN)	00500384	00512415
Date of Birth	07/06/1976	07/07/1943
Date of Appointment	19/11/2008	27/08/1993
Experience & Expertise in specific functional area	Mr. Anand Parekh is second generation entrepreneur and joined MRT in 2008 on the Board of the Company He is Chartered Accountant by training and responsible for Company's local as well as export Market. He has experience in corporate finance, legal and export matters. He is responsible for strategic financial matters, including corporate finance, corporate strategy, business development, risk management export obligations and overall affairs of the Company. Presently he is Joint Managing Director of the Company.	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 in production, quality control, marketing and export matters. He is responsible for strategic financial matters, including administration, corporate finance, corporate strategy, business development and risk management of the Company. Presently he is designated as Chairman of the Company.
Number of meetings of the Board attended during the Financial year commenced from 1st April 2018.	Six (6)	Six (6)
Shareholding in the Company as on 31.03.2019	2451122 equity shares of ₹ 10/- each	1744481 equity shares of ₹ 10/- each
Relationship with other Directors and KMPs of the Company	Son of Mr. Jeetmal B. Parekh (Chairman) and Brother or Mr. Rahul J. Parekh (MD)	Father of Mr. Rahul J. Parekh (MD) and Mr. Anand J. Parekh (Jt. MD)
List of companies* in which outside directorship held	<ol style="list-style-type: none"> Anand Chem Industries Pvt. Ltd. Sonnet Colours Pvt. Ltd. Rahul Calchem Pvt. Ltd. 	<ol style="list-style-type: none"> Anand Chem Industries Pvt. Ltd. Heena Agriculture Pvt. Ltd. Globale Tessile Pvt. Ltd. Mahalaxmi Calchem Pvt. Ltd. Rainbow Exports Pvt. Ltd.
Chairman/Member of the Committee* of Board of Directors of other Indian public companies	Nil	Nil

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

DISCLOSURE RELATING TO DIRECTORS SEEKING CONTINUATION OF APPOINTMENT OR SEEKING APPOINTMENT / RE-APPOINTMENT IN THIS GENERAL MEETING PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS 2015:

Name of the Director	Mr. Nirmal Desai	Mr. Chirag Shah
Director Identification Number (DIN)	08534754	00570434
Date of Birth	25/07/1969	14/10/1970
Date of Appointment	12/08/2019	12/08/2019
Experience & Expertise in specific functional area	Mr. Nirmal Desai is Post-doctoral fellowship, in Pharmacological from the University of Debrecen, Hungary and holding doctorate degree in "Synthesis of Pyrrolopyrimidines and their related Compounds" from Loyola Centre for Research & Development. He is Vice President and Life member of "Ahmedabad Chemical Technologies Association" and has a rich experience in Administration and human relationship management, law matters, business standards and ethics, management learning programmes	Mr. Chirag Shah holds Bachelor's degree in Chemical Engineering with post graduate diploma in management and studies (marketing) with rich experience of over 26 years' in the manufacturing and marketing of engineering polymers & plastics and implementation of effective Corporate Governance and Ethics standards, Corporate Finance and other related matters.
Number of meetings of the Board attended during the Financial year commenced from 1st April 2018.	N.A.	N.A.
Shareholding in the Company as on date of appointment	NIL	30341 equity shares of ₹. 10 each.
Relationship with other Directors and KMPs of the Company	N.A.	N.A.
List of companies* in which outside directorship held	NIL	1. Aflon Allplast Private Limited 2. Aflon Engineering Private Limited.
Chairman/Member of the Committee* of Board of Directors of other Indian public companies	NIL	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, 2019.

FINANCIAL RESULTS:

The Group's financial performances for the year under review along with previous year's figures are given hereunder:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Income from Operations & Other Income	18665.01	22997.84	18801.90	22997.84
Profit before Depreciation	1548.30	1412.12	1552.10	1411.96
Less: Depreciation	933.61	847.64	933.61	847.64
Profit before Tax	614.69	564.48	618.49	564.32
Less: Provision for Tax	183.45	134.50	184.40	134.50
Less: Provision for deferred Tax	(61.92)	48.68	(61.92)	48.68
Profit after Tax	493.16	381.30	496.02	381.14

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.

REVIEW OF BUSINESS OPERATIONS AND COMPANY AFFAIRS:

The Company continues to see marginal growth with its overall performance in the financial year 2018-19 in both segment in which the Company operates.

During the year under review, your Company reported at standalone level, the total income of the company is ₹. 18665.01 Lakhs as against ₹. 22997.84 Lakhs in the previous year. The Profit before Tax amounted to ₹. 614.69 Lakhs as against ₹. 564.48 Lakhs in the previous year. The net profit after tax was increased to ₹. 493.16 Lakhs as against ₹. 381.30 Lakhs in the previous year and total comprehensive income for the year amounted to ₹ 495.82 Lakhs as against ₹ 379.71 Lakhs in the previous year.

The total Consolidated Revenue from Operations amounted to ₹. 18801.90 Lakhs as against ₹. 22997.84 Lakhs in the previous year. The Consolidated Net Profit before Tax amounted to ₹. 618.49 Lakhs as against ₹. 564.32 Lakhs in the previous year. The Consolidated Net Profit after Tax amounted to ₹. 496.02 Lakhs as against ₹. 381.14 Lakhs in previous year and Total Comprehensive Income for the year amounted to ₹. 498.84 Lakhs against ₹. 379.56 Lakhs in previous year

The performance and financial position of the subsidiary companies are included in the Consolidated Financial Statements forming part of this Annual Report.

DIVIDEND:

Board of Directors has not recommended any dividend for the Financial Year 2018-19.

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 2650000 warrants were already converted till the previous financial year and further 1850000 warrants were converted into 1850000 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 1850000 equity shares, paid-up equity shares capital of the company was increased from ₹.114702750/- comprising of 11470275 number of equity shares of ₹10 each as on March 31, 2018 to ₹.133202750/- comprising of 13320275 number of equity shares of ₹.10 each as on March 31, 2019. The allotted shares are listed and traded in the Stock Exchange where shares of the Company are Listed.



During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There are no material changes in the nature of business during the year.

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 Corporate Governance requirements as required under the Companies Act, 2013, and as stipulated under regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on corporate governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with the certificate from the Company's Auditors confirming the compliance, is annexed and forms part of this Annual Report

MEETINGS OF THE BOARD AND COMMITTEE

During the year, Six (6) meetings of the Board of Directors were conveyed and held. 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:

(i) Changes in Directors and Key Managerial Personnel:

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.

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 2018-19 there was no change in the Key Managerial Personnels.

(ii) Declaration by an Independent Director(s):

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

(iii) 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.

(iv) 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.



(v) 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.

(vi) 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 Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

(vii) 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.

(viii) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management, Key Managerial Personnel and their remuneration, pursuant to the provisions of the Act and the Listing Regulations. The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy is aligned to this philosophy and stated in the Corporate Governance Report.

The Nomination and Remuneration Committee has considered following factors while formulating Policy:

- (i) 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;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) 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.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company. Details of the Remuneration Policy are given in the Corporate Governance Report

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 2018-19.

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, 2019, 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, 2019 and of the profit of the Company for the year ended on March 31, 2019;



- 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 FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/ revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

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

RISK MANAGEMENT

Although not mandatory, as a measure of good governance, the Company has constituted a Risk Management Committee of the Board. The Committee reviews the Company's performance against identified risks, formulates strategies towards identifying new and emergent risks that may materially affect the Company's overall risk exposure and reviews the Risk Management Policy and structure.

This robust Risk Management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

The Company has adopted a Risk Management Policy, pursuant to Section 134 of the Act.

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.

AUDITORS:

(i) Statutory Auditors

Messrs P C Bothra & Co., Chartered Accountants (ICAI FRN 304034E) were appointed as Statutory Auditors of the Company for a period of four consecutive years at the Annual General Meeting (AGM) of the Members held on September 28, 2018 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on September 28, 2018. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

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, 2019 does not contain any qualification, reservation, adverse remark or disclaimer.

(i) 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 2017-18 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 24th May, 2019 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 2019-20 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.

(ii) 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 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as Annexure - II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

There are no qualification, reservation or adverse remarks made by Secretarial Auditor in his report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. 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.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility (CSR) is a company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Company believes in conducting its business responsibly, fairly and in utmost transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives. This policy has been formally formulated and adopted in terms of Section 135 of the Act and Rules framed thereunder to undertake CSR activities.

The Board has constituted a Corporate Social Responsibility Committee headed by Mr. Rahul J. Parekh as Chairman and Mr. Anand J. Parekh and Mrs. Sangita S. Singhi as Members of the Committee.

The responsibilities of the CSR Committee include:

- i. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken.
- ii. Recommending the amount of expenditure for the CSR activities.
- iii. Monitoring CSR activities from time to time.

The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure - III and forms an integral part of this Report. The Policy has been uploaded on the Company's website at http://www.mrtglobal.com/images/investor_relation/2019/policy-on-corporate-social-responsibility.pdf.

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.

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.

SECRETARIAL STANDARDS OF ICSI

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

PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS UNDER SECTION 186

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.



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 annual financial statements of the subsidiaries and related detailed information will be kept at the Registered Office of the Company, as also at the registered offices of the respective subsidiary companies and will be available to investors seeking information at any time.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16 (1) (c) of Listing Regulations. The Policy, as approved by the Board, is uploaded on the Company's website at http://www.mrtglobal.com/images/investor_relation/2019/policy-for-determining-material-subsubsidiary.pdf.

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 – 15	Wholly owned subsidiary

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules made thereunder and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 attached as Annexure - IV which forms part of this Report.

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 – V and form part of this Report.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments which could affect the financial position of the Company have occurred for the financial year end March 31, 2019.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 (12) of the Act and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided separately as Annexure – VI to this Report.

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.

- Employees employed throughout the year and who were in receipt of remuneration of not less than ₹. 1,02,00,000/- per annum in terms of Rule 5 (2) (i) is None.
- Employees employed for the part of the year and who were in receipt of remuneration of not less than ₹. 8,50,000/- per month in terms of section Rule 5 (2) (ii) is None.
- None of the employees is covered under Rule 5 (2) (iii).

EXTRACT OF ANNUAL RETURN

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



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 2019-20 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 2019-20.

COMPULSORY TRADING IN DEMAT:

SEBI has amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, w.e.f. 08.06.2018 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the companies / their RTAs.

All the investors who are holding shares etc. in physical form, should consider opening a demat account at the earliest and submit request for dematerialization of their shares in order to protect the liquidity of the shares.

INSURANCE:

All the assets of the company including the inventories, building, plant and machineries are adequately insured.

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 endeavor 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, 2019, out of the Company's total equity paid-up share capital comprising of 1,33,20,275 equity shares, only 78,145 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) 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.
5. None of the equity shares of the Directors of the Company are pledged with any banks or financial institutions.

APPRECIATION:

Your Directors thank 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

Place : Ahmedabad
Date : May 24, 2019

Jeetmal B. Parekh
(Chairman)

ANNEXURE – I

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

		2018-19	2017-18
1. Electricity			
(a) Purchased:			
Units		9539218	8700888
Amount ₹.		78910566	69881637
(b) Own Generation:			
(i) Through Windmill			
Units		2215738	2223876
2. Fuel			
Waste Wood			
Tonnes		19082	18293
Amount ₹.		80027145	79991949
Steam Coal			
Tonnes		24234	26260
Amount ₹.		147478280	145155021

(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 ₹ 13.22 Crore

Foreign exchange outgo ₹ 2.78 Crore

ANNEXURE – II

Form No. MR – 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

[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 2019 ('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 2019 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:

The Company has approved allotment of 18,50,000 Equity Shares, upon conversion of 18,50,000 warrants on April 30, 2018 issued to Promoter and Promoter Group of the Company on preferential bases in accordance with SEBI (Issue of Capital Disclosure Requirements), Regulations, 2009.

For, Hudda & Associates Company Secretaries LLP,

Bunty Hudda (Designated Partner)

ACS No. 31507

C P No: 11560

Place : Ahmedabad

Date : May 24, 2019

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, Hudda & Associates Company Secretaries LLP,

Bunty Hudda (Designated Partner)

ACS No. 31507

C P No: 11560

Place : Ahmedabad

Date : May 24, 2019

Annexure - III

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant To Section 135 of the Companies Act, 2013 and as per Rule 8(1) of Companies (Corporate Social Responsibility Policy) Rules, 2014]

I. A brief outline of Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Company recognizes that as a responsible corporate entity its functions and operations have an impact on society and on the environment. In addition to ensuring that operations are conducted efficiently and in a manner that meets governmental environmental standards, Our CSR approach focuses on development of communities around the vicinity of our plants and other offices.

Your Company’s focus areas for the Financial Year 2018-19 under CSR are as under:

- The areas for CSR activities are Healthcare including Preventive healthcare, providing Safe drinking water, sanitation facility, promoting education, Old Age Home maintenance, Environmental sustainability and promotion and development of traditional art and handicrafts.
- Other areas approved by the CSR Committee within the ambit of CSR Rules as amended from time-to-time.

MRT’s CSR work is anchored around supporting communities in and around its units in health, education, women empowerment and skilling.

Overview of projects or programs proposed to be undertaken are as per the policy approved by the Board and the web link to the CSR Policy, - http://www.mrtglobal.com/images/investor_relation/2019/policy-on-corporate-social-responsibility.pdf

II. Composition of CSR Committee:

The CSR committee of the Board is responsible for overseeing the execution of the Company’s CSR policy. The composition of CSR Committee as on the date of Director’s Report is as follows:

- Mr. Rahul J. Parekh - Chairman
- Mr. Anand J. Parekh - Member
- Mrs. Sangita S. Singhi - Member

III. Average net profit of the Company as per Section 198 of the Companies Act, 2013 and Rules made thereunder for last three financial years : ₹ 513.27 Lakh

Years	2017-18	2016-17	2015-16
Net Profit (in Lakh)	564.48	503.71	471.62

IV. Prescribed CSR Expenditure (two percent of the amount as in item III above): ₹ 10.26 Lakh

V. Details of CSR spent during the financial year 2018 - 19:

- a) Total amount spent for the financial year : ₹. 10.50 Lakh
- b) Amount unspent, if any : Nil
- c) Manner in which the amount spent during the financial year is detailed below: (₹ in Lakhs)

1	2	3	4	5	6	7	8
Sr. No.	Projects / Activities	Sector	Locations Local Area / Districts (State)	Amount Outlay (Budget) Project or programs	Amount spent on the Project or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
1	Educational service provided to the manginalized poor students who belongs to lower class family and Scholarship and financial support for higher studies	Education	Ahmedabad Gujarat	10.26	10.50	10.50	All India Social Education Charitable Trust

Notes: The Board through the CSR Committee closely monitors the progress of the CSR initiatives.

VI. Reasons for not spending the amount specified in item no. V(b) above: Not Applicable

VII. Responsibility Statement:

Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, it is confirmed that the CSR Committee has implemented and monitored the CSR initiatives in line with CSR objective and Policy of the Company. The CSR Committee has monitored the status of the amount spent on the projects.

