

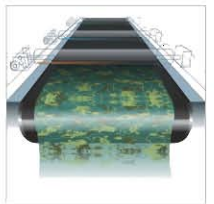
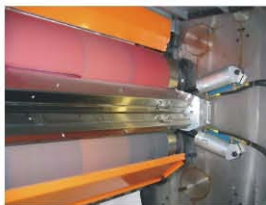
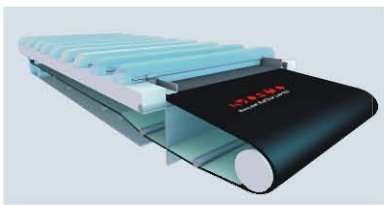
22nd ANNUAL REPORT

2013

31st March



MAHALAXMI RUBTECH LIMITED





MAHALAXMI RUBTECH LIMITED

BOARD OF DIRECTORS

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

GROUP PRESIDENT & CFO

SHRI RAJENDRA R. MEHTA

COMPLIANCE OFFICER

JAPAN N. SHAH
(COMPANY SECRETARY)

STATUTORY AUDITORS

BHANWAR JAIN & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD.

INTERNAL AUDITORS

D. TRIVEDI & ASSOCIATES
CHARTERED ACCOUNTANTS
AHMEDABAD.

BANKERS

BANK OF BARODA

REGISTERED OFFICE

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

CORPORATE OFFICE

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

FACTORY

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

REGISTRAR & TRANSFER AGENT

SHAREPRO SERVICES (INDIA) PVT. LTD.
416-420 4TH FLOOR, DEVNANDAN MALL, OPP. SANYASH ASHRAM,
ELLESBRIDGE, AHMEDABAD - 380 006
Email - sharepro.ahmedabad@shareproservices.com

NOTICE TO MEMBERS

NOTICE is hereby given that the TWENTY SECOND ANNUAL GENERAL MEETING OF "MAHALAXMI RUBTECH LIMITED" will be held at "Lions Hall", Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad- 380 006 on the Saturday, September 28th, 2013 at 12.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and if approved, adopt the Audited Balance Sheet as at March 31, 2013 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint Auditors of the company from the conclusion of this meeting to the conclusion of the next Annual General Meeting.
3. To appoint a director in place of Shri Nehal M. Shah, who retire by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to provision of section 198, 269, 309 and other applicable provisions of the Companies Act 1956, and Schedule XIII thereto, approval be and is hereby granted to the reappointment of Mr. Anand J. Parekh as Jt. Managing Director of the Company for the period of five years with effect from 1st October, 2013 on the remuneration set out in the explanatory statement relating to this resolution, with liberty to the Board of Directors and the remuneration committee ("the committee") to alter or vary the terms and conditions and remuneration including minimum remuneration in such manner as the Board may deem fit and acceptable to Mr. Anand J. Parekh "

"RESOLVED FURTHER THAT Shri Anand J. Parekh will be liable to retire by rotation during the tenure of his appointment as a Jt. Managing Director."

"FURTHER RESOLVED THAT where in any financial year During the tenure of Jt. Managing Director, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Anand J. Parekh shall be governed by schedule XIII of the Companies Act 1956 or any modification thereto."

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification to schedule XIII to the Companies Act 1956, the Board of Director and committee be and are hereby authorized to vary or increase or modified the remuneration including salary, commission ,perquisites, allowance, etc."

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

"RESOLVED THAT in pursuance of provisions of Section 314 and other applicable provisions if any of the Companies Act, 1956 and rules made there under from time to time and subject to such other consents, approvals, permissions as may be required, consent of the Company be and is hereby accorded to Shri Rajendra R. Mehta to hold an office and place of profit in the Company, he being partner in Associate Concern and continue to hold office with increase in remuneration as mentioned below payable to Shri Rajendra R. Mehta to the position of Group President & CFO under such other designation as the Company may decide from time to time w.e.f 01-10-2013.

Salary of Rs.75000/- with such further increment as may be decided by the management however salary payable can not exceed Rs. 250000 per month without prior approval of Central Government under section 314 of Companies Act, 1956 read with amended Director's Relative (Office or Place of Profit Rules) 2011 with other modifications, amendments and variation as the Central Government may suggest at that time"

In addition to the Salary, Shri Rajendra R. Mehta will be entitled to Perquisites and Allowances as per the policy of the company, including:

- I. Leave Tavel Allowance
- II. Medical and Accident Insurance premium as per Company rules:
- III. Leaves in accordance with the leave rules of the Company from time to time
- IV. Entertainment, traveling and all other expenses incurred for the business of the Company shall be reimbursed as pr Rule of the Company.
- V. Any other allowances, benefits and perquisites admissible to the senior officer of the Company as per Rules of the Company.

By order of the Board of Directors
For Mahalaxmi Rubtech Limited

Place: Ahmedabad
Date: August 21, 2013

Japan N. Shah
(Company Secretary)

NOTE

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY AND INSTRUMENT APPOINTING PROXY SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. THE REGISTER OF MEMBERS AND TRANSFER BOOK OF THE COMPANY WILL REMAIN CLOSED FROM SATURDAY THE 21ST DAY OF SEPTEMBER, 2013 TO SATURDAY THE 28TH DAY OF SEPTEMBER, 2013 (BOTH DAYS INCLUSIVE)
3. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, Power of Attorney, change of address/name. 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 and better services.
4. 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.
5. 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.
6. Members/ Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
7. 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:
 - (i) Deletion of name of deceased shareholders(s), where the shares are held in the name of two or more shareholders.
 - (ii) Transmission of shares to the legal heir(s), where the deceased shareholder was the sole holder of shares.
 - (iii) 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.
8. Keeping in view the "Green Initiative in Corporate Governance" of Ministry of Corporate Affairs the Company proposes to send notices/ documents including annual reports, etc. to the members in electronic form. Members who have still not registered their e-mail addresses are requested to register their e mail addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings, with the Company's Registrar and Share Transfer Agents, Sharepro Services (I) Pvt Ltd, 416-420, 4th Floor, Devanandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad-380 006. Gujarat ; e-mail id: sharepro.ahmedabad@shareproservices.com Those members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their Depository Participants to enable servicing of notices/ documents/ Annual Reports electronically to their e-mail addresses. Please note that as a valued Member of Company, you are always entitled to request and receive all the communication in physical form. Further, the documents served through e-mail are available on company's website [www. mrtglobal.com](http://www.mrtglobal.com) and are also available for inspection at the registered office of the company during office hours.
9. THE COMPANY IS HAVING DEPOSITORY ARRANGEMENT WITH NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL), AND CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL) TO FACILITATE THE SHAREHOLDERS TO HOLD AND TRADE COMPANY'S EQUITY SHARES IN ELECTRONIC FORM. INTERESTED SHAREHOLDERS CAN AVAIL THIS FACILITY BY OPENING A BENEFICIARY ACCOUNT WITH DEPOSITORY PARTICIPANTS. FOR MORE DETAILS SHAREHOLDERS MAY CONTACT THE COMPANY'S DEPOSITORY TRANSFER AGENTS FOR NSDL AND CDSL, SHAREPRO SERVICES (INDIA) PVT. LTD., 416-420, 4TH FLOOR, DEVNANDAN MALL, OPP. SANYASH ASHRAM, ELLISBRIDGE, AHMEDABAD 380 006.

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

Place: Ahmedabad
Date: August 21, 2013

Japan N. Shah
(Company Secretary)

ANNEXURE TO NOTICE

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

Item no. 4

The tenure of Mr. Anand J. Parekh expires on 19th November; 2013. In view of future level of business operations and increase responsibilities, the Board of Directors at their meeting held on 12th August, 2013 has decided to re-appoint Mr. Anand J. Parekh for further period of 5 years from 01.10.2013.

The Remuneration committee has also recommended his reappointment as a Jt, Managing Director of the Company and has approved remuneration payable to him.

This may be treated as abstract under Section 302 of the Companies Act,1956

Briefly, the terms and condition of the re-appointment and remuneration of Mr. Anand J. Parekh are as follows including allowance and perquisites listed below.