Annexure-IV
Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
Part – A - Subsidiaries

Name of the subsidiary	Globale Tessile Private Limited
The date since when subsidiary was acquired	August 1, 2017
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rupee (INR)
Share capital	₹ 5,00,000/- (Five Lakh Only)
Reserves and surplus	₹ 2,69,900/-
Total assets	₹ 1,77,32,762/-
Total Liabilities	₹ 1,69,62,862/-
Investments	₹ NIL
Turnover	₹ 1,32,26,780/-
Profit before taxation	₹ 3,80,340/-
Provision for taxation	₹ 94,830/-
Profit after taxation	₹ 2,85,510/-
Proposed Dividend	NA
Extent of shareholding (in percentage)	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: – **N.A.**
- Names of subsidiaries which have been liquidated or sold during the year: – **N.A.**

Part B is not applicable as there are no associate Companies/ Joint Ventures of the Company as on 31st March, 2019



ANNEXURE – V

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 2018-19		
(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	M/s Mahalaxmi Exports (Associate concern)	₹ 20.83 Crores
To get job work done for party and/or	Globale Tessile Pvt. Ltd. (Wholly Owned Subsidiary)	₹ 3.07 Crores
To purchase goods and articles and / or	Anand Chem Industries Pvt. Ltd (Associate concern)	₹ 2.81 Crores
To get job work done from party and/or	Mahalaxmi Calchem Pvt. Ltd (Associate concern)	₹ 51.48 Lakh
To avail services from party and /or	Rahul Textile (Associate concern)	₹ 1.08 Lakh
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.)	Shah Jeetmal Champalal (Associate concern)	₹ 0.12 Lakh
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: 2018-19
- 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: 30.05.2018, 10.08.2018, 05.11.2018 and 12.02.2019
- f) Amount paid as advance, if any : Nil

For and on behalf of the Board
Mahalaxmi Rubtech Limited

Place : Ahmedabad
Date : May 24, 2019

Jeetmal B. Parekh
(Chairman)



Annexure - VI

Details under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19:**

Name of Directors	Designation	Ratio of remuneration of the Directors to the median remuneration of the employees	% increase in remuneration in the financial year
Mr. Rahul J. Parekh	Managing Director	6.98:1	NIL
Mr. Anand J. Parekh	Joint Managing Director	6.98:1	NIL
Mr. Jeetmal B. Parekh	Non-Executive Director	N.A.	N.A.
Mr. Malav J. Ajmera	Independent Director	N.A.	N.A.
Mr. Nehal M. Shah	Independent Director	N.A.	N.A.
Mrs. Sangita S. Singhi	Independent Director	N.A.	N.A.

The percentage increase in remuneration of the Chief Financial Officer is [NIL] and of the Company Secretary is [NIL].

- B.** The percentage increase in the median remuneration of employees in the financial year 2018-2019: NIL
- C.** There were 439 employees on the rolls of Company as on March 31, 2019.
- D.** Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was [NIL] whereas the increase in the managerial remuneration for the same financial year was [NIL]. Comparison of the remuneration of the Key Managerial Personnel against the performance.
- E.** It is here by affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

ANNEXURE – VII

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

[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.: +91-79-4000 8000 Fax: +91-79-4000 8003
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	88.03 %
2.	Manufacturing of Offset Rubber Printing Blankets & Coated Fabrics	221 & 139	11.97 %

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	6861246	0	6861246	59.82	8711246	0	8711246	65.40	5.58
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	7.18	823977	0	823977	6.18	-1.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	7685223	0	7685223	67.00	9535223	0	9535223	71.58	4.58



Category of Shareholders		No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year*				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	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)	7685223	0	7685223	67.00	9535223	0	9535223	71.58	4.58
B	Public Shareholding									
1	Institutions									
a)	Mutual Funds	7900	0	7900	0.07	7900	0	7900	0.06	-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)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1):-	7900	0	7900	0.07	7900	0	7900	0.06	-0.01
2	Non- Institutions									
a)	Bodies Corp.									
i)	Indian	553912	3350	557262	4.86	552262	3350	555612	4.17	-0.69
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	1654452	80120	1734572	15.12	1451901	70795	1522696	11.43	-3.69
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1087156	0	1087156	9.48	1282369	0	1282369	9.63	0.15
c)	Others									
i)	NRI	26654	4000	30654	0.27	25189	4000	29189	0.22	-0.05
ii)	Clearing Member	48688	0	48688	0.42	25752	0	25752	0.19	-0.23
iii)	Trust	3400	0	3400	0.03	2250	0	2250	0.02	-0.01
iv)	HUF	257131	0	257131	2.24	249128	0	249128	1.87	-0.37
v)	IEPF	58289	0	58289	0.51	110031	0	110031	0.83	0.32
vi)	NBFC registered with RBI	0	0	0	0.00	125	0	125	0.00	0.00
	Sub-total (B)(2):-	3689682	87470	3777152	32.93	3699007	78145	3777152	28.36	-4.57
	Total Public Shareholding (B)=(B) (1)+ (B)(2)	3697582	87470	3785052	33.00	3706907	78145	3785052	28.42	-4.58
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)	11382805	87470	11470275	100.00	13242130	78145	13320275	100.00	0.00

* % of holding is calculated as 11470275 shares at the beginning of the year and 13320275 shares at the end of the year pursuant to conversion of 1850000 warrant into 1850000 equity share of the Company on 30-04-2018



(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	1494481	13.03	0.00	1744481	13.10	0.00	0.07
2	Rahul J. Parekh	1751119	15.27	0.00	2551119	19.15	0.00	3.88
3	Anand J. Parekh	1651122	14.39	0.00	2451122	18.40	0.00	4.01
4	Kamlaben J. Parekh	756570	6.59	0.00	756570	5.68	0.00	-0.91
5	Amita A. Parekh	371596	3.24	0.00	371596	2.79	0.00	-0.45
6	Ratna R. Parekh	354120	3.09	0.00	354120	2.66	0.00	-0.43
7	Mamta A. Surana	159238	1.39	0.00	159238	1.20	0.00	-0.19
8	Rahul Calchem Pvt. Ltd	286100	2.49	0.00	286100	2.15	0.00	-0.34
9	Mahalaxmi Calchem Pvt. Ltd	233490	2.04	0.00	233490	1.75	0.00	-0.29
10	Heena Agriculture Pvt. Ltd	94875	0.83	0.00	94875	0.71	0.00	-0.12
11	Anand Chem Industries Pvt. Ltd	130762	1.14	0.00	130762	0.98	0.00	-0.16
12	Sonnet Colours Pvt. Ltd	45625	0.4	0.00	45625	0.34	0.00	-0.06
13	Ashita Mercantile Pvt. Ltd	33125	0.29	0.00	33125	0.25	0.00	-0.04
14	Atulkumar Jain	4625	0.04	0.00	4625	0.03	0.00	-0.01
15	Jeetmal Bhoorchand HUF	180375	1.57	0.00	180375	1.35	0.00	-0.22
16	Jeetmal Prithviraj HUF	10250	0.09	0.00	10250	0.08	0.00	-0.01
17	Jeetmal Rahulkumar HUF	127750	1.11	0.00	127750	0.96	0.00	-0.15
TOTAL		7685223	67.00	0.00	9535223	71.58	0.00	4.58

* % of holding is calculated as 11470275 shares at the beginning of the year and 13320275 shares at the end of the year pursuant to conversion of 1850000 warrant into 1850000 equity share of the Company on 30-04-2018.

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

Sl. No.	Date	Reason	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
		At the beginning of the year	7685223	67.00	7685223	67.00
1	30-Apr-18	Conversion of Warrant			1850000	4.58
		At the End of the year	9535223	71.58	9535223	71.58



(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 year1		Date	Reason	Increase / Decrease	Cumulative Shareholding during the year1			
		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	1.28	01.04.2018	Nil movement during the year	0	170455	1.28		
				31.03.2019						
2	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	58289	0.44	01.04.2018	Transfer	51742	110031	0.83		
				31.03.2019			110031	0.83		
3	MANAV MERCANTILE PRIVATE LIMITED	87671	0.66	01.04.2018	Nil movement during the year	0	87671	0.66		
				31.03.2019						
4	RAJESH JAYANTILAL KHANDHAR	85000	0.64	01.04.2018	Nil movement during the year	0	85000	0.64		
				31.03.2019						
5	KARVY STOCK BROKING LIMITED	84824	0.64	01.04.2018	Transfer	(100)	84724	0.64		
				27.07.2018			Purchase	490	85214	0.64
				24.08.2018			Transfer	(500)	84714	0.64
				3108.2018			Purchase	1000	85714	0.64
				07.09.2018			Transfer	(190)	85524	0.64
				14.09.2018			Purchase	90	85614	0.64
				28.12.2018			Transfer	(90)	85524	0.64
				04.01.2019			Purchase	1000	86524	0.65
				18.01.2019			Transfer	(1000)	85524	0.64
				25.01.2019			Transfer	(1000)	84524	0.63
6	VAST APPRO COMBINES PRIVATE LTD	69993	0.53	01.04.2018	Nil movement during the year	0	69993	0.53		
				31.03.2019						
7	ROHIT C SHAH	69300	0.52	01.04.2018	Nil movement during the year	0	69300	0.52		
				31.03.2019						
8	KAMAL KUMAR KESHWANI	56522	0.42	01.04.2018	Nil movement during the year	0	56522	0.42		
				31.03.2019						
9	KANWAL KISHOR ARORA	44928	0.34	01.04.2018	Purchase	11	44939	0.34		
				16.11.2018			44928	0.34		
				31.03.2019						
10	MANAV ARORA	43624	0.33	01.04.2018	Purchase	25	43649	0.33		
				30.06.2018			43649	0.33		
				31.03.2019						

1. All the Calculation for Shareholding is calculated as per 13320275 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*	1494481	13.03	1494481	13.03
	Date wise Increase / Decrease in Share holding during the year Allotment pursuant to conversion of warrant into equity share of the Company on 30-04-2018	250000	1.88	250000	1.88
	At the End of the year	1744481	13.10	1744481	13.10
2	Rahul J. Parekh, Managing Director				
	At the beginning of the year*	1751119	15.27	1751119	15.27
	Date wise Increase / Decrease in Shareholding during the year Allotment pursuant to conversion of warrant into equity share of the Company on 30-04-2018	800000	6.01	800000	6.01
	At the End of the year	2551119	19.15	2551119	19.15
3	Anand J. Parekh, Jt. Managing Director				
	At the beginning of the year*	1651122	14.39	1651122	14.39
	Date wise Increase / Decrease in Shareholding during the year Allotment pursuant to conversion of warrant into equity share of the Company on 30-04-2018	800000	6.01	800000	6.01
	At the End of the year	2451122	18.40	2451122	18.40
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 11470275 shares at the beginning of the year and 13320275 shares at the end of the year pursuant to conversion of 1850000 warrant into 1850000 equity share of the Company on 30-04-2018

VI. INDEBTEDNESS

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

(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning 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
Change in Indebtedness during the financial year				
• Addition	279.20	4.00	0	283.20
• Reduction	274.26	11.67	0	285.93
Net Change	4.94	-7.67	0	-2.73
Indebtedness at the end of the financial year				
i) Principal Amount	34.64	0	0	34.64
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	34.64	0	0	34.64

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					
	· 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	0	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:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal Made. If any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS**GLOBAL ECONOMY**

In 2018, the global economy began its journey on a firm footing with estimated global economic growth of 3.6% (Source: World Economic Outlook by International Monetary Fund (IMF)). During the second half of 2018, this rate of development gradually declined, owing to impending US-China trade dispute and some slowdown across developed markets.

Emerging and developing markets of Asia maintained their steady progress at 6.4% during 2018. However, it's important to note that India's economy expanded at 7.1% in 2018 vis-à-vis 6.7% in 2017, whereas China's growth deteriorated from 6.9% in 2017 to 6.6% in 2018 (Source: IMF). Sub-Saharan Africa's economy also sustained a steady rise of 3% during the year.

INDIAN ECONOMY

India continues to be one of the fastest growing major economies in the world and is expected to be among the world's top three economic powers in the next 10-15 years. The Indian economy is expected to improve and close the year 2019 with a GDP growth of 7.3% (Source: IMF).

Sustained real GDP growth of over 6% since FY91 has led to a fundamental transformation of India's economy. Today, India is the world's seventh largest economy in real terms, backed by strong demand, positive consumption pattern and rising disposable income. In PPP terms, the economy is expected to be among the top five global economies by 2020.

GLOBAL TEXTILE AND APPAREL INDUSTRY

The global textile and apparel industry is continuously evolving. Over the years, it has witnessed multiple shifts in consumption and production patterns, including shifts in geographical manufacturing hubs, as the industry is driven by the availability of cheap labour.

The textile and apparel trade is predicted to grow at a CAGR of 3.7% during the period 2018-28. During this period, the increase in apparel trade is expected to be at a CAGR of 4.5% and textiles at a CAGR of 2.5%.

Even though apparel industry is dominated by developed markets of EU and the US, the emerging markets led by countries such as India, China, Russia and Brazil are becoming consumption markets. Simultaneously, India and China have strong textile manufacturing base, and thus are emerging as both sourcing and consuming nations.

Currently, China holds the largest share in textile and apparel global trade. It has vertically integrated supply chain from production of fibre to weaving of fabric and garmenting. The sector also has the capability to manufacture all categories of products and a conducive ecosystem to provide complete service offering to brands and retailers. However, the increasing labour and energy costs have mitigated the international competitive advantage of China to some extent. The global apparel manufacturers are finding Bangladesh, Vietnam and India as competitive markets over China.

INDIAN TEXTILE AND APPAREL INDUSTRY

India's textiles industry is among the oldest industries in the country dating back several centuries. It is one of the largest contributors to the economy accounting for ~4% of the GDP. It is the second largest contributor towards employment generation, after agriculture, contributing 10% to the country's manufacturing, owing to its labour-intensive nature. The industry is characterised by its robust vertical integration in almost all the sub-sectors.

The textiles and apparel industry constitutes ~14% of the total exports of the country. India is the second largest producer and exporter of textiles after China and fourth largest producer and exporter of apparel after China, Bangladesh and Vietnam.

The mitigation of the repercussions of currency fluctuation remains a challenge for the industry. Exports have been a core feature of India's textile sector. Indian textiles and apparel exports were estimated at \$39 billion and is expected to grow at a CAGR of 7.5% over the next decade to reach \$76 billion by 2028. The fundamental strength of India's textile industry is its strong production base with a wide range of fibres and yarns that include natural fibres like cotton, jute, silk and wool; and synthetic and manmade fibres such as polyester, viscose, nylon and acrylic.

The Indian apparel industry was worth an estimated \$54 billion in 2018 and projected to reach ~\$118 billion in 2028 growing at CAGR of ~8% over 2018-28 period.

The country's apparel market is majorly driven by menswear, which holds major share in the apparel business, accounting for 43% of the total market. Women's wear contributes almost 36%, while kids wear constitutes 21% of the apparel market. The sector is one of the fastest growing markets globally, supported by a robust demand growth.

The major challenges in the Indian apparel industry are increasing competition, sustained discounting that is expected to moderate margins and product obsolescence due to ever-evolving fashion trends.

BUSINESS OVERVIEW

The Company continues to sustain with its overall performance in the financial year 2018-19 driven by the average performance in existing and new business. There is substantial growth in both the segments in which your Company operates i.e. Traditional Textile segment and 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.



Your Company reported at standalone level, the total income of the company is ₹ 18665.01 Lakhs as against ₹ 22997.84 Lakhs in the previous year. The Profit before Tax amounted to ₹ 614.69 Lakhs as against ₹ 564.48 Lakhs in the previous year. The net profit after tax was increased to ₹ 493.16 Lakhs as against ₹ 381.30 Lakhs in the previous year and total comprehensive income for the year amounted to ₹ 495.82 Lakhs as against ₹ 379.71 Lakhs in the previous year.

The total Consolidated Revenue from Operations amounted to ₹. 18801.90 Lakhs as against ₹. 22997.84 Lakhs in the previous year. The Consolidated Net Profit before Tax amounted to ₹. 618.49 Lakhs as against ₹. 564.32 Lakhs in the previous year. The Consolidated Net Profit after Tax amounted to ₹. 496.02 Lakhs as against ₹. 381.14 Lakhs in previous year and Total Comprehensive Income for the year amounted to ₹. 498.84 Lakhs against ₹. 379.56 Lakhs in 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 ₹ 1321.56 Lakhs.

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 and sizing. This unit has 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 of Offset Rubber Printing blankets and a range of other niche rubber products. This division is manufacturing Offset Rubber 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 continuing making efforts to market their offset printing blankets in the world market.

Your company is in the process of commissioning an ambitious project for manufacturing of Textile Print Media substrates for use in digital banners & signage printing. The product range would include Back-lite, Front-lite, Hoardings and Banners. Apart from being innovative in nature, the major USP of our Textile based Digital Print Media would be that they will be innovative in nature, eco-friendly, recyclable, bio degradable, PVC free, and non-hazardous. Upon the commissioning of the new project your company would also have the capability of manufacturing various types of Technical Coated Fabrics. The fabric would be coated with Acrylics, PU, PVC and Rubber and other different polymers. The said Technical Coated Fabric would be used for various applications such as Tarpaulins, Awnings, Covers, Defense Application, Healthcare, Medical Substrates, Transport, Automotive, Aeronautic & Space, Architectural Membranes, Flexible Membranes for Civil Structures, Blinds, Protective Clothing, Home Furnishing, Geo Textiles, Industrial Fabrics, Sports, Environmental Pollution control, etc.

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.

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.

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



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 ~8% 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.

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.

SEGMENTAL REVIEW AND ANALYSIS: (SEGMENT WISE PERFORMANCE)

The performance of our Technical Textile unit has been well and noted the significant increase in the turnover as well as in the profit. The Traditional Textile Unit performs steady and has been some growth in jobwork. Due to a general market recession, the demand and prices for 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.

OUTLOOK:

During the year under review, the Rubber/Technical 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 dyeing, 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 line specially in Technical Coated Fabrics offering from new clients. These measures will ensure the company maintaining its strong position in the domestic market as well as its presence in the world market. Moreover the other raw material Synthetic Rubber being imported, hence volatility in foreign currency and price in international market may impact the cost of production. 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.

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.



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.

During FY 2018-19, the market remained exposed to intermittent bouts of volatility due to domestic developments as well as uncertainty surrounding the evolution of global financial markets which impacted the market sentiments and liquidity conditions significantly.

Particulars	FY 2018-19	FY 2017-18	% change
Debtor Turnover (Times)	4.95	5.56	-11.00
Inventory Turnover (Times)	5.27	6.83	-22.85
Interest Coverage Ratio (Times)	4.47	5.39	-17.00
Current Raatio (Times)	1.40	1.29	8.13
Debt Equity Ratio (Times)	0.42	0.52	-19.70
Operating Profit Margin (%)	4.29	3.04	40.98
Net Profit Margin (%)	0.03	0.02	59.63

During the current financial year there has been increase in Operating Profit Margin and Net Profit Margin mainly due to better performance of the Rubber/Technical Textile Segment in which your Company operates.

The Net Worth of the Company stood at ₹ 83.16 crore as on March 31, 2019. Return on Net worth for the year 2018-19 stands at 5.93 % as against 5.30 % for 2017-18.

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 9001:2015 CERTIFICATION:

We wish to inform you that your company has obtained the ISO 9001:2015 Certification for Technical Textile & Rubber Division, Accredited by TUV South Asia Private Limited, covering all major criteria Development and Manufacturing of Rubber and Technical Textile Products. Throughout our corporate career, your company has been quality-focused and technology-driven. From our inception, these were the factors that enabled us to manufactures quality products 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, 2019, 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 March 31, 2019.

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 6 (Six) directors of whom one is Non-Executive Chairman, two Managing Directors and three Non-Executive Directors (Independent).

During the year Six Board Meetings were held on 30.04.2018, 30.05.2018, 10.08.2018, 22.09.2018, 05.11.2018 and 12.02.2019. 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 28.09.2018	No. of other Directorships	Committee of the Board	
					Membership ***	Chairmanship ***
Jeetmal B. Parekh (DIN 00512415)	NED-P	6	YES	*5	1	0
Rahul J. Parekh (DIN 00500328)	MD	6	YES	*8	1	0
Anand J. Parekh (DIN 00500384)	JT. MD	6	YES	*3	2	0
Sangita Singhi (DIN 06999605)	NED-I (WD)	6	YES	3	1	1
Nehal M. Shah (DIN 00020062)	NED-I	6	NO	*5	0	1
Malav J. Ajmera (DIN 02441549)	NED-I	6	YES	NIL	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. During the year, the meeting of Independent Directors was held on February 12, 2019. The Familiarization programme for Independent Directors is available at the Company's website i.e. www.mrtglobal.com.

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 September 28, 2018. 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 5 (Five) times during the year on 30.05.2018, 10.08.2018, 22.09.2018, 05.11.2018 and 12.02.2019. The attendance of members at the meetings was as follows:

Name of Member	Status	No. of Meetings Attended
Malav J. Ajmera	Chairman	5
Anand J. Parekh	Member	5
Sangita Singhi	Member	5

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 two times on 30.05.2018 and 05.11.2018 respectively, where all members were present in the meeting.

Details of Remuneration for the year 2018-19 paid to the Directors are as follows:

Remuneration of Shri Rahul J. Parekh, Managing Director: -

Basic Salary ₹ 18,00,000/- (Rupees Eighteen Lakhs only), Perquisites: ₹ 32,400/- (Rupees Thirty-two Thousand Four Hundred only)

Remuneration of Shri Anand J. Parekh, Jt. Managing Director: -

Basic Salary ₹ 18,00,000/- (Rupees Eighteen Lakhs 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	76	Chairman	27.08.1993	-----	1744481
Rahul J. Parekh	47	Managing Director	05.07.1995	As Per terms of Appointment	2551119
Anand J. Parekh	43	Jt. Managing Director	19.11.2008	As Per terms of Appointment	2451122
Nehal M. Shah	47	Director	30.03.2005	-----	NIL
Malav J. Ajmera	42	Director	19.11.2008	-----	NIL
Sangita S. Singhi	48	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 30.05.2018, 10.08.2018, 05.11.2018 and 12.02.2019 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 not received any complaints 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.

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, 2019 and Notice of 28th 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 7 (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 7 (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 October 27, 2019, 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 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, 2019, 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.
- In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- 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.
- Total fees paid to Statutory Auditor of the Company is provided in notes of financial statement and form part of this Report. Further, Statutory Auditor had not provided any service or paid any fees from the Wholly Owned Subsidiary of the Company .
- Except Mr. Jeetmal Bhoorchand Parekh, Mr. Rahul Jeetmal Parekh and Mr. Anand Jeetmal Parekh who are immediate relative, none of the Directors are related to each other.
- In the opinion of the Board, Independent Directors of the Company fulfill the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management.
- The Company has obtained credit rating from Care Rating Limited, for its long term debt BBB+ and for its short term debt A2 for the financial year 2018-19.

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

- 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.
- 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.
- The Company's financial results and official press releases are displayed on the Company's Website www.mrtglobal.com
- 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.
- 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.
- 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.
- 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
2017-18	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	Friday 28.09.2018	11.30 AM	1. To approve conversion of loan into equity 2. To consider and decide place of maintaining and keeping Register of Member & other registers at place other than the Registered Office of the Company 3. To change/alter Memorandum of Association – Object clause of the Company
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.

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	: 30th September, 2019, Monday at 11.30 a.m.
Place of the meeting	: Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad – 380 006
Tentative Financial Calendar	: 1st April, 2019 to 31st March, 2020
Financial Results	:
* First Quarter Results	: By 14th August, 2019
* Half Yearly Results	: By 14th November, 2019
* Third Quarter Results	: By 14th February, 2019
* Annual Results	: Within 60 days from 31st March, 2020
Book Closure Date	: From 24th September, 2019 to 30th September, 2019 (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 2018-19 to all the Stock Exchanges, where listed.

Market Price Data: (as per BSE)

Month	Highest Rate (₹.)	Lowest Rate (₹.)
April, 2018	59.00	46.90
May, 2018	56.40	45.00
June, 2018	49.00	38.00
July, 2018	54.00	36.60
August, 2018	54.90	45.00
September, 2018	54.60	45.50
October, 2018	52.00	37.15
November, 2018	50.50	41.15
December, 2018	48.75	40.25
January, 2019	48.80	37.30
February, 2019	46.00	36.20
March, 2019	43.50	36.40

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):

Link Intime India Private Limited (Registered Office)	Link Intime India Private Limited (Investor Relations Centre)
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	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

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.



Distribution of Share holding: (As on 31st March 2019)

No. of Shares	Shareholders		No. of Share held	
	Number	Total in %	Numbers	Total in %
1 - 500	3873	83.90	472283	3.54
501 - 1000	275	5.59	215252	1.62
1001 - 2000	169	3.66	253161	1.90
2001 - 3000	66	1.43	164965	1.24
3001 - 4000	42	0.91	150378	1.13
4001 - 5000	43	0.93	195588	1.47
5001 - 10000	52	1.13	361051	2.71
10001 & ABOVE	96	2.08	11507597	86.39
Total	4616	100.00	13320275	100.00

Shareholding Pattern: (As on 31st March 2019)

Category	No. of Shares held	% to the Shareholding
Promoters & Associates	9535223	71.58%
Bodies Corporate	555612	4.17%
Non-Resident Indians	29189	0.22%
Banks & Mutual Funds	7900	0.06%
Public	3192351	23.97%
TOTAL	13320275	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, 2019, 99.41% Shares have been dematerialized.

Outstanding GDRs / ADRs / Warrants or any Convertible:

All outstanding convertible warrants i.e. 1850000 Warrants outstanding at the beginning of the financial year 2018-19 were converted into 1850000 equity shares on 30.04.2018 which were allotted 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. Further there are no convertible instrument outstanding at the financial year ended on March 31, 2019.

PLANT LOCATION:

Factory:

- Uma Industrial Estate, Phase – III, Village Vasana (Iyava), Tal. Sanand, Dist. Ahmedabad, Tel: 02717-284309 - 10 • Fax: 02717-284152
- 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 31-03-2019 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.

For Mahalaxmi Rubtech Limited

Place: Ahmedabad

Date: May 24, 2019

Rahul J. Parekh
Managing Director

Rajendra R. Mehta
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, 2019

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 24, 2019

Rahul J. Parekh
Managing Director

INDEPENDENT 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 2019, as specified in Chapter IV and Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (collectively referred to as "SEBI Listing Regulations").

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 SEBI Listing Regulations for the year ended on March 31, 2019.

We state that in respect of investor grievances received during the year ended March 31, 2019, 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

P. K. Bothra
Partner

Membership No. 400385

Place: Ahmedabad

Date: 24th May, 2019



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C of clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mahalaxmi Rubtech Limited having CIN L25190GJ1991PLC016327 and having registered office at 47, New Cloth Market, O/s Raipur Gate, Ahmedabad – 380002, Gujarat (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1	Jeetmal Bhoorchand Parekh	00512415	27.08.1993
2	Rahul Jeetmal Parekh	00500328	07.05.1995
3	Anand Jeetmal Parekh	00500384	19.11.2008
4	Nehal Mayur Shah	00020062	30.03.2005
5	Malav Jitendra Ajmera	02441549	19.11.2008
6	Sangita Sandeep Singhi	06999605	31.03.2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Hudda & Associates Company Secretaries LLP

Place: Ahmedabad
Date : May 24, 2019

(Bunty Hudda)
Designated Partner
ACS 31507 / CP NO. 11560.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI RUBTECH LIMITED

Report on the audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **MAHALAXMI RUBTECH LIMITED** ("the Company"), which comprise of the Balance Sheet as at March 31, 2019 and the statement of profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<p>Estimation of provision for sales returns and discounts and volume rebates in the financial statements.</p> <p>Revenue from sale of products is presented net of returns, discounts and volume rebates in the financial statements.</p> <p>The management determines the returns, discounts and rebates on the basis of various factors such as the current and expected operating environment, sales returns variability and expected achievement of targets against various ongoing schemes floated.</p> <p>We determined the estimates associated with sales returns, discounts and volume rebates on sale of products as a key audit matter in view of it having significant impact on the recognized revenue and the involvement of management judgment in estimating the amounts at which these are expected to be settled.</p>	<p>In this regard, our audit procedures included:</p> <p>Understanding the policies and procedures applied to estimate the sales returns, discounts and volume rebates including evaluation and testing of the design and operating effectiveness of controls related to these estimates.</p> <p>Obtained management's calculations for the respective estimates and assessed the reasonableness of assumptions used by the management in determining the amount of estimates based on understanding of the market conditions.</p> <p>Assessed the reasonableness of estimates made by the management in the past by comparing the provisions recognized in the earlier financial years with their subsequent settlement, ratio analysis of discounts, volume rebates and sales returns as a percentage of sale of last few years.</p> <p>Verified, if any credit notes were issued and/or adjustments made after the balance sheet date and their impact if any on the reported amounts.</p> <p>Based on the above procedures performed, the estimates made by the management in respect of sales returns and discounts and rebates on sales were considered to be reasonable.</p>



Information other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report including the Annexures to the Directors' report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon,

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication..

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"**, 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 it appears from our examination of those books;
 - (c) The balance sheet, the Statement of profit and loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under
 - (e) On the basis of written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164(2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the **Annexure-B**. Our report expresses an unmodified opinion.
 - (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.
 - ii. The company has made provision, as required under the applicable law or IND AS, 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 during the year ended 31st March, 2019.

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

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

Ahmedabad: 24th May, 2019.



“Annexure A” to the Independent Auditors’ Report on the Standalone Financial Statements of Mahalaxmi Rubtech Limited

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone Financial Statements of the Company for the year ended March 31, 2019:

- 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 within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order 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. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 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, 2019 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 involved (Rs. 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 institution. 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 Ind AS.
- 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: 24th May, 2019.

“Annexure B” to the Independent Auditors’ Report on the Standalone Financial Statements of Mahalaxmi Rubtech Limited

(Referred to in paragraph 1(f) under “Report on other legal and regulatory requirements” of our report 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”)

We have audited the internal financial controls over financial reporting of **MAHALAXMI RUBTECH LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the Standalone 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.. 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 Standalone 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 Standalone 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 Ind AS 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 Standalone 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, to the best of our information and according to the explanations given to us, the Company 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, 2019, 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: 24th May,2019.



BALANCE SHEET AS AT 31ST MARCH 2019

	Notes	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	1	642666220	641156102
Capital work-in-progress	2	20020982	39574536
Intangible assets	3	38357710	43309288
Financial assets			
Investments	4	1565103	1712060
Loans		--	--
Other financial assets	5	3037007	2056870
Other non-current assets	6	12557714	5349041
Total non-current assets		718204736	733157897
Current assets			
Inventories	7	350087393	333373529
Financial assets			
Investments		---	---
Trade receivables	8	373225704	410003681
Cash and cash equivalents	9	59117808	2014550
Bank balances other than cash and cash equivalents	10	134326746	116111888
Loans	11	14443730	3303252
Other financial assets	12	32402385	32816901
Other current assets	13	34896807	43106516
Assets classified as held for sale	14	1591088	2461395
Total current assets		1000091661	943191712
TOTAL ASSETS		1718296396	1676349609
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	133202750	114702750
Other Equity	16	698409396	605037893
Total Equity		831612146	719740643
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	88831520	135944450
Other financial liabilities		---	---
Provisions	18	13254798	11379243
Deferred Tax Liabilities (Net)	19	34735751	40825289
Other non-current liabilities	20	35382459	39864121
Total non-current liabilities		172204528	228013102
Current liabilities			
Financial liabilities			
Borrowings	21	225728474	199587410
Trade payables	22	417636101	451780482
Other financial liabilities	23	61191460	62848034
Other current liabilities	24	8823597	13453646
Provisions		---	---
Current tax liabilities (net)	25	1100088	926292
Total current liabilities		714479721	728595865
TOTAL LIABILITIES		886684250	956608966
TOTAL EQUITIES AND LIABILITIES		1718296396	1676349609
Summary of significant accounting policies			

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

As per our report of even date
For P C BOTHRA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E

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

Chairman
 (DIN 00512415)

Managing Director
 (DIN 00500328)

Jt. Managing Director
 (DIN 00500384)

Director
 (DIN02441549)

Director
 (DIN00020062)

Director
 (DIN06999605)

(P.K. BOTHRA)

Partner
 Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer

AHMEDABAD: 24th May, 2019.