<ol style="list-style-type: none"> 1. Salary 2. PF Contribution 3. Gratuity 4. Leave Travel Allowance 5. Car & Telephone 6. Personal Accident Insurance 7. Entertainment and other business 8. Club Fees 9. Gas/ Water / Electricity 10. Medical Expenses 11. Other allowances, benefits and perquisites 	<p>Rs.1,00,000 (One Lac) per month</p> <p>Contribution to Provident Fund shall be as per the rules of the Company</p> <p>Gratuity payable shall not exceed half a month's basic salary for each completed year of service.</p> <p>For self and family, once a year in accordance with Rules of the Company</p> <p>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.</p> <p>For an amount, premium of which shall not exceed 20,000p.a./-</p> <p>Entertainment, traveling and all other expenses incurred for the business of the Company shall be Expenses reimbursed as pr Rule of the Company.</p> <p>Membership Fees and expense of Two Club in India.</p> <p>Actual Expenditure (Incurred)</p> <p>Reimbursement of medical expenses and medical policy for self and family</p> <p>Any other allowances, benefits and perquisites admissible to the senior officer of the Company as Perquisites per Rules of the Company.</p>
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None of the Directors of the Company other than Shree Jeetmal B.Parekh and Shri Rahul J.Parekh are interested or concerned in the Resolution.

Item No 5

The Board of Directors had appointed Mr.Rajendra R.Mehta as Group President & CFO of the company w.e.f 20.11.2008 at monthly salary of Rs. 40000/- in scale of Rs. 40000/- to Rs. 70000/- p.m.

Since he has been actively involved in day to day affairs and having vast experience in the field of Finance, Accounting, Taxation. Considering his qualification, responsibility, position and remuneration as are applicable to other employee of the Company in the same grade it is now proposed to increase the remuneration payable to him more particularly described in the Special Resolution at Item No. 5 of the Notice.

In terms of Section 314 of the Companies Act, 1956 members approval by way of special resolution required for the aforesaid remuneration.

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

DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors have pleasure in presenting herewith the Directors' Report, along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2013.

FINANCIAL RESULTS:

Particulars	For the year ended 31.03.2013 (Rs. in Lacs)	For the year ended 31.03.2012 (Rs. in Lacs)
Income from Operations & Other Income	12357.63	10718.18
Profit before Depreciation	814.54	756.96
Less: Depreciation	493.36	414.86
Profit before Tax	321.18	342.10
Less: Provision for Tax	0.12	133.89
Less: Provision for deferred Tax	100.44	(26.32)
Profit after Tax	220.62	234.53

OPERATION AND REVIEW:

The Company continues to see marginal growth in the financial year 2012-13 driven by the average performance in existing and new business.

The total income increased to Rs.12357.63 lacs from Rs.10718.18 lacs in the previous year, at a rate of 15.30 %. The Profit before Tax amounted to Rs.321.18 lacs as against Rs. 342.10 lacs in the previous year. The net profit after tax was Rs. 220.62 lacs as against Rs.234.53 lacs in the previous year.

DIVIDEND:

Board of Directors has not recommended any dividend for the Financial Year 2012-13.

DIRECTORS:

Shri Nehal M.Shah, liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000, your Directors state: (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31.03.2013 and of the profit of the Company for the year ended on 31.03.2013; (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; (iv) that the directors have prepared annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

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

MANAGEMENT DISCUSSION AND ANALYSIS:

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

AUDIT:

M/s. Bhanwar Jain & Co., Chartered Accountants, Ahmedabad, who are Statutory Auditors of the Company hold office up to the forthcoming Annual General Meeting and are recommended for re-appointment to audit the accounts of the Company for the Financial Year 2013-14. As required under the provisions of the Section 224(1B) of the Companies Act, 1956, the Company has obtained written confirmation from M/s. Bhanwar Jain & Co that their appointment if made would be in conformity with the limits specified in the Section.

As per the requirement of Central Government and pursuant to Section 233B of the Companies Act, 1956, Cost Accounting record Rules 2011. your Company carries out an audit of cost records every year. The Company has appointed M/s A.G.Dalwadi & Co., Cost Accountants, as Cost Auditors to audit the cost accounts of the Company for the Financial Year 2013-14, subject to the approval of the central government The cost audit report for the Financial year 2011-2012 which was due to be filed with the Ministry of Corporate Affairs on September 30, 2012 and extended further upto 28.02.2013 was filed on 29.01.2013.

FIXED DEPOSITS:

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

RIGHTS ISSUE :

Company has filed Draft Letter of offer with Securities Exchange Board of India for issue of Right Shares on 14th November, 2011. The same was approved by SEBI on 24.08.2012.

INSURANCE:

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

COMPULSORY TRADING IN DEMAT:

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

EMPLOYEES:

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

- (a) Employees employed throughout the year and who were in receipt of remuneration of not less than Rs.60,00,000/- per annum in terms of section 217 (2A) (a) (i) None.
- (b) Employees employed for the part of the year and who were in receipt of remuneration of not less than Rs.5,00,000/- per month in terms of section 217(2A) (a) (ii) None.
- (c) None of the employees is covered under section 217 (2A) (a) (iii).

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

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

LISTING:

The Securities of your company are listed with the Bombay Stock Exchange Limited, and pursuant to Clause 38 of the Listing Agreement, the Annual Listing fees for the year 2012-13 have been paid to them well before the due date. The Company has also paid the annual custodian fees to NSDL & CDSL for the Securities of the Company held in dematerialized mode with them for year 2012-13.

APPRECIATION:

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

For and behalf of the Board
Mahalaxmi Rubtech Limited

Jeetmal B. Parekh
(Chairman)

Place: Ahmedabad
Date: May 30, 2013

ANNEXURE TO DIRECTORS' REPORT

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

(A) CONSERVATION OF ENERGY

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

FORM 'A'

(a) Power and Fuel Consumption	2012-13	2011-12
1. Electricity		
(a) Purchased:		
Units	6744675	6213142
Amount Rs	4,68,81,119	3,96,87,941
(b) Own Generation:		
(i) Through Diesel:		
Units	26600	46900
Amount Rs.	365288	6,04,840
(ii) Through Windmill		
Units	2324915	24,53943
2. Fuel		
Waste Wood		
Tonnes	24763.97	27863.41
Amount Rs.	90652130.50	9,97,85,241
Coal & Lignite		
Tonnes	0	6547
Amount Rs.	0	1,70,10,753
Steam Coal		
Tonnes	15433.53	10482
Amount Rs.	5,83,48,864	4,95,71,773

(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.

(B) TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION:

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

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange earnings : Rs. 50277295
 Foreign exchange outgo : Rs. 4311571

MANAGEMENT DISCUSSION AND ANALYSIS

A. Business Overview

The Company continues to see marginal growth in the financial year 2012-13 driven by the average performance in existing and new business.

The total income increased to Rs. 12357.63 lacs from Rs. 10718.18 lacs in the previous year, at a rate of 15.30 %. The Profit before Tax amounted to Rs. 321.18 lacs as against Rs. 342.10 lacs in the previous year. The net profit after tax was Rs. 220.62 lacs as against Rs. 234.53 lacs in the previous year.

Your company has continued to put in all possible efforts to boost exports, during the year under review achieved Export sales to the tune of Rs. 542.20 Lacs.

B. Industry Structure and Development:

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

Polymer Based Technical Textile & Rubber Division at MRT manufactures world class Textile Printing Blankets and range of other niche rubber products. Being widely used on all types of textile screen printing machines and, we are today one of the major Textile Printing Blanket manufacturer in the country with a long track-record and excellence in quality in this industry. Since long time MRT has been exporting its products to many countries. your Company operates across multiple products and business in diverse markets and environment. These includes manufacturing of Polymer Coated Engineered Fabrics, which has diverse end-uses. The Company has been regularly participating in international exhibitions which enable us to keep abreast with the latest global trends. Your company confirms to ASTM standards, Bureau of Indians standards, DIN standards, Federal Standards etc. and is an ISO 9001:2008 Company of this Division.

During the year your Company has completed the expansion and diversification of project of phase I and successfully commenced production for the manufacturing of offset printing blankets (used in Sheet Fed and Web Fed printing machines). Hence, the generation of revenue from Rubber / Technical Textile Division has started. Further your company has plans to expand its ambit and scope of activities in the technical textile space, such as coated and laminated textiles, and Polymer Coated Engineered Composites. Some of the emerging areas of technical textiles which the company plans to explore are in the field of Geotextiles, Healthcare, Safety & Protective Clothing, Industrial, Aerospace, Marine and Military sector.

In textile division your Company operates in two separate units i.e. "Maheeka Textech" a weaving unit and "Mahalaxmi Fabric Mills" a Processing unit. Maheeka Textech is a high-tech weaving unit which includes warping, sizing and world-class automatic rapier looms for weaving of various types of fabrics. Maheeka Textech also has facility of manufacturing specialty fabrics used for the technical textiles., Your Company has complete facility from warping, sizing, weaving, dyeing, bleaching, printing, processing and finishing of various types of fabrics such as cotton, polyester, Bottom-weight etc. 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 continue plans for setting up new plant and machinery for technology upgradation and expansion under TUFs.

C. Research & Development:

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

D. Internal Control System:

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

The 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 them from time to time.

E. Human Resources:

Your Company continues to have cordial and harmonious relations with its employees at all levels during the period under review. 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 to attract, retain 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.

F. ISO 9001:2008 Certification:

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

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

G. 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 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

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

1. 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.

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 per clause 49 of the Listing Agreement with the Stock Exchange.

2. Board of Directors:

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

During the year 7 Board Meetings were held on 24.04.2012, 30.05.2012, 14.08.2012, 09.11.2012, 28.12.2012, 14.02.2013 and 15.03.2013. 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 28.09.2012	No. of other Directorships	Committee	
					Membership **	Chairmanship **
Jeetmal B. Parekh	NED-P	7	YES	*4	2	0
Rahul J. Parekh	MD	7	YES	*6	1	1
Anand J. Parekh	JT. MD	7	YES	*3	3	----
Nikhil K. Parikh	NED-I	5	NO	NIL	1	1
Nehal M. Shah	NED-I	5	NO	*10	2	1
Malav J. Ajmera	NED-I	7	YES	1	1	1

* All Private Limited Company

** As required by Clause 49 of the Listing Agreement, the disclosure includes memberships / chairmanships of audit committee, Remuneration Committee, Share Transfer Committee and investors' grievance 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) Shri Jeetmal B. Parekh is a Non-Executive Chairman, Shri Rahul J. Parekh and Shri Anand J. Parekh are Managing Directors, Shri Nikhil K. Parikh, Shri Nehal M. Shah & Shri Malav J. Ajmera are Non Executive Directors (Independent).

3. Audit Committee:

1. Composition and Terms of Reference:

As on 31.03.2013 your Company's Audit Committee consisted of Shri Malav J. Ajmera Chairman of the Audit Committee, Shri Anand J. Parekh and Shri Nikhil K. Parikh. All members of the Audit Committee have Financial, Accounting and Management expertise. The Chairman of the Audit Committee has attended Annual General Meeting held on 28.09.2012.

During the year 4 committee meetings held on 26.05.2012, 14.08.2012, 09.11.2012 and 14.02.2013 the attendance of members at the meetings were as follows:

Name of Member	Status	No. of Meetings Attended
Malav J. Ajmera	Chairman	4
Nikhil K. Parikh	Member	4
Anand J. Parekh	Member	4

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

The terms of reference of the Audit Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement with the Stock Exchanges and also as required under Section 292A of the Companies Act, 1956.

The Chief Financial Officer, along with the Statutory Auditors, Internal Auditors and the Cost Auditor of the Company are invited to the Meetings of the Audit Committee to recommend the appointment of Statutory Auditors, Cost Auditor and fixation of the audit fees and other payments after compliance of relevant clause of listing agreement.

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

4. Remuneration Committee (Non Mandatory)

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 Clause 49 of the Listing Agreement with the Stock Exchanges.

The committee comprises of 3 Non-Executive directors, Mr. Nikhil K.Parikh as Chairman and Mr.Jeetmal B. Parekh, Mr. Malav J. Ajmera as members.

During the year under review, the committee met on 21.05.2012 where all members were present in the meeting.

Details of Remuneration for the year 2012-2013 paid to the Directors are as follows:

Remuneration for the year 2012-13 to Shri Rahul J. Parekh, Managing Director:-

- i. Salary Rs.: 9,60,000/-, (Rupees Nine Lacs Sixty Thousand only), Perquisites: 32,400/- (Rupees Thirty two Thousand Four Hundred Only)

Remuneration for the year 2012-13 to Shri Anand J. Parekh, Jt. Managing Director:-

- ii. Salary Rs: 9,60,000/- (Rupees Nine Lacs Sixty Thousand only), Perquisites: 32400/- (Rupees Thirty two thousand four hundred only)

The other information of Directors are as under:

Name	Age	Designation	Date of initial	Nature of	Shares held
Jeetmal B. Parekh	70	Chairman	27.08.1993	-----	9628560
Rahul J. Parekh	41	Managing Director	05.07.1995	As Per terms of Appointment	8511190
Anand J. Parekh	37	Jt. Managing Director	19.11.2008	As Per terms of Appointment	7511220
Nikhil K. Parikh	41	Director	31.03.2003	-----	NIL
Nehal M. Shah	41	Director	30.03.2005	-----	NIL
Malav J. Ajmera	36	Director	19.11.2008	-----	NIL

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

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

5 CEO/CFO CERTIFICATION:

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

- a) We have reviewed financial statements and the cash flow statement for the year ended 31-03-2013 and that to the best of our knowledge and belief :
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i) Significant changes in internal control during the year.
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For **Mahalaxmi Rubtech Limited**

Rahul J. Parekh
Managing Director

Rajendra R. Mehta
Chief Financial Officer

Place: Ahmedabad
Date: May 30, 2013

6. Shareholders / Investors Grievance Committee :

Terms of Reference

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

The shareholders' Grievance Committee comprise of Non-Executive director (independent), and two Executive Directors. The committee met five times during the year on 02.04.2012, 03.07.2012, 10.10.2012 and 04.01.2013 and 14.02.2013 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 Japan Shah, Company Secretary is a Compliance Officer.

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

7. Share Transfer Committee:

The board has delegated the power of approving transfer of shares to a committee of Three directors , committee met 11 times during the year and approved the transfer of shares lodged with the company and no transfer were pending as on 31-03-2013.

8. General Body Meeting:

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

Year	Location	Date	Time	No. of Special Resolutions passed
2011-2012	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	28.09.2012	10.30 AM	2
2010-2011	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	29.09.2011	12.30 PM	0
2009-2010	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	29.09.2010	12.30 PM	0

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.

9. Disclosures:

- Details of related party transactions are furnished in Note No.32 of Financial Statements 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 put in place a mechanism for employees to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. 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 including a Business Ethics Policy 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, 2013, received from all Designated Persons, a declaration of compliance with the code. A certificate from the Managing Director, to this effect forms part of this Report.
- The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of the financial statements, the Company has not adopted a treatment different from that prescribed by any Accounting Standard.
- The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreements with Stock Exchanges. The adoption of non-mandatory requirements has been dealt with further on in this Report.

10. Means of Communication:

Financial Results :

The Quarterly & Half Yearly results are published in Indian Express English and Financial Express Gujarati Edition. The said Financial Results are also available on the Company's website www.mrtglobal.com.

Management Discussion and Analysis Report :

The Management Discussion and Analysis Report forms a part of the Annual Report.

11. The Particulars of Directors who are proposed to be appointed/reappointed are given below:

Sr. No.	Name	Age	Occupation	Qualification	Expertise	Other Directorship	Other Committee Membership
1	Nehal M. Shah	41	Business	M.B.A.	He is a Master of Business Administration in international Finance. He has rich experience in dealing of FMCG Products at International level. He also posses excellent expertise in the Finance field and also in the field accounting	10	2

12. General Shareholder information

Annual General meeting to be held on	:	Saturday, 28 th September 2013 At 12.30 p.m.
Place of the meeting	:	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad 380 006
Tentative Financial Calendar	:	1 st April 2013 to 31 st March 2014
Financial Results		
* First Quarter Results	:	By 14 th August, 2013
*Half Yearly Results	:	By 14 th November 2013
*Third Quarter Results	:	By 14 th February 2014
*Annual Results	:	Within 60 days. 2014
Book Closure Date	:	From 21 st , September, 2013 to 28 th , September, 2013 (both days inclusive)
Dividend Payment date	:	N.A.
Listing at Stock Exchanges:	:	Stock Code
Name of Stock Exchange	:	514450
Bombay Stock Exchange Limited	:	INE112D01027
ISIN NO. (dematerialized Shares)	:	L25190GJ1991PLC016327
Corporate Identity Number (CIN)	:	

The Company has already paid listing fees for the year 2012-13 to all the Stock Exchanges, where listed.