Company Secretary
 M.No. 34887

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

	Notes	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Income			
Revenue from operations	26	1845700040	2278048492
Other income	27	20801358	21735627
Total income		1866501398	2299784120
Expenses			
Cost of material consumed and Trading Purchase	28	1015788011	1470008124
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	-24671078	-15258665
Manufacturing & Operating Costs	30	507486567	512027702
Employee benefits expense	31	132902372	114354222
Finance costs	32	20826007	15331791
Depreciation and amortization expense	1	93360844	84764149
Other expenses	33	59339693	62108721
Total expenses		1805032416	2243336045
Profit /(Loss) before tax		61468981	56448075
Income tax expense			
Current tax		18345000	13450000
MAT Credit Adjustment		---	---
Deferred tax		-6192000	4868000
Total income tax expense		12153000	18318000
Profit/(Loss) for the year		49315981	38130075
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		515261	-324742
Income tax effect		-143346	107360
		371915	-217382
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI		-146957	87743
Income tax effect		40883	-29008
		-106074	58735
Total other comprehensive income for the year		265842	-158647
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)		3.74	3.58
Diluted earnings /(loss) per share (INR)		3.70	3.05

Summary of significant accounting policies

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

As per our report of even date

For P C BOTHRA & CO.

Chartered Accountants.

Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)

Partner

Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer

AHMEDABAD: 24th May, 2019.

Company Secretary

M.No. 34887


STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

(Amt in Lakhs)

	Year ended 31.03.2019	Year ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	614.69	564.48
Adjustments for:		
Depreciation and amortization expenses	933.61	847.64
Interest Paid	173.47	128.63
Dividend Income	-1.51	0
Provision for gratuity	23.91	11.99
Net exchange differences	-39.46	-13.35
Deferred Revenue Expenses written off	7.48	7.48
Amortisation of Deferred Income	-21.96	-25.48
Amortisation of benefit on unsecured loan	3.54	-3.54
Amortisation of Leasehold Land	0.50	0.50
(Gain)/ loss on Disposal of fixed assets	-69.59	-62.71
Liabilities written back	-63.07	-82.21
Bad Debts written off	9.43	9.64
Operating Profit before working capital changes	1571.05	1383.08
Changes in working capital		
Adjustments for:		
Decrease in inventories	-167.14	-253.58
Decrease in trade receivables	397.81	-340.75
Decrease in other financial assets	-107.26	-82.49
Decrease in other current assets	82.10	-324.60
Decrease in non-current financial assets	-9.80	-3.14
Decrease in non-current assets	-83.00	150.79
Increase in trade payables	-278.38	650.01
Increase in other current liabilities	-46.30	-11.64
Increase in non-current liabilities	-22.86	257.77
Increase in other financial liabilities	-16.57	128.37
Cash generated from operations	1319.65	1553.83
Net Income tax paid	-183.81	-241.28
Net cash flows used in operating activities (A)	1135.84	1312.55
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	-749.70	-1843.05
Purchase of Investments	0.00	-5.00
Proceeds from sale/ disposal of fixed assets	124.33	91.23
Net cash flow from investing activities (B)	-625.37	-1756.82
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of share capital	832.50	675.00
Proceeds from exercise of share warrants	-208.13	-168.75
Proceeds from long-term borrowings	-471.13	-177.88
Proceeds from short-term borrowings	261.41	200.23
Capital Subsidy Received	0	51.16
Interest paid	-173.47	-128.63
Dividend Received	1.51	0
Net cash flow from financing activities (C)	242.70	451.14
Net increase in cash and cash equivalents (A+B+C)	753.17	6.85
Cash and cash equivalents at the beginning of the year	1181.27	1174.42
On current accounts		
Cash and cash equivalents at the end of the year	1934.45	1181.27

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

As per our report of even date

For P C BOTHRA & CO.

Chartered Accountants.

Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)

Partner

Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer
Company Secretary

M.No. 34887

AHMEDABAD: 24th May, 2019.



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

(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 2017	99702750	40250000	151562549	1500000	300994510	453496	-932077	0	593531228
Profit for the year					38130075				38130075
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							67500000
Money received against share warrants								20812500	20812500
Income tax of earlier years					-74512				-74512
Balance as at 31 March 2018	114702750	92750000	151562549	1500000	339050072	512231	-1149459	20812500	719740643
Balance as at 1 April 2018	114702750	92750000	151562549	1500000	339050072	512231	-1149459	20812500	719740643
Profit for the year					49315981				49315981
Other comprehensive income									
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)							371915		371915
Fair Valuation of Investments measured at FVTOCI (Net of tax)						-106074			-106074
Issue of Equity Shares at premium by converting Share Warrants	18500000	64750000						-20812500	62437500
Income tax of earlier years					-147820				-147820
Balance as at 31 March 2019	133202750	157500000	151562549	1500000	388218233	406158	-777544	0	831612146

As per our report of even date
For P C BOTHRA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E

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

Chairman
 (DIN 00512415)

Managing Director
 (DIN 00500328)

Jt. Managing Director
 (DIN 00500384)

Director
 (DIN02441549)

Director
 (DIN00020062)

Director
 (DIN06999605)

(P.K. BOTHRA)
 Partner

Chief Financial Officer

Company Secretary
 M.No. 34887

Membership No. : 400385
 AHMEDABAD: 24th May, 2019.

AHMEDABAD: 24th May, 2019.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Property, plant and equipment

Tangible Assets

Carrying Amounts	Freehold Land	Building	Plant & Machinery	Electric Installation	Furniture Fixtures	Office Equipments	Vehicles	Total
Year ended March 31, 2018								
Gross carrying amount								
Balance as at April 01, 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
Gross carrying amount as at March 31, 2018	95268517	206296349	795509376	17413422	17650273	15255299	20987367	1168380603
Year ended March 31, 2019								
Additions	5924182	7400256	76084969	1761929	13275	2309743	1029079	94523433
Disposals	---	---	42540344	---	---	---	22143	42562487
Classified as held for sale	---	---	4001264	---	---	---	---	4001264
Other Adjustments	---	---	---	---	---	---	---	---
Gross carrying Amt as on 31st March,2019	101192699	213696605	825052737	19175351	17663548	17565042	21994303	1216340285
Accumulated Depreciation/Amortisation								
Year ended March 31, 2018								
Balance as at April 01, 2017	---	48670949	408629198	11077794	7215259	9056286	6284501	490933987
Depreciation For the Year	---	6446264	69606320	1126522	1302199	1560273	1666993	81708571
Deductions / Adjustments	---	---	43038461	---	---	---	2379596	45418057
Accumulated depreciation as at March 31, 2018	---	55117213	435197057	12204316	8517458	10616559	5571898	527224501
As at 31st March,2019								
Depreciation For the Year	---	6549422	75476623	981063	1303934	1740644	2357580	88409266
Deductions / Adjustments	---	---	41938666	---	---	---	21036	41959702
Accumulated depreciation as at March 31, 2019	---	61666635	468735014	13185379	9821392	12357203	7908442	573674065
Net Carrying Amount								
As at March 31, 2018	95268517	151179136	360312319	5209106	9132815	4638740	15415469	641156102
As at March 31, 2019	101192699	152029970	356317722	5989972	7842156	5207839	14085861	642666220

2 Capital Work in Progress

As at March 31, 2018

39574536

As at March 31, 2019

20020982

3 Intangible assets

	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1 April 2018	Additions	Deductions	As at 31st March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	Other Adjustemnts	As at 31st March 2019	As at 31st March 2019	As at 31 March 2018
Commercial Right-ETP Pipeline	49515783	0	0	49515783	6206495	4951578	0	0	11158073	38357710	43309288
Total	49515783	0	0	49515783	6206495	4951578	0	0	11158073	38357710	43309288

Intangible assets

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

4 Financial Assets- Investments
(As valued , verified & certified by the management)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Financial Assets carried at cost		
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 ₹100 each fully paid	107956	108643
685 (685) Equity Shares of Mahalaxmi Calchem Pvt. Ltd. of ₹10 each fully paid	979917	1103317
2 Investment in Subsidiary Companies : (Unquoted)		
50000 (50000) Equity Shares of Globale Tessile Pvt. Ltd. of ₹10 each fully paid	477130	500000
3 Investment in Others : (Unquoted)		
1 (1) Share of The Social Co-op Bank Ltd. of ₹100 each fully paid up	100	100
TOTAL	1565103	1712060

The details of aggregate of quoted and unquoted investment:

Particulars	Book Value (In ₹)		Market Value (In ₹)	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Aggregate Quoted Investment	----	----	----	----
Aggregate Unquoted Investment	1565103	1712060	----	----

5 Non-Current Financial assets - Others
(Unsecured and considered good)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Margin Money with Banks	2255287	1275150
Security Deposits	781720	781720
Total	3037007	2056870

6 Other non-current assets

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Non Financial Assets (Unsecured and considered good)		
Capital advance	11800020	3500015
Deferred Revenue Expenses	0	309423
Issue Expenses	353419	792355
Deferred Employee Cost	4275	297248
Leasehold Land	400000	450000
Total	12557714	5349041

7 Inventories
(As verified, valued & certified by management)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Raw Materials (including goods in transit)	184623497	196845534
Finished Goods	131279655	106336056
Semi-finished Goods	9616057	3670866
Fents & Rags	1331460	7460570
Stores, Spares, Coal, Packing & Design Materials	23220797	18955973
Trading Goods	15927	104530
Total	350087393	333373529

8 Trade receivable

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Trade Receivables	345538111	301945466
Receivables from related parties (Refer Note No.43)	27687593	108058215
Total Trade Receivables	373225704	410003681
	373225704	410003681
Break up of Security Details:		
Secured, considered good	---	---
Unsecured , considered good	372267489	409471258
Doubtful	1085575	532424
Total Trade Receivables	373353064	410003682

9 Cash and cash equivalents

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Balances with banks		
On current accounts	8522981	1308401
In Fixed deposit with maturity for less than 3 months	50000000	--
Cash on hand	594826	706149
Total cash and cash equivalents	59117808	2014550

10 Bank balances other than Cash and cash equivalent

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	130924123	115000000
Balances with Banks held as margin money	3157265	635000
In Fixed deposit with maturity more than 12 months	---	---
Earmarked Balance with banks (pertaining to dividend accounts with banks)	245358	476888
Total	134326746	116111888

11 Current Financial assets - Loans

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Unsecured, considered good		
To Subsidiary Companies	14258005	500
To Employees	185725	3302752
Total	14443730	3303252

12 Current Financial assets - Others

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Interest Receivable under TUFs	904031	1416961
Export Benefit Receivable	4894760	7358756
Stipend Reimbursement Receivable	381000	---
Accrued Income	19902199	8937403
Interest accrued on fixed deposits	6320395	15103781
Total	32402385	32816901



13 Other current assets

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Prepaid Expenses	5409164	3483769
Advance to employees	1287100	1882200
Balance with Statutory Authorities	18524596	26234336
Leasehold Land	50000	50000
Others	9625947	11456211
Total	34896807	43106516

14 Assets classified as held for sale

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Plant & Machinery	1591088	2461395
Total	1591088	2461395

15 Equity Share Capital

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Authorized		
25000000 (25000000) Equity Shares of Re.10 each	250000000	250000000
	250000000	250000000
Issued, subscribed and paid up		
13320275 (11470275) Equity Shares of ₹10 each fully paid	133202750	114702750
Total	133202750	114702750

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As At 31-03-2019 No. of Shares	As At 31-03-2018 No. of Shares	As At 31-03-2019 Amount	As At 31-03-2018 Amount
Outstanding at the beginning of the year	11470275	9970275	114702750	99702750
Add: Issued during the year	1850000	1500000	18500000	15000000
Outstanding at the end of the year	13320275	11470275	133202750	114702750

(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 2019		As at 31 March 2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Jeetmal B. Parekh	1744481	13.10%	1494481	13.03%
Rahul J. Parekh	2551119	19.15%	1751119	15.27%
Kamlaben J. Parekh	756570	5.68%	756570	6.60%
Anand J. Parekh	2451122	18.40%	1651122	14.39%

(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 31 March 2019 ₹	As at 31 March 2018 ₹
(a) Securities premium reserve		
Opening balance	92750000	40250000
Add : Received during the year	64750000	52500000
Closing balance	157500000	92750000
(b) General reserve		
Opening balance	151562549	151562549
Addition during the year	---	---
Closing balance	151562549	151562549
(c) Capital Reserve		
Opening balance	1500000	1500000
Addition during the year	---	---
Closing balance	1500000	1500000
(d) Retained Earnings		
Opening balance	339050072	300994510
Add: Net profit for the year	49315981	38130075
Less: Income Tax of eariler years	147820	74512
Closing balance	388218233	339050072
(e) Equity Instruments through OCI		
Opening Balance	512231	453496
For The Year (net of Tax)	-106074	58735
Closing balance	406158	512231
(e) Other items of Other Comprehensive Income		
Opening balance	-1149459	-932077
Re-measurement gain/(loss) on defined benefit plans (net of tax)	371915	-217382
Closing balance	-777544	-1149459
(f) Money Received against Share Warrants		
Opening balance	20812500	37687500
Less: Utilized during the year	20812500	16875000
Closing balance	0	20812500
Total Other Equity	698409396	605037893

17 Non-Current Borrowings

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Secured		
Term Loans from Banks and Financial Institutions		
Term Loans	84665602	84381813
Vehicle Loans	4165918	5183823
Total (A)	88831520	89565636
Unsecured		
From Directors	---	46378814
Total (B)	0	46378814
TOTAL (A+B)	88831520	135944450

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

- 1 Rupee Term loan from Bank of Baroda of ₹ Nil (P.Y. ₹ 53.73 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 ₹ 185.30 lacs (P.Y. ₹ 274.34 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.
- 3 Rupee term loan from Bank of Baroda amounting to ₹196.60 lacs (P.Y. ₹ 334.10 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.
- 4 Rupee term loan from Bank of Baroda amounting to ₹432.00 lacs (P.Y. ₹ 477.41 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, 2018. Last installment due in April, 2023.
- 5 Rupee term loan from Bank of Baroda amounting to ₹234.74 lacs (P.Y. ₹ 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, 2019. Last installment due in April, 2024.
- 6 Rupee term loan from Bank of Baroda amounting to ₹96.55 lacs (P.Y. ₹ 123.85 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 AXIS Bank amounting to ₹ 50.34 lacs (P.Y. ₹ 64.50 lacs) secured by way of hypothecation of Motor Car Repayable in 60 monthly installments commencing from April 2018. Last installment due in March, 2022.
- 2 Vehicle Loan from HDFC Bank amounting to ₹ 1.50 lacs (P.Y. ₹ 5.70 Lacs) secured by way of hypothecation of Motor Car Repayable in 36 monthly installments commencing from August 2016. Last installment due in July, 2019.
- 3 Vehicle Loan from HDFC Bank amounting to ₹ 9.76 lacs (P.Y. ₹ 10.00 lacs) secured by way of hypothecation of Motor Car Repayable in 60 monthly installments commencing from March 2019. Last installment due in February, 2022.