Market Price Data: (as per BSE)

Month	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2012	6.44	4.61
May, 2012	6.75	4.10
June, 2012	5.50	4.38
July, 2012	6.60	4.20
August, 2012	5.18	4.30
September, 2012	5.75	4.30
October, 2012	6.05	4.71
November, 2012	5.40	4.40
December, 2012	5.11	3.99
January, 2013	5.01	4.17
February, 2013	4.85	3.87
March, 2013	4.50	2.82

REGISTRAR AND TRANSFER AGENTS

Physical Mode:

Sharepro Services (India) Pvt. Ltd.
416-420, 4th Floor, Devnandan Mall, Opp.Sanyash Ashram, Ellisbridge, AHMEDABD-380006
Tel Nos.079 26582381 to 84 ▪ Fax No 079 26582385 ▪ Email sharepro.ahmedabad@shareproservices.com.

Depository Mode:

- | | |
|---|--|
| <p>1. For National Securities Depository Ltd. (NSDL)
Sharepro Services (India) Pvt. Ltd.
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyash Ashram, Ellisbridge, AHMEDABD-380006
Tel Nos.079 26582381 to 84 Fax No 079 26582385
Email sharepro.ahmedabad@shareproservices.com</p> | <p>2. For Central Depository Services (India) Ltd. (CDSL)
Sharepro Services (India) Pvt. Ltd.
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyash Ashram, Ellisbridge, AHMEDABD-380006
Tel Nos.079 26582381 to 84 Fax No 079 26582385
Email sharepro.ahmedabad@shareproservices.com</p> |
|---|--|

Share Transfer System:

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

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

Distribution of Share holding: (as on 31st March 2013)

No. of Shares	Shareholders		No. of Share held	
	Number	Total in %	Numbers	Total in %
1 - 500	2787	38.28	725725	0.82
501 - 1000	1065	14.63	1017105	1.15
1001 - 2000	1789	24.58	2582718	2.93
2001 - 3000	456	6.26	1184558	1.34
3001 - 4000	167	2.29	699699	0.80
4001 - 5000	199	2.73	946776	1.07
5001 - 10000	330	4.52	2501942	2.84
10000 - AND ABOVE	488	6.71	78544227	89.06
Total	7281	100	88202750	100

Shareholding Pattern: (As on 31st March, 2013)

Category	No. of Shares held	% to the Shareholding
Promoters & Associates	48514690	55.00
Bodies Corporate	11673935	13.24
Non Resident Indians	288550	0.33
Banks & Mutual Funds	79000	0.09
Public	27646575	31.34
TOTAL	88202750	100.00

Dematerialisation of Share and liquidity:

The trading of Equity shares of the Company in all category is Compulsory in demat mode with effect from 23.03.2001. As on 31st March, 2013, 98.15% Shares have been dematerialized.

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

Shareholders who have not yet encashed their dividend warrants for the year, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and 2011 -12 may approach the Company for revalidation / issue of duplicate dividend warrant.

PLANT LOCATION:**Factory:**

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

(2) Mahalaxmi Fabric Mills

(A Unit of Mahalaxmi Rubtech Ltd.)
Isanpur Road,
Nr. Narol Char Rasta, Narol,
Ahmedabad – 382 405.

Tel: 079-25731831 - 34
Fax: 079-25731814

Address for Correspondence:

Registered Office:

47, New Cloth Market,
Ahmedabad-380 002.
Tel: 079-22160776

Corporate office:

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

Declaration by the Managing Director under Clause 49 of the Listing Agreement Regarding Compliance with the Code of Conduct

In accordance with Clause 49 I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all Designated Persons of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the period ended 31st March, 2013.

For the purpose of this declaration, Designated Persons mean Directors and Officers in Management Cadre and above.

Place: Ahmedabad
Date: May 30, 2013

On behalf of the Board of Directors,

Rahul J. Parekh
Managing Director

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

To the Members of Mahalaxmi Rubtech Limited

We have examined the compliance of conditions of Corporate Governance by Mahalaxmi Rubtech Limited, for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned listing Agreement.

We state that in respect of investor grievances received during the year ended March 31, 2013, no investor grievances are pending against the Company as per records maintained by the Company and presented to the Shareholders/Investors Grievance Committee.

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

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

(B. M. Jain)

Partner

Ahmedabad: 30th May, 2013.

AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI RUBTECH LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of **MAHALAXMI RUBTECH LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the statement of profit and loss and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in the India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

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

Opinion

In our opinion and to the best of our information and according to explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

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

Report on Other Legal and Regulatory Requirements

(1). As required by the Companies (Auditor's Report) Order, 2003, ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 & 5 of the Order.

(2). As required by section 227(3) of the Act, we report that;

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
- (c) The balance sheet, the statement of profit and loss, and cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the balance sheet, the statement of profit and loss, and cash flow statements comply with the Accounting Standards referred to in section 211(3C) of Act;
- (e) On the basis of written representations received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of section 274(1)(g) of the Companies Act, 1956.

For **BHANWAR JAIN & CO.**
Chartered Accountants.
Registration No. : 117340W

(B. M. JAIN)
Partner.
M. No. : 034943
AHMEDABAD: 30th May, 2013.

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

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company. No material discrepancies were noticed on such verification.
- (c) There was no disposal of substantial part of fixed assets during the year.
- (ii) (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) According to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of records of inventory, the company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956. Accordingly Para 4(iii) (b), (c) and (d) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (b) According to the information and explanation given to us company has taken loans, secured or unsecured from Four companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.2034.94 lakhs and the year end balance of the loan taken from such parties was Rs. 1824.04 lakhs.
- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (d) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the company has not accepted any deposits during the year from the public within the meaning of the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules made there under.
- (vii) The company has an internal audit system during the year which in our opinion is in commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been maintained by the company.

- (ix) (a) According to the information and explanations given to us, in our opinion, undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, applicable to the company have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears as at 31st March, 2013 for a period of more than six months from when they became payable.
- (b) According to the information and explanation given to us, the disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Amount in (Lakhs)	Forum where dispute is pending
Central Excise Duty	9.98	Appellate Tribunal
Textile Cess	17.06	High Court
Income Tax	12.89	High Court
Income Tax	1.99	Appellate Tribunal
Labour Suits	15.33	Labour Court

- (x) There are no accumulated losses of the company as on 31st March, 2013. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or banks during the year.
- (xii) In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any special statute as specified under clause 4 (xiii) of the Order are not applicable to the company.
- (xiv) According to the information and explanation given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Order are not applicable to the company.
- (xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanation given to us, the term loans raised during the year have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment by the company.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) The company has not issued any debentures during the year.
- (xx) The company has not raised any money by way of public issues during the year.
- (xxi) During the course of our examination of books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, notice or reported during year, nor we have been informed of any such case by the management.

For **BHANWAR JAIN & CO.**
Chartered Accountants.
Registration No. : 117340W

(B. M. JAIN)
Partner.
M. No. : 034943
AHMEDABAD: 30th May, 2013.

MAHALAXMI RUBTECH LIMITED
BALANCE SHEET AS AT MARCH 31, 2013

PARTICULARS	NOTE No.	AS AT 31/03/2013 Rs.	AS AT 31/03/2012 Rs.
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	88202750	88202750
Reserves & Surplus	2	335021058	315036985
Non-Current Liabilities			
Long Term Borrowings	3	384564056	356627326
Deferred Tax Liabilities (Net)	4	40487000	30443000
Other Long Term Liabilities	5	7297248	5614392
Current Liabilities			
Short Term Borrowings	6	98868209	92475759
Trade Payables		241086431	207302304
Other Current Liabilities	7	14063471	14885487
Short Term Provisions	8	6442000	18514573
TOTAL		1216032224	1129102575
ASSETS			
Non-current assets			
Fixed Assets			
(i) Tangible assets	9	647517786	423024183
(ii) Capital work-in-progress		44053868	206498477
Non Current investment	10	453650	7912312
Long Term Loans & Advances	11	2075289	11936345
Other Non-current Assets	12	4020078	3101924
Current assets			
Inventories	13	291099022	291399550
Trade Receivables	14	168933524	139244825
Cash & Cash Equivalents	15	9881100	4727317
Short Term Loans & Advances	16	25319425	17399831
Other Current Assets	17	22678483	23857809
TOTAL		1216032224	1129102575

The Notes forming an integral part of these financial statements

As per our report of even date
For **BHANWAR JAIN & CO.**
Chartered Accountants.
Firm Registration No. : 117340W

S/d-
(B. M. JAIN)

Partner.
Membership No. : 034943
AHMEDABAD: 30th May, 2013.

S/d-
JEETMAL B. PAREKH
Chairman

AHMEDABAD: 30th May, 2013.

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
NIKHIL K. PARIKH
Director

S/d-
ANAND J. PAREKH
Jt. Managing Director

S/d-
JAPAN N. SHAH
Company Secretary

MAHALAXMI RUBTECH LIMITED
PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013.

PARTICULARS	NOTE No.	AS AT 31/03/2013 Rs.	AS AT 31/03/2012 Rs.
Revenue from Operations	18	1223202604	1064419210
Other Income	19	12560107	7005084
Total Revenue		<u>1235762711</u>	<u>1071424294</u>
EXPENSES:			
Cost of Raw Materials consumed & Trading Purchase	20	733590528	694390871.3
Changes in Inventories	21	29204209	(82350858)
Manufacturing & Operating Costs	22	288604256	294684384
Employees' Benefit Expenses	23	44930453	36916229
Financial Cost	24	20583392	19348962
Depreciation & Amortization Expenses		49335553	41485512
Other Expenses	25	37395847	32739196
Total Expenses		<u>1203644240</u>	<u>1037214293</u>
Profit Before Tax		32118471	34210001
Tax Expense:			
Current Income Tax		6430000	13370000
Less: MAT Credit		-6430000	---
Wealth Tax		12000	19000
Deferred Tax		10044000	-2632000
Net Profit for the year		<u>22062471</u>	<u>23453001</u>
Earning per equity share of Re.1:			
Basic		0.25	0.27
Diluted		0.25	0.27

The Notes forming an integral part of these financial statements

As per our report of even date
 For **BHANWAR JAIN & CO.**
 Chartered Accountants.
 Firm Registration No. : 117340W

S/d-
(B. M. JAIN)
 Partner.

Membership No. : 034943
 AHMEDABAD: 30th May, 2013.

S/d-
JEETMAL B. PAREKH
 Chairman

AHMEDABAD: 30th May, 2013.

S/d-
RAHUL J. PAREKH
 Managing Director

S/d-
NIKHIL K. PARIKH
 Director

S/d-
ANAND J. PAREKH
 Jt. Managing Director

S/d-
JAPAN N. SHAH
 Company Secretary

MAHALAXMI RUBTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013.

	(Rs. in Lakhs)	
	Inflow/(Outflow)	
	AS AT 31/03/2013	AS AT 31/03/2012
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	321.18	342.10
Adjustment for :		
Depreciation	493.36	414.86
Interest Paid	194.92	184.87
Deferred Revenue Expenses written off	16.34	17.11
Liabilities written back	(42.10)	(14.41)
Profit on sale of Fixed Assets	(55.32)	(4.77)
Profit on sale of Investment	(3.23)	(0.41)
Loss on sale of Fixed Assets	2.96	14.33
Loss on sale of Investment	0.00	1.11
Exchange Rate Fluctuation	(0.24)	(0.05)
Bad Debts written off	---	---
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	927.86	954.74
Adjustment for :		
Trade & Other Receivables	(201.14)	30.36
Inventories	3.01	(428.77)
Trade Creditors & Other Payables	388.55	151.39
CASH GENERATED FROM OPERATIONS	1118.28	707.72
Income Tax Paid	(154.67)	(283.26)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	963.61	424.46
Deferred Revenue Expenses	(25.52)	(5.20)
NET CASH FROM OPERATING ACTIVITIES	938.09	419.26
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(1204.24)	(2002.09)
Sale of Fixed Assets	142.76	29.10
Sale of Investments	77.81	53.37
Purchase of Investments	---	---
NET CASH USED IN INVESTING ACTIVITIES	(983.67)	(1919.63)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceed from long term Borrowings	279.37	1313.53
Working Capital Finance	63.92	442.01
Interest Paid	(194.92)	(184.87)
Dividend Paid	(44.10)	(44.10)
Corporate Dividend Tax Paid	(7.15)	(7.15)
NET CASH SURPLUS IN FINANCING ACTIVITIES	97.12	1519.42
D. NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	51.54	19.06
E. Cash and cash equivalent as at 1st April,2012	47.27	28.22
F. Cash and cash equivalent as at 31st March,2013.	98.81	47.28

As per our report of even date
For **BHANWAR JAIN & CO.**
Chartered Accountants.
Firm Registration No. : 117340W

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
ANAND J. PAREKH
Jt. Managing Director

S/d-
(B. M. JAIN)

Partner.
Membership No. : 034943
AHMEDABAD: 30th May, 2013.

AHMEDABAD: 30th May, 2013.

S/d-
NIKHIL K. PARIKH
Director

S/d-
JAPAN N. SHAH
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS:

NOTE: 1. SHARE CAPITAL Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
AUTHORISED: 250000000 (250000000) Equity Shares of Re.1/-each	250000000	250000000
ISSUED & SUBSCRIBED & PAID UP 88202750 (88202750) Equity Shares of Re.1 each fully paid	88202750	88202750
NOTES: Equity Shares include 1034775 shares issued as fully paid up Bonus Shares and 3646400 shares issued pursuant to a scheme of amalgamation of erstwhile Mahalaxmi Fabric Mills P Ltd. with the company without payment received in cash		
TOTAL	88202750	88202750

The Company has only one class of equity shares having a par value of Re.1 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.

The reconciliation of the number of shares outstanding and the amount of share capital:

Particulars	AS AT March 31, 2013		AS AT March 31, 2012	
	No. of shares	Rs.	No. of shares	Rs.
Number of Shares Outstanding at the beginning of the year	88202750	88202750	88202750	88202750
Add/Less: Adjustment during the year	----	----	----	----
Number of Shares Outstanding at the end of the year	88202750	88202750	88202750	88202750

The details of shareholders holding more than 5% of shares in the company:

Particulars	AS AT March 31, 2013		AS AT March 31, 2012	
	No. of shares	% of Holding	No. of shares	% of Holding
Jeetmal B. Parekh & HUF	9628560	10.92	9628560	10.92
Rahul J. Parekh	8511190	9.65	8511190	9.65
Kamlaben J. Parekh	7565700	8.58	7565700	8.58
Anand J. Parekh	7511220	8.52	7511220	8.52

NOTE: 2. RESERVES & SURPLUS Particulars	AS AT March 31, 2013		AS AT March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
	General Reserve As per last year Balance Sheet		151562549	
Capital Reserve As per last year Balance Sheet		1500000		1500000
Surplus				
Opening balance	161974436		147573302	
Add: Net Profit for the year	22062471		23453001	
Less: Proposed Dividend	---		4410138	
Less: Tax on Proposed Dividend	---		715435	
Less: Income Tax /Wealth Tax of eariler years	2078398	181958509	3926294	161974436
TOTAL		335021058		315036985

NOTE: 3. LONG TERM BORROWINGS Particulars	AS AT March 31, 2013		AS AT March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
	Deferred payment liabilities			
Secured by way of hypothication of vehicles from:				
Kotak Mahindra Prime Ltd	---		13663	
Tata Capital Ltd	---		381476	
HDFC Ltd	231501	231501	345081	740220
Term loan				
Secured				
From Banks				
Rupee Loan	201928047		147873576	
Foreign Currency Loan	---	201928047	54073592	201947168
Loans and advances from related parties:				
Unsecured				
From Directors	180088082		151797082	
From Companies	2316427	182404509	2142856	153939938
TOTAL		384564056		356627326

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

Term Loan

Balance Outstanding

1 Term Loan of Rs. 1255.09 Lacs

Terms of Repayment

Repayable in 60 monthly installments commencing from April, 2012.
Last installment due in March, 2017.

2 Term Loan of Rs. 27.49 Lacs

Repayable in 71 monthly installments commencing from January 2010.
Last installment due in November, 2016.

3 Term Loan of Rs. 61.75 Lacs

Repayable in 24 quarterly installments commencing from September, 2008.
Last installment due in June, 2014.

4 Term Loan of Rs. 226.88 Lacs

Repayable in 72 monthly installments commencing from January, 2010.
Last installment due in December, 2016.

5 Term Loan of Rs. 6.98 Lacs

Repayable in 60 monthly installments commencing from March, 2009.
Last installment due in August, 2013.

6 Term Loan of Rs. 8.63 Lacs

Repayable in 60 monthly installments commencing from February, 2009.
Last installment due in November, 2013.