18 Provisions (Non Current)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Provision for post employment benefit obligations		
Provision for Gratuity	13254798	11379243
Total	13254798	11379243

19 Deferred Tax Liabilities (Net)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	38792000	44554000
Fair Valuation Gain on Investments	212095	252979
Deferred Tax Asset:		
Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	3844000	3414000
Remeasurements of defined benefit plans	424344	567690
Deferred Tax Liabilities (Net)	34735751	40825289



20 Other Non- current Liabilities

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Deferred Income for Capital Subsidy	2798886	3446604
Deferred Income for EPCG Liability	9091719	10640075
Others	23491854	25777442
Total Non-Current Liabilities	35382459	39864121

21 Short -Term Borrowings

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Working Capital Loans from Banks		
Secured		
Cash Credit	145304844	106539614
Foreign Bills Purchase	7507429	11623319
Overdraft	60447434	51424477
Export Packing Credit	12468767	---
Unsecured Loan from Banks	0	30000000
Total short-term borrowings	225728474	199587410

Details of securities for working capital borrowings Cash Credit, Foreign Bills Purchase and Export packing Credit 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 Payables

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Payable to related parties (Refer Note No.43)	10567838	14088008
Payable to Others	407068263	437692474
Total Trade Payables	417636101	451780482

23 Other financial liabilities

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Current Maturities of long term debts	31847795	37838560
Salary & Wages Payable	7486507	14397792
Unpaid Salary & Bonus	0	18175
Unclaimed Dividend	245358	476888
Other Payables	21611801	10116619
Total	61191460	62848034

24 Other current liabilities

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Advances from Customers	2439830	2603139
Security Deposit	80000	80000
Statutory Duties & Taxes	1560733	3859007
Capital Creditors	4743035	6911500
Total	8823597	13453646



25 Current tax liabilities (net)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Opening Balance	926292	11530030
Add: Current Tax payable for the year	18345000	13450000
Less: Taxes paid (including TDS and MAT Credit)	18171204	24053738
Current Tax Laibilites (Net)	1100088	926292

26 Revenue from operations

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Sale of products and services	1280390880	1932668955
Job Work Charges	553295999	330073253
Other Operating revenue		
Export Entitlement Benefits	12013161	15306284
Total revenue from operations	1845700040	2278048492

27 Other income

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Exchange Rate Fluctuation	3945966	1335048
Sale of Scrap	1179207	216275
Insurance Claims	0	25820
Dividend Received	150700	0
Liability Written Back	6306526	8220750
Vatav Kasar	38870	12842
Profit on Sale/disposal of Fixed Assets	6979740	6285227
Amortisation of Deferred Income under EPCG Scheme	1548356	877948
Amortisation of Deferred Income (Capital Subsidy)	647718	1669649
Notional Interest Income on Loan to employees & subsidiaries	4275	272704
Notional Interest Income on Unsecured Borrowings	0	354268
Trans Stock Credit	0	2465096
Total	20801358	21735627

28 Cost of raw material consumed and trading purchase

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Raw Material Consumed:		
Opening Stock	196845534	188728727
Add: Purchases	999835138	1453783782
Less: Closing Stock	184623497	196845534
Cost of raw material consumed	1012057175	1445666975
Purchase of Trading Goods	3730835	24341149
Total	1015788011	1470008124

29 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Inventories at the beginning of the year		
Finished Goods	106336055	67147463
Semi Finished Goods	3670866	29919992
Trading Goods	104530	104530
Fents & Rags	7460570	5141372
	117572021	102313357
Less: Inventories at the end of the year		
Finished Goods	131279655	106336056
Semi Finished Goods	9616057	3670866
Trading Goods	15927	104530
Fents & Rags	1331460	7460570
	142243099	117572022
Net decrease/ (increase)	-24671078	-15258665

30 Manufacturing & Operating Cost

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Stores, Spares & Maintenance Expenses	60080244	54527197
Job Charges Paid	18775811	53580437
Design Expenses	6999806	6444012
Power & Fuel Expenses	307045322	290708364
Processing Charges	96387815	87369320
Laboratory Expenses	575094	487722
Freight, Clearing & Forwarding Expenses	5060004	14123250
Central Excise Duty	0	132205
Pollution Control Expenses	12562471	4655195
Total	507486567	512027702

31 Employee benefits expense

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Salaries, wages, bonus and other allowances	121296028	104981861
Gratuity	3086499	1968645
Contribution to Provident Fund and ESI	3113909	3482471
Employees' Welfare Expenses	5401661	3648541
Amortisation of deferred employee benefit	4275	272704
Total	132902372	114354222

32 Finance costs

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Interest (Net)	17346748	12862818
Notional Interest on Unsecured Loans	354268	0
Bank Commission & Charges	3124991	2468973
Total	20826007	15331791

33 Other expenses

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
E.C.G.C. Premium	317518	527035
Telecommunication Expenses	616124	906963
General Expenses	437004	335420
Insurance Premium	2796735	3273199
Advertisement Expenses	490457	397017
Audit Fees	300000	300000
Corporate Social Responsibility Expenses	1050000	0
Car Expenses	888073	994890
Packing Materials Expenses	12204768	11113986
Legal & Consulting Expenses	3820400	2702821
Postage & Courier Expenses	560443	642879
Rent, Rates and Taxes	1296651	1585325
Deferred Revenue Expenses written off	748359	748362
Loss on Sale of Fixed Assets	20758	14136
Bus & Truck Expenses	1139775	1173456
Miscellaneous Expenses	1601283	2677843
Amortisation of Leasehold Land	50000	50000
Value Added Tax	0	739172
Export Freight	2714601	5972900
Commission Expenses	19861476	20503867
Factory Expenses	425661	341880
Bad Debts written off	943399	963771
Service Tax	0	1336721
Printing & Stationery Expenses	1444285	958943
Travelling Expenses	3789471	2511273
Exhibition Expenses	1822450	1336861
Total	59339693	62108721

34 *Note : The following is the break-up of Auditors remuneration

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Statutory Audit Fee	300000	300000
For Others (Reports, Certificates, etc.)	96000	53000
Total	396000	353000

35 (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 31-03-2019		As At 31-03-2018	
	At FVTOCI	Amortised Cost	At FVTOCI	Amortised Cost
Assets:				
Investments (Non Current)	1565103		1712060	1712060
Other Financial Non- current assets		3037007		2056870
Trade Receivables		373225705		410003681
Cash & Cash Equivalents		59117808		2014550
Other Bank Balance		134326746		116111888
Loan		14443730		3303252
Other Financial current assets		32402385		32816901
Total	1565103	616553380	1712060	568019202
Liabilities:				
Borrowings		88831520		135944450
Borrowings (Current)		225728474		199587410
Trade Payables		417636101		451780482
Other Financial Liabilities (Current)		61191460		62848034
Total		793387556		850160376

(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 2019

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31.03.2019				
Fair values through OCI	1565103	---	1565103	---
As at 31.03.2018				
Fair values through OCI	1712060	---	1712060	---

36 The details of Contingent Liabilities and Commitments (to the extent not provided for):

(Amt.in Lacs)

Particulars	As at 31 March 2019	As at 31 March 2018
A Contingent Liabilities:		
1 Outstanding Bank Guarantee	134.05	107.57
2 Outstanding Letter of Credit	15.05	0.00
3 Disputed Service Tax Liability	2.09	2.09
4 Employees' cases pending before labour courts	103.56	103.56
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 remaining to be executed on capital account not provided for (Net of Advances)	423.61	710.78

37 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.

38 During the year the Company has received an amount of ₹62437500/- towards allotment of 1850000 equity shares upon conversion of 1850000 warrant made in the month of April 2018 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.

39 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 ('Act'), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Healthcare including Preventive healthcare, providing Safe drinking water, sanitation facility, promoting education, Old Age Home maintenance, Environmental sustainability and promotion and development of traditional art and handicrafts. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- Gross Amount required to be spent by the company during the year is ₹ 10.26 Lakhs. (P.Y. Nil)
- Amount spent during the year ₹ 10.50 Lakhs (P.Y. Nil)

The amount expended are as follows:	2019	2018
a) Construction / acquisition of any asset	--	--
b) For purposes other than (i) above	10.50	--

40 Based on review carried out as on 31.03.2019, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".

41 Calculation of Earning per Share

Earning per Share		AS AT March 31, 2019	AS AT March 31, 2018
Net Profit after Tax	₹	49315981	38130075
Nominal Value of equity share	₹	10	10
Weighted average number of equity shares	Nos.		
- for Basic EPS		13173289	10664796
- for Diluted EPS		13320275	12514796
Basic EPS	₹	3.74	3.58
Diluted EPS	₹	3.70	3.05

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:

Name of the Related Party	Relationship
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
Rajendra R Mehta	Key Managerial Personnel
Shailesh P Koshti	Key Managerial Personnel
Mohit R Mehta	Relative of Key Managerial Personnel

(b) Transactions during the year with Related Parties:

Nature of Transaction	Associate	Key Managerial	Subsidiary	Relative of KMP
Rent paid				
Shah Jeetmal Champalal	12000			
Rahul Textile	108000			
	120000	0	0	0
Rent Received				
Globale Tessile Private Limited			12000	
Mahalaxmi Exports	60000		0	
	60000	0	12000	0

Nature of Transaction	Associate	Key Managerial	Subsidiary	Relative of KMP
Remuneration Paid				
Rahul Jeetmal Parekh		1832400		
Anand Jeetmal Parekh		1832400		
Rajendra R Mehta		1560000		
Shailesh P Koshti		350002		
	0	5574802	0	0
Purchase				
Mahalaxmi Cal Chem P Ltd.	1620751			
Anand Chem Ind. P. Ltd.	28065211			
Mahalaxmi Exports	10803313			
Globale Tessile Private Limited	0		12002250	
	40489275	0	12002250	0
Job charges Paid				
Mahalaxmi Exports	4492731			
	4492731	0	0	0
Sales				
Mahalaxmi Exports	51011512			
Mahalaxmi Cal Chem P Ltd.	3527588			
Globale Tessile Private Limited	0		1150178	
	54539100	0	1150178	0
Job charges Received				
Mahalaxmi Exports	141973622			
Globale Tessile Private Limited	0		3237301	
	141973622	0	3237301	0
Professional Fees Paid				
Mohit R Mehta	0			240000
	0	0	0	240000
Interest Received				
Globale Tessile Private Limited			438374	
	0	0	438374	0
Loans repaid				
Jeetmal B Parekh	0	3418701		
Rahul J Parekh	0	31151690		
Anand J. Parekh	0	12162691		
	0	46733082	0	0
Loans Given				
Globale Tessile Private Limited	0		13863468	
	0	0	13863468	0
(c) Outstandings				
Payables				
Anand Chem Industries Pvt. Ltd.	10282901			
Globale Tessile Private Limited	0		284937	
	10282901	0	284937	0
Receivables				
Mahalaxmi Exports	25261702			0
Globale Tessile Private Limited	0		2425891	
	25261702	0	2425891	0
Loans Given				
Globale Tessile Private Limited			14258005	
	0	0	14258005	0



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	
			₹ Lacs	Foreign Currency
USD	SELL	2	51.71	72993

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

Particulars	As at 31-03-19	As at 31-03-18
Payable against import of goods & services		
Rupees in Lacs	172	92
US Dollar	38467	88143
GBP	---	---
Euro	186842	43187
Advance payment to suppliers and for expenses		
Rupees in Lacs	---	---
Euro	---	---
US Dollar	---	---
Receivable against export of goods and services		
Rupees in Lacs	117	173
US Dollar	110839	58751
Euro	51996	166366

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	2018-19			2017-18		
	Rubber / Technical Textiles Products	Textile Products	Consolidated	Rubber / Technical Textiles Products	Textile Products	Consolidated
BUSINESS SEGMENT						
Segment Revenue						
External sales	224775482	1620924558	1845700040	202886797	2075161695	2278048492
Inter- Segment Sales	---	32397598	32397598	---	22593152	22593152
	224775482	1653322156	1878097638	202886797	2097754847	2300641644
Less: Inter- Segment Sales	---	(32397598)	(32397598)	---	(22593152)	(22593152)
Total Revenue	224775482	1620924558	1845700040	202886797	2075161695	2278048492
Results						
Segment results before Interest	23233134	36881369	60114504	10961889	37097681	48059569
Interest	(2912290)	(15001006)	(17913296)	(2868452)	(9994366)	(12862818)
Unallocable Expenses	---	---	(2146305)	---	---	(809046)
Other Income	10575739	10061572	20637311	6200846	15408739	21609585
Unallocable Income	---	---	776767	---	---	126042
Profit after Interest	30896584	31941935	61468981	14294283	42512054	56123332
Extraordinary Items	---	---	---	---	---	---
Current Tax	---	---	18345000	---	---	13450000
Deferred Tax	---	---	(6192000)	---	---	4868000
Net Profit after Tax	---	---	49315981	---	---	37805332
Other Comprehensive Income	---	---	265842	---	---	---
Other Information						
Segment Assets	280959036	1316582922	1597541957	289904837	1267093737	1556998574
Unallocable Assets	---	---	100733455	---	---	92300207
Segment Liabilities	68421452	773903027	842324478	79599531	781383853	860983384
Unallocable Liabilities	---	---	44359772	---	---	108716980
Capital Work in Progress						

PARTICULARS	2018-19			2017-18		
	Rubber / Technical Textiles Products	Textile Products	Consolidated	Rubber / Technical Textiles Products	Textile Products	Consolidated
Segment CWIP	20020983	(0)	20020982	---	39574536	39574536
Unallocable CWIP	---	---	---	---	---	---
Depreciation	28588304	59482779	88071082	27060769	53439690	80500459
Unallocable Depreciation	---	---	5289762	---	---	4263690
GEOGRAPHICAL SEGMENT						
Revenue						
India	182327207	1533810545	1716137751	108034885	1924842766	2032877651
Outside India	42395495	87071204	129466699	94851912	150318929	245170841

46 Reconciliation of opening and closing balances of Defined Benefit Obligation
Gratuity (Non-Funded)

	2018-2019	2017-2018
Defined Benefit obligation at beginning of year	11379243	9855915
Current Service Cost	2201194	1022481
Interest Cost	885305	728352
Past Service Cost	0	217812
Actuarial (gain)/loss	(515261)	324742
Benefits paid	(695683)	(770059)
Defined Benefit obligation at year end	13254798	11379243

Reconciliation of opening and closing balances of fair value of Plan Assets
Gratuity (Non-Funded)

	2018-2019	2017-2018
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 31.03.19	As at 31.03.18
Fair value of Plan assets	---	---
Present value of obligation	13254798	11379243
Amount recognised in Balance Sheet	13254798	11379243

Expenses recognised in Profit & Loss A/c

	2018-2019	2017-2018
Current Service Cost	2201194	1022481
Interest Cost	885305	728352
Past Service Cost	0	217812
Expected return on Plan assets	---	---
NET COST	3086499	1968645

Expenses recognised in OCI

	2018-2019	2017-2018
Actuarial (gain)/loss	(515261)	324742
Total	(515261)	324742



Investment Details

	31.03.19	31.03.18
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)	
	2018-2019	2017-2018
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 7% 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:

Particulars	Foreign Currency	
	As At 31st March 2019	As At 31st March 2018
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	110838.58	237582.34
In Euro	51995.97	166366.03
Amount hedged through forwards & options # (B)		
In USD	108834.86	178831.22
In Euro	---	---
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	2003.72	58751.12
In Euro	51995.97	166366.03

Particulars	As At 31st March 2019	As At 31st March 2018
b) Exposure on account of Financial Liabilities		
Trade Payables (D)		
In USD	38466.61	88143.35
In Euro	186841.77	43187
Amount Hedged through forwards & options # (E)		
In USD	---	---
In Euro	---	---
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	38466.61	88143.35
In Euro	186841.77	43187
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
In USD	-36462.89	-29392.23
In Euro	-134845.80	123179.03

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:

Particulars	Net Impact on Profit before Tax	
	As at 31-Mar-19	As at 31-Mar-18
USD sensitivity		
INR/USD -Increase by 5%	-126070.44	-95789.278
INR/USD -Decrease by 5%	126070.44	95789.278
EURO sensitivity		
INR/EURO -Increase by 5%	-523572.53	497711
INR/EURO -Decrease by 5%	523572.53	-497711

(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:

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Long term debts from Banks and Financial Institutions	888.32	895.66
Current Maturities of long term debts	318.48	378.39
Unsecured Loan		
- From Bank	0.00	300.00
- From Related Parties	0.00	463.79
Short term Borrowings from Banks	1652.81	1181.63
Overdraft from Bank	604.47	514.24
Total borrowings	3464.08	3733.71
% of Borrowings out of above bearing variable rate of interest	82.55%	73.81%



Interest rate sensitivity

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

Particulars	As at March 31, 2019	As at March 31, 2018
50 bps increase would decrease the profit before tax by	-14.30	-13.78
50 bps decrease would increase the profit before tax by	14.30	13.78

(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-19	As at 31-Mar-18
Borrowings		
expiring within one year	2575.76	2838.05
expiring beyond one year	888.32	895.66
	3464.08	3733.71
Trade Payables		
expiring within one year	3941.38	4398.88
expiring beyond one year	234.98	118.92
	4176.36	4517.80
Other Financial liabilities		
expiring within one year	290.98	245.33
expiring beyond one year	2.45	4.77
	293.44	250.10

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 equity.

The Company's gearing ratio was as follows:

(Amount in Lakhs)

Particulars	Financial Year ended 31.03.2019	Financial Year ended 31.03.2018
Total Borrowings	3464.08	3733.71
Less: Cash and cash equivalents	591.18	20.15
Net debt	2872.90	3713.56
Total equity	8316.12	7197.41
Gearing ratio	34.55%	51.60%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March 2019.

49 Notes forming part of the Financial Statements for the year ended 31 March 2019

A 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.

B Significant accounting policies

Significant accounting policies adopted by the company are as under:

(a) Basis of Preparation of Financial Statements

(i) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

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.

(ii) 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.

(iii) Current and non current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act.

(b) 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.

(c) Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

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'.

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'.

(d) 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.

(e) Intangible Assets

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

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.

(f) Investments in subsidiaries , associates

Investments in subsidiaries, associates are recognised at fair value.

(g) 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.

(h) 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.

(i) 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.

(j) Revenue Recognition

The company derives revenues primarily for sale of manufactured goods, traded goods, job work and related services.

The Company has adopted Ind AS 115 'Revenue from contracts with customers' made effective from April 1, 2018. Based on the assessment done by the management, there is no material impact on the revenue recognised during the period;

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.

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 & service tax at the time of sale.

(k) 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.

(l) 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.

(m) 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.

(n) 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.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

(I) 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.

**(II) 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.

(s) Employee Benefits**(I) 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.

(II) 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.

(t) 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.



(u) 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.

(v) 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.

(w) 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.

(x) 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.

(i) 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.

(ii) 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.

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

As per our report of even date

For P C BOTHRA & CO.

Chartered Accountants.
Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)

Partner
Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer

Company Secretary
M.No. 34887

AHMEDABAD: 24th May, 2019.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI RUBTECH LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated financial statements of **MAHALAXMI RUBTECH LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprising of the Consolidated Balance Sheet as at March 31, 2019, 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 notes to the Consolidated financial statements including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, and their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<p>Estimation of provision for sales returns and discounts and volume rebates in the financial statements.</p> <p>Revenue from sale of products is presented net of returns, discounts and volume rebates in the financial statements.</p> <p>The management determines the returns, discounts and rebates on the basis of various factors such as the current and expected operating environment, sales returns variability and expected achievement of targets against various ongoing schemes floated.</p> <p>We determined the estimates associated with sales returns, discounts and volume rebates on sale of products as a key audit matter in view of it having significant impact on the recognized revenue and the involvement of management judgment in estimating the amounts at which these are expected to be settled.</p>	<p>In this regard, our audit procedures included:</p> <p>Understanding the policies and procedures applied to estimate the sales returns, discounts and volume rebates including evaluation and testing of the design and operating effectiveness of controls related to these estimates.</p> <p>Obtained management's calculations for the respective estimates and assessed the reasonableness of assumptions used by the management in determining the amount of estimates based on understanding of the market conditions.</p> <p>Assessed the reasonableness of estimates made by the management in the past by comparing the provisions recognized in the earlier financial years with their subsequent settlement, ratio analysis of discounts, volume rebates and sales returns as a percentage of sale of last few years.</p> <p>Verified, if any credit notes were issued and/or adjustments made after the balance sheet date and their impact if any on the reported amounts.</p> <p>Based on the above procedures performed, the estimates made by the management in respect of sales returns and discounts and rebates on sales were considered to be reasonable.</p>



Information other than the Financial Statements and Auditor's report thereon

6. The Holding Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report including the Annexures to the Directors' Report, but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon,

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Ind AS 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; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the Consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those the respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - i) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - ii) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - v) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
13. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (i) The Consolidated Financial Statements include one subsidiary which reflect total assets of Rs. 177.33 lakhs as at 31st March, 2019, total revenue of Rs.136.88 lakhs and net cash inflow of Rs. 6.83 for the 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-section (3) of section 143 of the Act, in so far as relates to the aforesaid subsidiary, is based solely on the reports of the 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

1. 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 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 and reports of the other auditors;



- (c) The consolidated balance sheet, consolidated Statement of profit and loss including the statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow dealt with by this Report are in agreement with the books of account maintained for the preparation of the consolidated financial statements ;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under, as amended;
- (e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2019 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under section 139 of the Act, of its subsidiaries, none of the directors of the Group companies is disqualified as on March 31, 2019 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 control with reference to these consolidated financial statements of the Holding Company and its subsidiary companies, refer to our separate report in the **Annexure-A** to this report.
- (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Holding Company and its subsidiaries to their directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) 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, as amended, in our opinion and to the best of our information and according 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 subsidiaries, as noted in the "Other Matters" paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group;
 - ii. The 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 Holding Company and its subsidiaries during the year ended 31st March, 2019.

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

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

Ahmedabad: 24th May, 2019.



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under “Report on other legal and regulatory requirements” of our report 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 report of the Consolidated Financial Statements of **MAHALAXMI RUBTECH LIMITED** as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of **MAHALAXMI RUBTECH LIMITED** (hereinafter referred to as the “Holding Company”) and its subsidiaries, which are companies incorporated in India, as of that date.

Management’s Responsibility for the Internal Financial Controls.

The respective Board of Directors of the Holding Company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 Holding Company and its subsidiaries, internal financial controls over financial reporting with reference to these consolidated financial statements 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.. 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 Ind AS 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 with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these consolidated financial statements

A company’s internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in "Other Matters" paragraph, the Holding Company and its subsidiaries have maintained, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting with reference to these consolidated financial statements criteria established by the Holding 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.

Other Matters

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far it relates to separate financial statements of one subsidiary is based on the corresponding reports of the auditors of such subsidiaries.

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

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

Ahmedabad: 24th May,2019.



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

	Notes	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	1	642666220	641156102
Capital work-in-progress	2	20020982	39574536
Intangible assets	3	38357710	43309288
Financial assets			
Investments	4	1087973	1212060
Loans		--	--
Other financial assets	5	3037007	2056870
Other non-current assets	6	12563159	5356301
Total non-current assets		717733051	732665157
Current assets			
Inventories	7	358504635	333373529
Financial assets			
Investments		---	---
Trade receivables	8	378075390	410003681
Cash and cash equivalents	9	60293204	2507180
Bank balances other than cash and cash equivalents	10	134326746	116111888
Loans	11	185725	3303252
Other financial assets	12	32522493	32816901
Other current assets	13	35350863	43106516
Assets classified as held for sale	14	1591088	2461395
Total current assets		1000850144	943684342
TOTAL ASSETS		1718583195	1676349499
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	133202750	114702750
Other Equity	16	698695802	605022282
Total Equity		831898552	719725032
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	88841520	135954950
Other financial liabilities		---	---
Provisions	18	13254798	11379243
Deferred Tax Liabilities (Net)	19	34742114	40825289
Other non-current liabilities	20	35382459	39864121
Total non-current liabilities		172220891	228023602
Current liabilities			
Financial liabilities			
Borrowings	21	225728475	199587410
Trade payables	22	417388206	451780482
Other financial liabilities	23	61201461	62853034
Other current liabilities	24	8950691	13453646
Provisions		---	---
Current tax liabilities (net)	25	1194918	926292
Total current liabilities		714463752	728600865
TOTAL LIABILITIES		886684642	956624467
TOTAL EQUITIES AND LIABILITIES		1718583195	1676349499
Summary of significant accounting policies			

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

As per our report of even date

For P C BOTHRA & CO.

Chartered Accountants.

Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)

Partner

Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer

AHMEDABAD: 24th May, 2019.

Company Secretary

M.No. 34887

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

	Notes	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Income			
Revenue from operations	26	1858926820	2278048492
Other income	27	21262710	21735627
Total income		1880189530	2299784120
Expenses			
Cost of material consumed and Trading Purchase	28	1028199600	1470008124
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	-25689090	-15258665
Manufacturing & Operating Costs	30	507743735	512027702
Employee benefits expense	31	133802372	114354222
Finance costs	32	21273172	15331791
Depreciation and amortization expense	1	93360844	84764149
Other expenses	33	59649575	62124331
Total expenses		1818340209	2243351655
Profit /(Loss) before tax		61849321	56432465
Income tax expense			
Current tax		18439830	13450000
MAT Credit Adjustment		---	---
Deferred tax		-6192000	4868000
Total income tax expense		12247830	18318000
Profit/(Loss) for the year		49601491	38114465
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		515261	-324742
Income tax effect		-143346	107360
		371915	-217382
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI		-124087	87743
Income tax effect		34521	-29008
		-89566	58735
Total other comprehensive income for the year		282349	-158647
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)		3.77	3.56
Diluted earnings /(loss) per share (INR)		3.71	3.03

Summary of significant accounting policies

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

As per our report of even date

For P C BOTHRA & CO.

Chartered Accountants.

Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)

Partner

Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer

AHMEDABAD: 24th May, 2019.

Company Secretary

M.No. 34887

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019

(Amt in Lakhs)

	Year ended 31.03.2019	Year ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	618.49	564.32
Adjustments for:		
Depreciation and amortization expenses	933.61	847.64
Interest Paid	177.85	128.63
Dividend Income	-1.51	---
Provision for gratuity	23.91	11.99
Net exchange differences	-44.07	-13.35
Deferred Revenue Expenses written off	7.50	7.48
Amortisation of Deferred Income	-21.96	-25.48
Amortisation of benefit on unsecured loan	3.54	-3.54
Amortisation of Leasehold Land	0.50	0.50
(Gain)/ loss on Disposal of fixed assets	-69.59	-62.71
Liabilities written back	-63.07	-82.21
Bad Debts written off	9.43	14.33
Operating Profit before working capital changes	1574.64	1387.61
Changes in working capital		
Adjustments for:		
Decrease in inventories	-251.31	-253.58
Decrease in trade receivables	353.92	-345.44
Decrease in other financial assets	34.12	-82.50
Decrease in other current assets	77.56	-324.60
Decrease in non-current financial assets	-9.80	-3.14
Decrease in non-current assets	-83.00	150.71
Increase in trade payables	-280.86	650.01
Increase in other current liabilities	-45.03	-11.64
Increase in non-current liabilities	-22.86	257.77
Increase in other financial liabilities	-16.57	128.42
Cash generated from operations	1330.82	1553.61
Net Income tax paid	-183.81	-241.28
Net cash flows used in operating activities (A)	1147.01	1312.35
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	-749.70	-1843.05
Purchase of Investments	0.00	0.00
Proceeds from sale/ disposal of fixed assets	124.33	91.23
Net cash flow from investing activities (B)	-625.36	-1751.82
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of share capital	832.50	675.00
Proceeds from exercise of share warrants	-208.13	-168.75
Proceeds from long-term borrowings	-471.09	-177.78
Proceeds from short-term borrowings	261.41	200.23
Capital Subsidy Received	---	51.16
Interest paid	1.51	---
Dividend Received	-177.85	-128.63
Net cash flow from financing activities (C)	238.35	451.24
Net increase in cash and cash equivalents (A+B+C)	760.00	11.78
Cash and cash equivalents at the beginning of the year	1186.20	1174.42
On current accounts		
Cash and cash equivalents at the end of the year	1946.20	1186.20

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

As per our report of even date

For P C BOTHRA & CO.

Chartered Accountants.

Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)

Partner

Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer
Company Secretary

M.No. 34887

AHMEDABAD: 24th May, 2019.



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

(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 2017	99702750	40250000	151562549	1500000	300994510	453496	-932077	0	593531228
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
<i>Issue of Equity Shares at premium by converting Share Warrants</i>	15000000	52500000							67500000
Money received against share warrants								20812500	20812500
Income tax of earlier years					-74512				-74512
Balance as at 31 March 2018	114702750	92750000	151562549	1500000	339034461	512231	-1149459	20812500	719725032
Balance as at 1 April 2018	114702750	92750000	151562549	1500000	339034461	512231	-1149459	20812500	719725032
Profit for the year					49601491				49601491
Other comprehensive income									
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)							371915		371915
Fair Valuation of Investments measured at FVTOCI(Net of tax)						-89566			-89566
<i>Issue of Equity Shares at premium by converting Share Warrants</i>	18500000	64750000						-20812500	62437500
Income tax of earlier years					-147820				-147820
Balance as at 31 March 2019	133202750	157500000	151562549	1500000	388488132	422665	-777544	0	831898552

As per our report of even date
For P C BOTHRA & CO.
 Chartered Accountants.
 Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)
Partner

Chief Financial Officer

Company Secretary
M.No. 34887

Membership No. : 400385

AHMEDABAD: 24th May, 2019.

AHMEDABAD: 24th May, 2019.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Property, plant and equipment

Tangible Assets

Carrying Amounts	Freehold Land	Building	Plant & Machinery	Electric Installation	Furniture Fixtures	Office Equipments	Vehicles	Total
Year ended March 31, 2018								
Gross carrying amount								
Balance as at April 01, 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
Gross carrying amount as at March 31, 2018	95268517	206296349	795509376	17413422	17650273	15255299	20987367	1168380603
Year ended March 31, 2019								
Additions	5924182	7400256	76084969	1761929	13275	2309743	1029079	94523433
Disposals	---	---	42540344	---	---	---	22143	42562487
Classified as held for sale	---	---	4001264	---	---	---	---	4001264
Other Adjustments	---	---	---	---	---	---	---	---
Gross carrying Amt as on 31st March,2019	101192699	213696605	825052737	19175351	17663548	17565042	21994303	1216340285
Accumulated Depreciation/Amortisation								
Year ended March 31, 2018								
Balance as at April 01, 2017	---	48670949	408629198	11077794	7215259	9056286	6284501	490933987
Depreciation For the Year	---	6446264	69606320	1126522	1302199	1560273	1666993	81708571
Deductions / Adjustments	---	---	43038461	---	---	---	2379596	45418057
Accumulated depreciation as at March 31, 2018	---	55117213	435197057	12204316	8517458	10616559	5571898	527224501
As at 31st March,2019								
Depreciation For the Year	---	6549422	75476623	981063	1303934	1740644	2357580	88409266
Deductions / Adjustments	---	---	41938666	---	---	---	21036	41959702
Accumulated depreciation as at March 31, 2019	---	61666635	468735014	13185379	9821392	12357203	7908442	573674065
Net Carrying Amount								
As at March 31, 2018	95268517	151179136	360312319	5209106	9132815	4638740	15415469	641156102
As at March 31, 2019	101192699	152029970	356317722	5989972	7842156	5207839	14085861	642666220

2 Capital Work in Progress

As at March 31, 2018

39574536

As at March 31, 2019

20020982

3 Intangible assets

	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1 April 2018	Additions	Deductions	As at 31st March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	Other Adjustemnts	As at 31st March 2019	As at 31st March 2019	As at 31 March 2018
Commercial Right-ETP Pipeline	49515783	0	0	49515783	6206495	4951578	0	0	11158073	38357710	43309288
Total	49515783	0	0	49515783	6206495	4951578	0	0	11158073	38357710	43309288