7 Term Loan of Rs. 54.98 Lacs

Repayable in 72 monthly installments commencing from June, 2010.
Last installment due in July, 2016.

8 Term Loan of Rs. 105.48 Lacs

Repayable in 72 monthly installments commencing from June, 2010.
Last installment due in May, 2017.

9 Term Loan of Rs. 272.00 Lacs

Repayable in 60 monthly installments commencing from April, 2012.
Last installment due in March, 2017.

Nature of Security

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

NOTE: 4. DEFERRED TAX LIABILITY/ASSET (NET) Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
Deferred Tax Liability		
i. On account of timing difference relating to depreciation	45208000	32127000
ii Others	(4721000)	(1684000)
TOTAL	40487000	30443000

NOTE: 5. OTHER LONG TERM LIABILITIES Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
Provision for Gratuity	7297248	5614392
TOTAL	7297248	5614392

NOTE: 6. SHORT TERM BORROWING		AS AT	AS AT
Particulars		March 31, 2013	March 31, 2012
		Rs.	Rs.
Secured			
Working Capital facilities from Banks		98868209	92475759
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			
	TOTAL	98868209	92475759

NOTE: 7. OTHER CURRENT LIABILITIES		AS AT	AS AT
Particulars		March 31, 2013	March 31, 2012
		Rs.	Rs.
Advances from Customers		2661379	3247828
Statutory Dues		520520	484763
Unclaimed Dividend		1116974	902856
Outstanding Expenses		9412953	8958211
Unpaid Salary & Bonus		41783	38474
Overdrawn Bank Balances		309862	1253355
	TOTAL	14063471	14885487

NOTE: 8. SHORT TERM PROVISIONS		AS AT	AS AT
Particulars		March 31, 2013	March 31, 2012
		Rs.	Rs.
PROVISIONS:			
For Taxation		6430000	13370000
For Wealth Tax		12000	19000
For Proposed Dividend		---	4410138
For Tax on Proposed Dividend		---	715435
	TOTAL	6442000	18514573

NOTE: 9. TANGIBLE ASSETS											
S. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
		As on 1-4-2012	Additions	Deductions	As on 31-3-2013	Upto Previous year	During the year	Recouped	Total	As on 31-3-2013	As on 31-3-2012
1	Freehold Land	79279308	7066787	---	86346095	---	---	---	---	86346095	79279308
2	Leasehold Land	1000000	---	---	1000000	200000	50000	---	250000	750000	800000
3	Building	97243840	68369407	---	165613247	21769732	3669145	---	25438877	140174370	75474108
4	Plant & Machinery	405815696	197084143	17911858	584987981	156243865	43165472	9452678	189956660	395031321	249571831
5	Electric Installation	8563452	9119241	---	17682693	3524794	501478	---	4026272	13656421	5038658
6	Furniture Fixtures	6001194	---	---	6001194	2854941	379877	---	3234818	2766376	3146253
7	Office Equipments	5111353	1228716	---	6340069	2392899	522203	---	2915102	3424967	2718454
8	Vehicles	11651515	---	1112007	10539508	4655942	1047378	532048	5171272	5368236	6995573
	Current Year Total	614666358	282868294	19023865	878510786	191642173	49335553	9984726	230993001	647517786	423024185
	Prev. Year Total	592510189	28420823	6264655	614666358	152555682	41485512	2399021	191642173	423024185	439954507

NOTE: 10. NON CURRENT INVESTMENT Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
(As valued , verified & certified by the management)		
Investment in Associates : (Unquoted - Non Trade)		
700 (700) Equity Shares of Rahul Cal Chem Pvt. Ltd..of Rs.100 each fully paid	70000	70000
685 (685) Equity Shares of Mahalaxmi Calchem Pvt. Ltd..of Rs.100 each fully paid	376750	376750
Investment in Others : (Quoted - Non Trade)		
25 (25) Equity Shares of Reliance Power Rs.10 each fully paid	6800	6800
Investment in Others : (Unquoted - Non Trade)		
1 (1) Share of The Social Co-op Bank Ltd. of Rs.100 each fully paid up	100	100
NIL (518) Bonds of Nabard	---	4401732
NIL 8.26% Bonds of Govt. of India	---	3056930
TOTAL	453650	7912312

The details of aggregate of quoted and unquoted investment:

Particulars	Book Value		Market Value	
	As At March 31, 2013	As At March 31, 2012	As At March 31, 2013	As At March 31, 2012
Aggregate Quoted Investment	6800	6800	2673	2923
Aggregate Unquoted Investment	446850	7905512	---	---

NOTE: 11. LONG TERM LOANS AND ADVANCES Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
Capital Advances Unsecured and considered good	1546569	3897000
Security Deposits Unsecured and considered good	528720	2218345
Other Loans & Advances (Unsecured & considered good) Margin Money with Banks	0	5821000
TOTAL	2075289	11936345

NOTE: 12. OTHER NON CURRENT ASSESTS Particulars	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
	Deferred Revenue Expenses	1355812		886063
Issue Expenses	1862150		611633	
Merger Expenses	802116	4020078	1604228	3101924
TOTAL		4020078		3101924

NOTE: 13.	INVENTORIES	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
Particulars			
(As verified, valued & certified by management)			
Raw Materials		66751403	45156515
Finished Goods		117428603	134084454
Semi-finished Goods		59974823	73538727
Fents & Rags		2124000	547600
Stores, Spares, Packing & Design Materials		44036152	36727357
Trading Goods		784042	1344896
TOTAL		291099022	291399549

Particulars	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
A. The details of closing stock of Raw Materials		
- Yarn	24460791	14222884
- Grey Fabric	22415995	12251796
- Rubber Compound	1336583	1062669
- Chemical Solvents	18538034	17619166
TOTAL	66751403	45156515
B. The details of closing stock of finished goods:		
- Rubber Printing Blankets	1544300	5500247
- Grey & Finished Fabric	57559716	61620989
- Processed Fabric	58324587	66963218
TOTAL	117428603	134084454
C. The details of closing stock of semi finished goods:		
- Rubber Printing Blankets	37739319	28818660
- Grey & Finished Fabric	16661354	35984988
- Processed Fabric	5574150	8735079
TOTAL	59974823	73538727
D. The details of closing stock of trading goods:		
- Offset Printing Blanket	784042	1344896
TOTAL	784042	1344896

NOTE: 14.	TRADE RECEIVABLES	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
Particulars					
Debts exceeding six months					
Unsecured and considered good		10156382		12015032	
Doubtful		---	10156382	---	12015032
Other debts					
Unsecured and considered good		158777143		127229793	
Doubtful		---	158777143	---	127229793
TOTAL			168933525		139244825

The details of debts due from directors or officers or any of them either severally or jointly with other persons or amounts due by firms or private companies respectively in which any directors is partner or a director or a member:

Particulars	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
Due from Directors and Officers	---	---
Due from firms or private companies in which directors are partners or a director.	35463040	38627142

NOTE: 15. CASH & BANK BALANCES Particulars	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
	Cash & Cash Equivalents Cash on hand	917848		787937
Balances with banks	2839778	3757627	2569380	3357317
Other Bank Balances Balances with Banks held as margin money	6123473	6123473	1370000	1370000
TOTAL		9881100		4727317

NOTE: 16. SHORT TERM LOANS & ADVANCES Particulars	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
	Loans and advances to others a. to Related Parties		---	
b. to Others Unsecured and considered good	25319425		17399831	
Doubtful	---	25319425	---	17399831
TOTAL		25319425		17399831

NOTE: 17. OTHER CURRENT ASSETS Particulars	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
	Prepaid expenses			2525761
Accrued Income			19940346	18657040
Claims & Other Receivables			212376	2534697
TOTAL			22678483	23857809

NOTE: 18. REVENUE FROM OPERATIONS Particulars	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
	Sales of Products	964606186		803442103
Less: Excise Duty	5021566	959584620	6037564	797404539
Sales of Trading Goods		2506532		17447673
Job Work Receipts		261111452		249566998
TOTAL		1223202604		1064419210

Particulars	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
	A. The details of Sales of products:			
- Rubber Printing Blankets			58882463	60341258
- Grey & Finished Fabric			288104745	173196558
- Processed Fabric			606834409	561720780
- Others			10784569	8183507
TOTAL			964606186	803442103
B. The details of Sales of Trading Goods				
- Cloth			---	13270361
- Offset Printing Blanket			2506532	4177312
TOTAL			2506532	17447673

NOTE: 19. OTHER INCOME Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
Exchange Rate Fluctuation	24098	4526
Export Entitlement Benefits	1476383	1441375
Sale of Scrap	619140	1467570
Insurance Claims	14564	1416700
Liability Written Back	4210238	1441074
Vatav Kasar	127890	189008.2
Profit on Sale of Investments	322596	41006
Profit on Sale/disposal of Fixed Assets	5532369	476725
Excise Duty/Service Tax Refund	232828	527100
TOTAL	12560107	7005084

NOTE: 20. COST OF RAW MATERIALS CONSUMED & TRADING PURCHASE Particulars	AS AT		AS AT	
	March 31, 2013 Rs.		March 31, 2012 Rs.	
Raw Materials Consumed				
Opening Stock	45156515		95637010	
Add: Purchases	<u>753900911</u>		<u>627176684</u>	
	799057426		722813694	
Less: Closing Stock	<u>66751403</u>	732306023	<u>45156515</u>	677657179
Purchase of Trading Goods		1284505		16733692
TOTAL		733590528		694390871

Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
A. The details of Raw material consumed:		
Yarn	170431751	119496383
Rubber Compound	7972003	6741971
Grey Cloth / Fabrics	411990168	428774021
Chemical & Solvents	141912101	122644804
	732306023	677657179
B. The details of Purchase of Trading Goods		
- Cloth	---	13209093
- Offset Printing Blanket	1284505	3524599
	1284505	16733692

NOTE: 21. CHANGES IN INVENTORIES Particulars	AS AT March 31, 2013 Rs.		AS AT March 31, 2012 Rs.	
	Closing Stock			
Finished Goods	117428603		134084454	
Semi Finished Goods	59974823		73538727	
Trading Goods	784042		1344896	
Fents & Rags	2124000	180311468	547600	209515677
		180311468		209515677
Opening Stock				
Finished Goods	134084454		73222075	
Semi Finished Goods	73538727		52624649	
Trading Goods	1344896		1010069	
Fents & Rags	547600	209515677	308025	127164819
		209515677		127164819
Changes in Inventories		(29204209)		82350858
	TOTAL			

NOTE: 22. MANUFACTURING & OPERATING COSTS Particulars	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
	Stores, Spares & Maintenance	36959689
Job Charges Paid	10322079	5347518
Design Expenses	5027201	6376080
Power & Fuel Expenses	196587280	207109462
Labour Charges	32792405	35438009
Laboratory Expenses	316979	45346
Freight, Clearing & Forwarding Expenses	6451723	5816506
Central Excise Duty	4180	182279
Pollution Control Expenses	142720	259254
	TOTAL	288604256
		294684384

NOTE: 23. EMPLOYEES BENEFIT EXPENSES Particulars	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
	Salaries, Wages & Bonus	42009280
Contribution to Provident & Other Funds	1162106	1235575
Employees' Welfare Expenses	1759067	1886999
	TOTAL	44930453
		36916229

NOTE: 24. FINANCIAL COSTS Particulars	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
	Interest	19491875
Bank Commission & Charges	1091517	862337
	TOTAL	20583392
		19348962

NOTE: 25.	OTHER EXPENSES	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
Particulars			
E.C.G.C. Premium		103215	104487
Telecommunication Expenses		616861	644470
General Expenses		234126	297221
Insurance Premium		2611302	1893320
Advertisement Expenses		116057	140139
Audit Fees		196630	196630
Car Expenses		850666	875622
Packing Materials Expenses		14703490	10384068
Legal & Consulting Expenses		1446355	1684899
Postage & Courier Expenses		281962	451172
Rent, Rates and Taxes		818817	756557
Preliminary Expense Written Off		---	77800
Deffered Revenue Expenses written off		1633691	1633688
Loss on Sale of Fixed Assets		295958	1432588
Loss on Sale of Investments		---	111342
Miscellaneous Expenses		2133939	1935563
Value Added Tax		1824177	1934600
Export Freight		2034239	1666516
Commission Expenses		3576525	2245135
Factory Expenses		384374	467311
Service Tax		900707	556360
Printing & Stationery Expenses		1283017	1177002
Travelling Expenses		695325	1261800
Exhibition Expenses		654414	810906
TOTAL		37395847	32739196

NOTE: 26.	THE DETAILS OF PAYMENT TO AUDITORS:	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
Particulars			
Audit fee		196630	196630
Tax Audit		28090	28040
For Others (Reports, Certificates, etc.)		56293	52944
TOTAL		281013	277614

NOTE: 27.	THE DETAILS OF PAYMENTS MADE TO MANAGING DIRECTOR / DIRECTORS:	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
Particulars			
Remuneration		1920000	960000
Perquisite		64800	64800
TOTAL		1984800	1024800

NOTE: 28.	VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS:	AS AT March 31, 2013 Rs.	AS AT March 31, 2012 Rs.
Particulars			
Trading Goods		908747	859991
Capital Goods		495108	54073592
TOTAL		1403855	54933583

NOTE: 29. THE DETAILS OF EARNING IN FOREGN CURRENCY: Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
Exports of goods calculated on F.O.B. Value Basis (Net of Export Commission)	50277295	41430080
TOTAL	50277295	41430080

NOTE: 30. THE DETAILS OF EXPENDITURE INCURRED IN FOREGIN CURRENCY EQUIVALENT TO INDIAN RUPEES: Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
Capital Goods	495108	54073592
Trading Goods	908747	859991
Traveling Expenses	228127	747125
Exhibition Expenses	396885	261605
Export Commission	1597828	888760
Consultancy Expenses	485660	---
CDM (Registration) Charges	199216	---
TOTAL	4311571	56831073

NOTE: 31. THE DETAILS OF CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR): Particulars	AS AT	AS AT
	March 31, 2013 Rs.	March 31, 2012 Rs.
A Contingent Liabilities:		
1 Bank Guarantee	93.58	43.38
2 Textile Cess	17.06	17.06
3 Disputed Excise Duty Liability	9.98	9.98
4 Disputed Income Tax Liability	14.88	14.88
5 Claims against suits filed In Labour Courts not acknowledged by the company	15.33	15.33
6 Claims against suits by others not acknowledged by the company	6.82	13.78
B Commitments:		
1 Estimated amount of capital contacts remaining to be executed on capital account and not provided for (Net of Advances)	11.99	311.66
TOTAL	169.64	426.07

NOTE: 32. 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
Shah Jeetmal Champalal	Associate
Mahalaxmi Cal Chem Pvt. Ltd	Associate
Anand Chem Industries Pvt. Ltd.	Associate
Mahalaxmi Exports	Associate
Rahul Textile	Associate
Jeetmal B Parekh	Key Managerial Personnel
Rahul J Parekh	Key Managerial Personnel
Anand J. Parekh	Key Managerial Personnel

(b) Transactions during the year with Related Parties:

Nature of Transaction	Associate	Key Managerial Personnel
Remuneration Paid	---	1984800
Loans taken	---	28291000
Purchase	5669162	---
Sales	551987248	---
(c) Outstandings		
Payables	12217181	---
Receivables	35463040	---
Loans	2316427	180088100

NOTE: 33. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-17 "SEGMENT REPORTING": Amount in Rs.

Sr. No.	PARTICULARS	2012-13			2011-12		
		Rubber Products	Textile Products	Consolidated	Rubber Products	Textile Products	Consolidated
• I	BUSINESS SEGMENT						
1.	Segment Revenue						
	External sales	59764482	1163438122	1223202604	62245026	1002174184	1064419210
	Inter- Segment Sales		768463	768463		1107241	1107241
	Less: Inter- Segment Sales	59764482	1164206585	1223971067	62245026	1003281425	1065526451
	Total Revenue		(768463)	(768463)		(1107241)	(1107241)
		59764482	1163438122	1223202604	62245026	1002174184	1064419210
2.	Results						
	Segment results before Interest	-4086325	39947743	35861418	7734389	34771871	42506260
	Interest	-2461523	-12873501	-15335024	-528168	-13742663	-14270831
	Unallocable Expenses	---	---	-968029	---	---	-1424362
	Other Income	255587	11603951	11859538	614441	6349637	6964078
	Unallocable Income			700568			434856
	Profit after Interest	-6292262	38678193	32118471	7820662	27378845	34210001
	Extraordinary Items	---	---	---	---	---	---
	Current Tax (including WT)	---	---	12000			13389000
	Deferred Tax	---	---	10044000			-2632000
	Net Profit after Tax	---	---	22062471			23453001
3.	Other Information						
	Segment Assets	344565483	748912299	1093477781	106789765	734989461	841779226
	Unallocable Assets	---	---	78500580			80824868
	Segment Liabilities	306356256	392208016	698564272	211155263	421341442	632496705
	Unallocable Liabilities	---	---	94244143			93366135
	Capital Expenditure	25019802	18823066	43842868	164497360	41884117	206381477
	Including CWIP	---	---	211000			117000
	Depreciation	10569588	35724776	46294364	5482570	32827361	38309931
	Unallocable Depreciation	---	---	3041190			3175581
• II	GEOGRAPHICAL SEGMENT						
	Revenue						
	India	41733221	1123359571	1165092792	49957656	970186072	1020143728
	Outside India	18031261	40078551	58109812	12287370	31988112	44275482

NOTE: 34.