Intangible assets

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

4 Financial Assets- Investments
(As valued , verified & certified by the management)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Financial Assets carried at cost		
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 ₹100 each fully paid	107956	108643
685 (685) Equity Shares of Mahalaxmi Calchem Pvt. Ltd. of ₹10 each fully paid	979917	1103317
2 Investment in Subsidiary Companies : (Unquoted)		
50000 (50000) Equity Shares of Globale Tessile Pvt. Ltd. of ₹10 each fully paid	---	---
3 Investment in Others : (Unquoted)		
1 (1) Share of The Social Co-op Bank Ltd. of ₹100 each fully paid up	100	100
TOTAL	1087973	1212060

The details of aggregate of quoted and unquoted investment:

Particulars	Book Value (In ₹)		Market Value (In ₹)	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Aggregate Quoted Investment	----	----	----	----
Aggregate Unquoted Investment	1087973	1212060	----	----

5 Non-Current Financial assets - Others
(Unsecured and considered good)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Margin Money with Banks	2255287	1275150
Security Deposits	781720	781720
Total	3037007	2056870

6 Other non-current assets

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Non Financial Assets (Unsecured and considered good)		
Capital advance	11800020	3500015
Deferred Revenue Expenses	0	309423
Issue Expenses	358864	799615
Deferred Employee Cost	4275	297248
Leasehold Land	400000	450000
Total	12563159	5356301

7 Inventories
(As verified, valued & certified by management)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Raw Materials (including goods in transit)	192022728	196845534
Finished Goods	132297667	106336056
Semi-finished Goods	9616057	3670866
Fents & Rags	1331460	7460570
Stores, Spares, Coal, Packing & Design Materials	23220797	18955973
Trading Goods	15927	104530
Total	358504635	333373529

8 Trade receivable

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Trade Receivables	350387797	301945466
Receivables from related parties (Refer Note No.43)	27687593	108058215
Total Trade Receivables	378075390	410003681
	378075390	410003681
Break up of Security Details:		
Secured, considered good	---	---
Unsecured , considered good	372267489	409471258
Doubtful	1085575	532424
Total Trade Receivables	373353064	410003682

9 Cash and cash equivalents

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Balances with banks		
On current accounts	9681886	1800106
In Fixed deposit with maturity for less than 3 months	50000000	0
Cash on hand	611317	707074
Total cash and cash equivalents	60293204	2507180

10 Bank balances other than Cash and cash equivalent

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	130924123	115000000
Balances with Banks held as margin money	3157265	635000
In Fixed deposit with maturity more than 12 months	0	0
Earmarked Balance with banks (pertaining to dividend accounts with banks)	245358	476888
Total	134326746	116111888

11 Current Financial assets - Loans

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Unsecured, considered good		
To Subsidiary Companies	0	500
To Employees	185725	3302752
Total	185725	3303252

12 Current Financial assets - Others

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Interest Receivable under TUFs	904031	1416961
Export Benefit Receivable	4894760	7358756
Stipend Reimbursement Receivable	381000	0
Accrued Income	20022307	8937403
Interest accrued on fixed deposits	6320395	15103781
Total	32522493	32816901

13 Other current assets

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Prepaid Expenses	5409164	3483769
Advance to employees	1287100	1882200
Balance with Statutory Authorities	18978652	26234336
Leasehold Land	50000	50000
Others	9625947	11456211
Total	35350863	43106516

14 Assets classified as held for sale

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Plant & Machinery	1591088	2461395
Total	1591088	2461395

15 Equity Share Capital

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Authorized		
25000000 (25000000) Equity Shares of Re.10 each	250000000	250000000
	250000000	250000000
Issued, subscribed and paid up		
13320275 (11470275) Equity Shares of ₹10 each fully paid	133202750	114702750
Total	133202750	114702750

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As At 31-03-2019		As At 31-03-2018	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	11470275	114702750	9970275	99702750
Add: Issued during the year	1850000	18500000	1500000	15000000
Outstanding at the end of the year	13320275	133202750	11470275	114702750

(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 2019		As at 31 March 2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Jeetmal B. Parekh	1744481	13.10%	1494481	13.03%
Rahul J. Parekh	2551119	19.15%	1751119	15.27%
Kamlaben J. Parekh	756570	5.68%	756570	6.60%
Anand J. Parekh	2451122	18.40%	1651122	14.39%

(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 31 March 2019 ₹	As at 31 March 2018 ₹
(a) Securities premium reserve		
Opening balance	92750000	40250000
Add : Received during the year	64750000	52500000
Closing balance	157500000	92750000
(b) General reserve		
Opening balance	151562549	151562549
Addition during the year	---	---
Closing balance	151562549	151562549
(c) Capital Reserve		
Opening balance	1500000	1500000
Addition during the year	---	---
Closing balance	1500000	1500000
(d) Retained Earnings		
Opening balance	339034461	300994510
Add: Net profit for the year	49601491	38114464
Less: Income Tax of eariler years	147820	74512
Closing balance	388488132	339034461
(e) Equity Instruments through OCI		
Opening Balance	512231	453496
For The Year (net of Tax)	-89566	58735
Closing balance	422665	512231
(f) Other items of Other Comprehensive Income		
Opening balance	-1149459	-932077
Re-measurement gain/(loss) on defined benefit plans (net of tax)	371915	-217382
Closing balance	-777544	-1149459
(g) Money Received against Share Warrants		
Opening balance	20812500	37687500
Less: Utilized during the year	-20812500	-16875000
Closing balance	0	20812500
Total Other Equity	698695802	605022282

17 Non-Current Borrowings

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Secured		
Term Loans from Banks and Financial Institutions		
Term Loans	84665602	84381813
Vehicle Loans	4165918	5183823
Total (A)	88831520	89565636
Unsecured		
From Directors	10000	46389314
From Holding Company		
Total (B)	10000	46389314
TOTAL (A+B)	88841520	135954950

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

- Rupee Term loan from Bank of Baroda of ₹ Nil (P.Y. ₹ 53.73 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 ₹ 185.30 lacs (P.Y. ₹ 274.34 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.
- 3 Rupee term loan from Bank of Baroda amounting to ₹196.60 lacs (P.Y. ₹ 334.10 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.
- 4 Rupee term loan from Bank of Baroda amounting to ₹432.00 lacs (P.Y. ₹ 477.41 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, 2018. Last installment due in April, 2023.
- 5 Rupee term loan from Bank of Baroda amounting to ₹234.74 lacs (P.Y. ₹ 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, 2019. Last installment due in April, 2024.
- 6 Rupee term loan from Bank of Baroda amounting to ₹96.55 lacs (P.Y. ₹ 123.85 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 AXIS Bank amounting to ₹ 50.34 lacs (P.Y. ₹ 64.50 lacs) secured by way of hypothecation of Motor Car Repayable in 60 monthly installments commencing from April 2018. Last installment due in March, 2022.
- 2 Vehicle Loan from HDFC Bank amounting to ₹ 1.50 lacs (P.Y. ₹ 5.70 lacs) secured by way of hypothecation of Motor Car Repayable in 36 monthly installments commencing from August 2016. Last installment due in July, 2019.
- 3 Vehicle Loan from HDFC Bank amounting to ₹ 9.76 lacs (P.Y. ₹ 10.00 lacs) secured by way of hypothecation of Motor Car Repayable in 60 monthly installments commencing from March 2019. Last installment due in February, 2022.

18 Provisions (Non Current)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Provision for post employment benefit obligations		
Provision for Gratuity	13254798	11379243
Total	13254798	11379243

19 Deferred Tax Liabilities (Net)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	38792000	44554000
Fair Valuation Gain on Investments	218458	252979
Deferred Tax Asset:		
Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	3844000	3414000
Remeasurements of defined benefit plans	424344	567690
Deferred Tax Liabilities (Net)	34742114	40825289

20 Other Non- current Liabilities

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Deferred Income for Capital Subsidy	2798886	3446604
Deferred Income for EPCG Liability	9091719	10640075
Others	23491854	25777442
Total	35382459	39864121

21 Short -Term Borrowings

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Working Capital Loans from Banks		
Secured		
Cash Credit	145304844	106539614
Foreign Bills Purchase	7507429	11623319
Overdraft	60447434	51424477
PC	12468767	0
Unsecured Loan from Banks	0	30000000
Total short-term borrowings	225728474	199587410

Details of securities for working capital borrowings Cash Credit, Foreign Bills Purchase and Export packing Credit 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 Payables

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Payable to related parties (Refer Note No.43)	10567838	14088008
Payable to Others	406820368	437692474
Total Trade Payables	417388206	451780482

23 Other financial liabilities

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Current Maturities of long term debts	31847795	37838560
Salary & Wages Payable	7486507	14397792
Unpaid Salary & Bonus	0	18175
Unclaimed Dividend	245358	476888
Other Payables	21621801	10121619
Total	61201460	62853034

24 Other current liabilities

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Advances from Customers	2439830	2603139
Security Deposit	80000	80000
Statutory Duties & Taxes	1687827	3859007
Capital Creditors	4743035	6911500
Total	8950691	13453646

25 Current tax liabilities (net)

	As at 31 March 2019 ₹	As at 31 March 2018 ₹
Opening Balance	926292	11530030
Add: Current Tax payable for the year	18439830	13450000
Less: Taxes paid (including TDS and MAT Credit)	18171204	24053738
Current tax liabilities (Net)	1194918	926292



26 Revenue from operations

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Sale of products and services	1293401254	1932668955
Job Work Charges	553295999	330073253
Other Operating revenue		
Export Entitlement Benefits	12229567	15306284
Total revenue from operations	1858926820	2278048492

27 Other income

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Exchange Rate Fluctuation	4407317	1335048
Sale of Scrap	1179207	216275
Insurance Claims	0	25820
Liability Written Back	6306526	8220750
Vatav Kasar	38871	12842
Dividend Received	150700	---
Profit on Sale/disposal of Fixed Assets	6979740	6285227
Amortisation of Deferred Income under EPCG Scheme	1548356	877948
Amortisation of Deferred Income (Capital Subsidy)	647718	1669649
Notional Interest Income on Loan to employees & subsidiaries	4275	272704
Notional Interest Income on Unsecured Borrowings	---	354268
Trans Stock Credit	---	2465096
Total	21262710	21735627

28 Cost of raw material consumed and trading purchase

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Raw Material Consumed:		
Opening Stock	196845534	188728727
Add: Purchases	1018495782	1453783782
Less: Closing Stock	192022728	196845534
Cost of raw material consumed	1023318588	1445666975
Purchase of Trading Goods	4881012	24341149
Total	1028199600	1470008124

29 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Inventories at the beginning of the year		
Finished Goods	106336055	67147463
Semi Finished Goods	3670866	29919992
Trading Goods	104530	104530
Fents & Rags	7460570	5141372
	117572021	102313357
Less: Inventories at the end of the year		
Finished Goods	132297667	106336056
Semi Finished Goods	9616057	3670866
Trading Goods	15927	104530
Fents & Rags	1331460	7460570
	143261111	117572022
Net decrease/ (increase)	-25689090	-15258665

30 Manufacturing & Operating Cost

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Stores, Spares & Maintenance Expenses	60080244	54527197
Job Charges Paid	18775811	53580437
Design Expenses	6999806	6444012
Power & Fuel Expenses	307045322	290708364
Processing Charges	96387815	87369320
Laboratory Expenses	575094	487722
Freight, Clearing & Forwarding Expenses	5317172	14123250
Central Excise Duty	0	132205
Pollution Control Expenses	12562471	4655195
Total	507743735	512027702

31 Employee benefits expense

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Salaries, wages, bonus and other allowances	122196028	104981861
Gratuity	3086499	1968645
Contribution to Provident Fund and ESI	3113909	3482471
Employees' Welfare Expenses	5401661	3648541
Amortisation of deferred employee benefit	4275	272704
Total	133802372	114354222

32 Finance costs

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Interest (Net)	17785122	12862818
Notional Interest on Unsecured Loans	354268	0
Bank Commission & Charges	3133782	2468973
Total	21273172	15331791

33 Other expenses

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
E.C.G.C. Premium	317518	527035
Telecommunication Expenses	616124	906963
General Expenses	437004	335420
Insurance Premium	2800372	3273199
Advertisement Expenses	490457	397017
Audit Fees	310900	300000
Corporate Social Responsibility Expenses	1050000	0
Car Expenses	888073	994890
Packing Materials Expenses	12213760	11113986
Legal & Consulting Expenses	3830776	2702821
Postage & Courier Expenses	651344	642879
Rent, Rates and Taxes	1363651	1585325
Deferred Revenue Expenses written off	750174	748362
Loss on Sale of Fixed Assets	20758	14136
Bus & Truck Expenses	1139775	1173456
Miscellaneous Expenses	1601283	2677843
Amortisation of Leasehold Land	50000	50000
Value Added Tax	0	739172
Export Freight	2805612	5972900
Commission Expenses	19861476	20503867
Factory Expenses	425661	341880
Bad Debts written off	943399	963771
Service Tax	0	1336721
Printing & Stationery Expenses	1450455	958943
Travelling Expenses	3792471	2511273
Exhibition Expenses	1822450	1336861
Total	59633495	62108721

34 *Note : The following is the break-up of Auditors remuneration

	For the year ended 31.03.2019 ₹	For the year ended 31.03.2018 ₹
Statutory Audit Fee	310900	305000
For Others (Reports, Certificates, etc.)	96000	53000
Total	406900	358000

35 (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 31-03-2019		As At 31-03-2018	
	At FVTOCI	Amortised Cost	At FVTOCI	Amortised Cost
Assets:				
Investments (Non Current)	1565103		1712060	
Other Financial Non- current assets		3037007		2056870
Trade Receivables		378075390		410003681
Cash & Cash Equivalents		60293204		2507181
Other Bank Balance		134326746		116111888
Loan		185725		3303252
Other Financial current assets		32522493		32816901
Total	1565103	608440564	1712060	566799773
Liabilities:				
Borrowings		88841520		135954950
Borrowings (Current)		225728475		199587410
Trade Payables		417388206		451780482
Other Financial Liabilities (Current)		61201461		62853034
Total		793159662		850175876

(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 2019

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31.03.2019				
Fair values through OCI	1565103	---	1565103	---
As at 31.03.2018				
Fair values through OCI	1712060	---	1712060	---

36 The details of Contingent Liabilities and Commitments (to the extent not provided for):

(Amt.in Lacs)

Particulars	As at 31 March 2019	As at 31 March 2018
A Contingent Liabilities:		
1 Outstanding Bank Guarantee	134.05	107.57
2 Outstanding Letter of Credit	15.05	0.00
3 Disputed Service Tax Liability	2.09	2.09
4 Employees' cases pending before labour courts	103.56	103.56
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 remaining to be executed on capital account not provided for (Net of Advances)	423.61	710.78

37 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.

38 During the year the Company has received an amount of Rs.62437500/- towards allotment of 1850000 equity shares upon conversion of 1850000 warrant made in the month of April 2018 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.

39 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 ('Act), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Healthcare including Preventive healthcare, providing Safe drinking water, sanitation facility, promoting education, Old Age Home maintenance, Environmental sustainability and promotion and development of traditional art and handicrafts. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- a) Gross Amount required to be spent by the company during the year is ₹ 10.26 Lakhs. (P.Y. Nil)
 b) Amount spent during the year ₹ 10.50 Lakhs (PY Nil)

₹ In Lakhs

The amount expended are as follows:	2019	2018
a) Construction / acquisition of any asset	--	--
b) For purposes other than (i) above	10.50	--

40 Based on review carried out as on 31.03.2019, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".

41 Calculation of Earning per Share

Earning per Share		AS AT	AS AT
		March 31, 2019	March 31, 2018
Net Profit after Tax	₹	49601491	38114465
Nominal Value of equity share	₹	10	10
Weighted average number of equity shares	Nos.		
- for Basic EPS		13173289	10714796
- for Diluted EPS		13370275	12564796
Basic EPS	₹	3.77	3.56
Diluted EPS	₹	3.71	3.03

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>
Shah Jeetmal Champalal	Associate
Mahalaxmi Cal Chem Pvt. Ltd	Associate
Anand Chem Industries Pvt. Ltd.	Associate
Mahalaxmi Exports	Associate
Rahul Textile	Associate
Jeetmal B Parekh	Key Managerial Personnel
Rahul J Parekh	Key Managerial Personnel
Anand J. Parekh	Key Managerial Personnel
Rajendra R Mehta	Key Managerial Personnel
Shailesh P Koshti	Key Managerial Personnel
Mohit R Mehta	Relative of Key Managerial Personnel

(b) Transactions during the year with Related Parties:

Nature of Transaction	Associate	Key Managerial	Subsidiary	Relative of KMP
Rent paid				
Shah Jeetmal Champalal	12000			
Rahul Textile	108000			
	120000	---	---	---
Rent Received				
Mahalaxmi Exports	60000			
	60000	---	---	---
Remuneration Paid				
Rahul Jeetmal Parekh		1832400		
Anand Jeetmal Parekh		1832400		
Rajendra R Mehta		1560000		
Shailesh P Koshti		350002		
	---	5574802	---	---
Purchase				
Mahalaxmi Cal Chem P Ltd.	1620751			
Anand Chem Ind. P. Ltd.	28065211			
Mahalaxmi Exports	10803313			
	40489275	---	---	---

Nature of Transaction	Associate	Key Managerial	Subsidiary	Relative of KMP
Job charges Paid				
Mahalaxmi Exports	4492731			
	4492731	---	---	---
Sales				
Mahalaxmi Exports	51011512			
Mahalaxmi Cal Chem P Ltd.	3527588			
	54539100	---	---	---
Job charges Received				
Mahalaxmi Exports	141973622			
	141973622	---	---	---
Professional Fees Paid				
Mohit R Mehta				240000
	0	0	0	240000
Professional Fees Paid				
Mohit R Mehta				240000
	---	---	---	240000
Loans repaid				
Jeetmal B Parekh		3418701		
Rahul J Parekh		31151690		
Anand J. Parekh		12162691		
	---	46733082	---	---
Outstandings				
Payables				
Anand Chem Industries Pvt. Ltd.	10282901			
	10282901	---	---	---
Receivables				
Mahalaxmi Exports	25261702			
	25261702	---	---	---

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	
			₹ Lacs	Foreign Currency
USD	SELL	2	51.71	72993

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

Particulars	As at 31-03-19	As at 31-03-18
Payable against import of goods & services		
Rupees in Lacs	172	92.34
US Dollar	38467	88143
GBP	---	---
Euro	186842	43187
Advance payment to suppliers and for expenses		
Rupees in Lacs	---	---
Euro	---	---
US Dollar	---	---
Receivable against export of goods and services		
Rupees in Lacs	117	172.74
US Dollar	110839	58751.12
Euro	51996	166366.03

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	2018-19			2017-18		
	Rubber / Technical Textiles Products	Textile Products	Consolidated	Rubber / Technical Textiles Products	Textile Products	Consolidated
BUSINESS SEGMENT						
Segment Revenue						
External sales	224775482	1633934932	1858710414	202886797	2075161695	2278048492
Inter- Segment Sales	---	32397598	32397598	---	22593152	22593152
	224775482	1666332530	1891108012	202886797	2097754847	2300641644
Less:Inter- Segment Sales	---	-32397598	-32397598	---	-22593152	-22593152
Total Revenue	224775482	1620924558	1858710414	202886797	2075161695	2278048492
Results						
Segment results before Interest	23233134	37700083	60933217	10961889	37679516	48641404
Interest	-2912290	-15439380	-18351670	-2868452	-9994366	-12862818
Unallocable Expenses	---	---	-2146305	---	---	-809046
Other Income	10575739	10061572	20637311	6200846	15136036	21336882
Unallocable Income	---	---	776767	---	---	126041
Profit after Interest	30896584	32322275	61849321	14294282	42821186	56432464
Extraordinary Items	---	---	---	---	---	---
Current Tax	---	---	18439830	---	---	13450000
Deferred Tax	---	---	-6192000	---	---	4868000
Net Profit after Tax	---	---	49315981	---	---	38114464
Other Comprehensive Income	---	---	265842			-158647
Other Information						
Segment Assets	280959036	1316869720	1597828756	289904837	1267093738	1556998574
Unallocable Assets	---	---	100733455	---	---	92300207
Segment Liabilities	68421452	773903563	842325015	79599531	781383853	860983385
Unallocable Liabilities	---	---	44359772	---	---	108716980
Capital Work in Progress						
Segment CWIP	20020983	---	20020982	---	39574536	39574536
Unallocable CWIP	---	---	---	---	---	---
Depreciation	28588304	59482779	88071082	27060769	53439690	80500459
Unallocable Depreciation	---	---	5289762	---	---	4263690
GEOGRAPHICAL SEGMENT						
Revenue						
India	182327207	1540769249	1723096455	108034885	1924842766	2032877651
Outside India	42395495	93122874	135518369	94851912	150318929	245170841

46 Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Non-Funded)	
	2018-2019	2017-2018
Defined Benefit obligation at beginning of year	11379243	9855915
Current Service Cost	2201194	1022481
Interest Cost	885305	728352
Past Service Cost	0	217812
Actuarial (gain)/loss	-515261	324742
Benefits paid	-695683	-770059
Defined Benefit obligation at year end	13254798	11379243

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

	Gratuity (Non-Funded)	
	2018-2019	2017-2018
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 31.03.19	As at 31.03.18
Fair value of Plan assets	---	---
Present value of obligation	13254798	11379243
Amount recognised in Balance Sheet	13254798	11379243

Expenses recognised in Profit & Loss A/c

	2018-2019	2017-2018
Current Service Cost	2201194	1022481
Interest Cost	885305	728352
Past Service Cost	0	217812
Expected return on Plan assets	---	---
NET COST	3086499	1968645

Expenses recognised in OCI

	2018-2019	2017-2018
Actuarial (gain)/loss	-515261	324742
Total	-515261	324742

Investment Details

	31.03.19	31.03.18
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)	
	2018-2019	2017-2018
Mortality Table(LIC)		
Attrition Rate	0	0
Discount rate (per annum)	0.0778	0.0739
Expected rate of return on Plan Assets(per annum)	0.05	0.05
Rate of escalation in salary (Per Annum)	0.02	0.02

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 7% 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:

Particulars	Foreign Currency	
	As At 31st March 2019	As At 31st March 2018
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	110838.58	237582.34
In Euro	51995.97	166366.03
Amount hedged through forwards & options # (B)		
In USD	108834.86	178831.22
In Euro	---	---
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	2003.72	58751.12
In Euro	51995.97	166366.03
b) Exposure on account of Financial Liabilities		
Trade Payables (D)		
In USD	38466.61	88143.35
In Euro	186841.77	43187.00
Amount Hedged through forwards & options # (E)		
In USD	---	---
In Euro	---	---
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	38466.61	88143.35
In Euro	186841.77	43187.00
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
In USD	-36462.89	-29392.23
In Euro	-134845.80	123179.03

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:

Particulars	Net Impact on Profit before Tax	
	As at 31-Mar-19	As at 31-Mar-18
USD sensitivity		
INR/USD -Increase by 5%	-126070.44	-95789.278
INR/USD -Decrease by 5%	126070.44	95789.278
EURO sensitivity		
INR/EURO -Increase by 5%	-523572.53	497711.00
INR/EURO -Decrease by 5%	523572.53	-497711.00

(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:

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Long term debts from Banks and Financial Institutions	888.32	895.66
Current Maturities of long term debts	318.48	378.39
Unsecured Loan		
- From Bank	0.00	300.00
- From Related Parties	0.00	463.79
Short term Borrowings from Banks	1652.81	1181.63
Overdraft from Bank	604.47	514.24
Total borrowings	3464.08	3733.71
% of Borrowings out of above bearing variable rate of interest	0.83	0.7381

Interest rate sensitivity

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

Particulars	As at March 31, 2019	As at March 31, 2018
50 bps increase would decrease the profit before tax by	-14.30	-13.78
50 bps decrease would increase the profit before tax by	14.30	13.78

(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-19	As at 31-Mar-18
Borrowings		
expiring within one year	2575.76	2838.05
expiring beyond one year	888.32	895.66
	3464.08	3733.71
Trade Payables		
expiring within one year	3938.90	4398.88
expiring beyond one year	234.98	118.92
	4173.88	4517.80
Other Financial liabilities		
expiring within one year	291.08	245.33
expiring beyond one year	2.45	4.77
	293.54	250.10



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 equity.

The Company's gearing ratio was as follows:

(Amount in Lakhs)

Particulars	Financial Year ended 31.03.2019	Financial Year ended 31.03.2018
Total Borrowings	3464.08	3733.71
Less: Cash and cash equivalents	602.93	20.15
Net debt	2861.15	3713.56
Total equity	8318.99	7197.41
Gearing ratio	34.39%	51.60%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March 2019.

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, 2019.

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

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

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.



(ii) Basis of measurement

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.

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

- 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.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- The carrying amount of the parent's investment in subsidiary is offset (eliminated) against the parent's portion of equity in the subsidiary.
- 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. 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'.

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.

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 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.

The Company has adopted Ind AS 115 'Revenue from contracts with customers' made effective from April 1, 2018. Based on the assessment done by the management, there is no material impact on the revenue recognised during the period;

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.

2.8 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.

2.9 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 .

2.10 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 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.

2.12 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.

2.13 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the consolidated 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 fluctu 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.

2.14 Financial Instruments.**Fair value measurement**

The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes 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.

2.15 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.

2.16 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.

2.17 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.

2.18 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 recognised 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.

(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 Sta

(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.

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

As per our report of even date

For P C BOTHRA & CO.

Chartered Accountants.

Firm Registration No. : 306034E

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

Chairman
(DIN 00512415)

Managing Director
(DIN 00500328)

Jt. Managing Director
(DIN 00500384)

Director
(DIN02441549)

Director
(DIN00020062)

Director
(DIN06999605)

(P.K. BOTHRA)

Partner

Membership No. : 400385

AHMEDABAD: 24th May, 2019.

Chief Financial Officer

Company Secretary
M.No. 34887

AHMEDABAD: 24th May, 2019.



MAHALAXMI RUBTECH LIMITED

CIN: L25190GJI991PLC016327

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

Web: www.mrtglobal.com E-mail: cs@mahalaxmigroup.net

ATTENDANCE SLIP

Full name of the member attending _____

Full name of joint-holder _____

Full name of proxy _____

(To be filled in if Proxy Form has been duly deposited with the company)

I hereby record my presence at the 28th Annual General Meeting held at “ LIONS Hall, Nr Nalanda Hotel, Mithakhali Six Roads, Ahmedabad -380006 on Monday, 30th September, 2019 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 _____



MAHALAXMI RUBTECH LIMITED

CIN: L25190GJI991PLC016327

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

Web: www.mrtglobal.com E-mail: cs@mahalaxmigroup.net

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 28th Annual General Meeting to be held on Monday, the 30th day of September, 2019 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 standalone and consolidated financial statements for the financial year, ended March 31, 2019 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		
SPECIAL BUSINESS			
3	Ratification of remuneration payable to Cost Auditor, M/s Dalwadi & Associates (Ordinary Resolution)		
4	To consider the Related Party Transactions (Ordinary Resolution)		
5	Continuation of holding office of non-executive director of the Company by Mr. Jeetmal B. Parekh (DIN: 00512415) who is above the age of 75 years till the end of his term, i.e. till he retires from office as director (Special Resolution)		
6	To regularization of Appointment of Mr. Nirmal Desai (DIN: 08534754) as an Independent Non-Executive Director (Ordinary Resolution)		
7	To regularization of Appointment of Mr. Chirag Shah (DIN: 00570434) as an Independent Non-Executive Director (Ordinary Resolution)		
8	Re-appointment of Mr. Anand J. Parekh (DIN: 00500384) as Joint Managing Director (Ordinary Resolution)		

** Applicable for investors holding shares in electronic form.

Signed this _____ day of _____ 2019

Signature of Shareholder _____

Affix Re. 1/- Revenue Stamp

Signature of first proxy holder

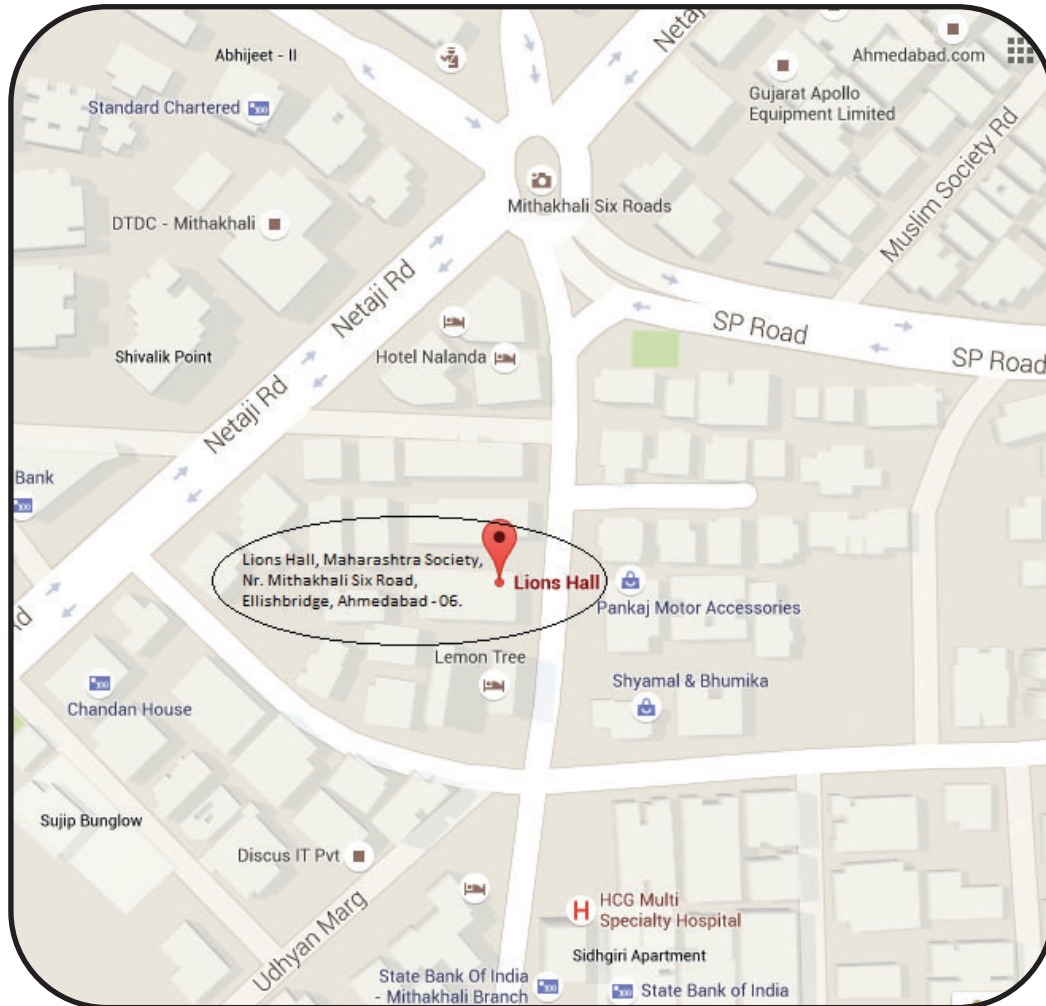
Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly complete and deposited at the Registered 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 28th 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.

ROUTE MAP FOR AGM VENUE



Shareholders are requested to bring their copies of Annual Report at the Annual General Meeting as the same will not be distributed in the meeting hall.



☎ **Ph.:** 079 4000 8000 • **Fax:** 079 4000 8030

✉ cs@mahalaxmigroup.net

🌐 www.mrtglobal.com

📍 **Regd. office:** 47, New Cloth Market, Ahmedabad - 380002, Gujarat.
CIN: L25190GJ1991PLC016327