1. RECONCILLIATION OF OPENING AND CLOSING BALANCES OF DEFINED BENEFIT OBLIGATION	Gratuity (Non-Funded)	
	2012-13	2011-12
Defined Benefit obligation at beginning of year	5614392	5187511
Current Service Cost	568244	514471
Interest Cost	477223	419670
Acturial (gain)/loss	707850	(65847)
Benefits paid	(70461)	(441413)
Defined Benefit obligation at year end	7297248	5614392



2. RECONCILIATION OF OPENING AND CLOSING BALANCES OF FAIR VALUE OF PLAN ASSETS

Fair value of Plan assets at beginning of year
Expected return on plan assets
Acturial gain/loss
Employer contribution
Benefits paid
Fair value of Plan assets at year end
Actual return on plan assets

Gratuity (Non-Funded)	
2012-13	2011-12
---	---
---	---
---	---
---	---
---	---
---	---
---	---

3. RECONCILIATION OF FAIR VALUE OF ASSETS AND OBLIGATIONS

Fair value of Plan assets
Present value of obligation
Amount recognised in Balance Sheet

Gratuity (Non-Funded)	
As at 31.03.13	As at 31.03.12
---	---
7297248	5614392
7297248	5614392

4. EXPENSES RECOGNISED DURING THE YEAR

Current Service Cost
Interest Cost
Expected return on Plan assets
Acturial (gain)/loss
NET COST

Gratuity (Non-Funded)	
As at 31.03.13	As at 31.03.12
568244	514471
477223	419670
---	---
707850	(65847)
1753317	868294

5. INVESTMENT DETAILS

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

Gratuity (Non-Funded)	
As at 31.03.13	As at 31.03.12
0.00%	0.00%
0.00%	0.00%
0.00%	0.00%
0.00%	0.00%
0.00%	0.00%

6. ACTUARIAL ASSUMPTIONS

Mortality Table(LIC)
Attrition Rate
Discount rate (per annum)
Expected rate of return on Plan Assets (per annum)
Rate of escalation in salary (Per Annum)

Gratuity (Non-Funded)	
2012-13	2011-12
2.00%	2.00%
8.00%	8.50%
0.00%	0.00%
5.00%	5.00%

NOTE: 35. The power cost is net of value of captively consumed units of wind mill.

NOTE: 36. 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.

NOTE: 37. The Company has export obligation to the extent of Rs.12.53 Crores on account of concessional rate of custom duty availed under EPCG license Scheme on import of capital goods.

NOTE: 38. Based on review carried out as on 31.03.2013, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".

NOTE: 39. In the opinion of the management the balances of sundry debtors, loans and advances have approximately the same realisable value as shown in the accounts.

NOTE: 40. Significant accounting policies and practices adopted by the company are disclosed in the statement annexed to these financial statements as Annexure-1.

Signatures to Notes 1 to 40

As per our report of even date
For **BHANWAR JAIN & CO.**
Chartered Accountants.
Firm Registration No. : 117340W

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
ANAND J. PAREKH
Jt. Managing Director

S/d-
(B. M. JAIN)

Partner.
Membership No. : 034943
AHMEDABAD: 30th May, 2013.

AHMEDABAD: 30th May, 2013.

S/d-
NIKHIL K. PARIKH
Director

S/d-
JAPAN N. SHAH
Company Secretary

ANNEXURE -1.

SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

1. Basis of Accounting :

The financial statements are prepared in accordance with relevant accounting standards under the historical cost convention on accrual basis and as a going concern with revenues considered and expenses accounted for wherever possible on their accrual. The accounting policies are consistent with those used in the previous year.

2. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year. Although these estimates are based on management's best knowledge of current events and actions, actual result could differ from these estimates.

3. Fixed Assets:

(a) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing assets to its working condition for its intended use. Borrowing cost relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(b) Expenditure during the construction period (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as pre-operative Expenses, pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production.

4. Depreciation :

Depreciation on fixed assets is provided on the basis of straight line method at the rates prescribed in Schedule-XIV of the Companies Act, 1956 on pro rata basis. The management of the Company is of the view that these depreciation rates fairly represent the useful life of assets. The leasehold land is amortized on straightline basis over the initial period of lease.

5. Inventories :

Raw materials, finished goods, semi finished goods, trading goods and stores and spares are stated at cost or net realisable value whichever is lower. Fent, rags and rejections are stated at net realisable value. The cost of inventories is computed on FIFO basis.

6. Investments:

Investments of the Company are long-term. The same are valued at the cost of acquisition. Decline in the value of permanent nature is provided as per accounting standard AS 13. Dividend of investments is accounted for as and when received.

7. Revenue Recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Company recognise sales of goods on transferring property of undelying goods to customers. Sales include all charges and duties collected. Export benefits in respect of exports made have been accounted on accrual basis.

8. Excise/Custom Duty :

The liability for excise and custom duty in respect of material lying in the factory/bonded premises is accounted for as and when they are cleared/debonded.

9. Foreign Currency Transactions :

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- (c) Non Monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in Profit & Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

10. Borrowing Costs:

Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalised as part of the cost of the assets upto the date the asset is put to use. Other borrowing costs are charged to the Profit & Loss Account in the year in which they are incurred.

11. Research and Development:

Revenue expenditure, including overheads on Research and Development is charged out as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken as Fixed Assets and depreciation is provided on such assets as are depreciable.

12. Government Grants:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of promoter's contribution are credited to Capital Reserve. Revenue Grants are recognised in the Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

13. Retirement Benefits:

The liability for gratuity has been provided on the basis of actuarial valuation carried out by an independent actuary as at Balance Sheet date. In respect of Provident Fund contributions paid regularly to the government and is charged to revenue. The provision for leave encashment is made for accumulated leaves that employees can encash in future.

14. Taxes on Income:

Provision for current tax is made based on the tax liability computed after considering tax allowances and deductions. Deferred tax resulting from timing difference between taxable income and accounting income is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.

15. Earning Per Share:

The earning considered in ascertaining the company's earning per share comprises the net profit after tax (and includes the post tax effect of any extraordinary items). The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year.

16. Impairment of Assets:

The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exist, the recoverable amount of the assets is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating units exceeds its recoverable amount. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and recognised in compliance with AS-28.

17. Provisions, Contingent Liabilities and Contingent Assets: Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

18. 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.



MAHALAXMI RUBTECH LIMITED

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

PROXY FORM

I/We _____ of _____

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

_____ of _____

of failing him _____ of _____

as my/our Proxy in my/our absence to attend and vote for me/us my/our behalf at the 22nd Annual General meeting of the Company to be held at Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad-380006

on Saturday, 28th September 2013, at 12-30 p.m. and at any adjournment thereof.

Signature at _____ (Place) this _____ day of _____ 2013

Folio No./DPID/CL.ID _____

No. of Shares held _____

Note: Proxy Form must reach the Company's Registered

Office not less than 48 hours before the time for holding meeting

Affix
Re. 1
revenue
stamp

MAHALAXMI RUBTECH LIMITED

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

ADMISSION SLIP

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

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

I hereby record presence at the 22nd Annual General Meeting of the Company to be held on Saturday, 28th September, 2013

Signature of Member / Proxy

Note: Please fill in this Attendance slip and hand it over at the entrance of the meeting hall.

Book - Post

To,



If undelivered please return to:



MAHALAXMI RUBTECH LIMITED
47, NEW CLOTH MARKET, AHMEDABAD - 380 002, INDIA.