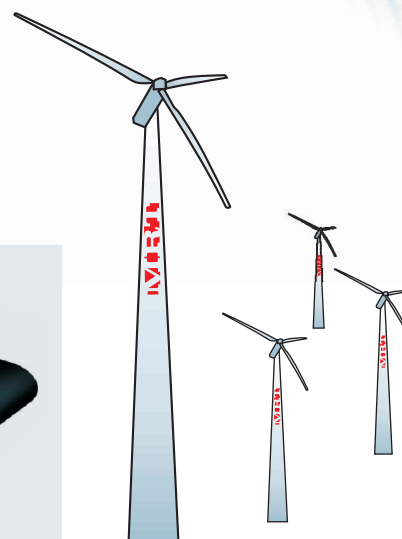
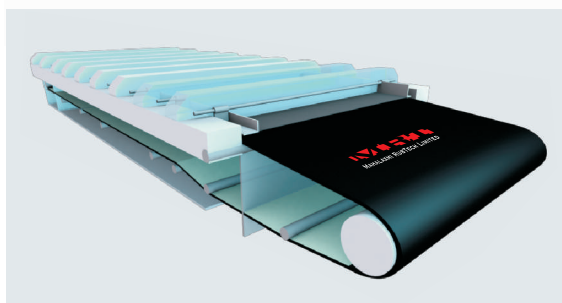


19th ANNUAL REPORT

2010

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

CHANDRESH B. PANDYA
(COMPANY SECRETARY)

STATUTORY AUDITORS

BHANWAR JAIN & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD.

INTERNAL AUDITORS

D. TRIVEDI & ASSOCIATES
CHARTERED ACCOUNTANTS
AHMEDABAD.

BANKERS

BANK OF BARODA

REGISTERED OFFICE

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

CORPORATE OFFICE

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

FACTORY

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

REGISTRAR & TRANSFER AGENT

SHAREPRO SERVICES (INDIA) PVT.LTD.
416-420 4TH FLOOR, DEVNANDAN MALL, OPP. SANYASH ASHRAM,
ELLESBRIDGE, AHMEDABAD-380006
Email - sharepro@shareproservices.com

NOTICE TO MEMBERS

NOTICE is hereby given that the NINETEENTH ANNUAL GENERAL MEETING OF "MAHALAXMI RUBTECH LIMITED" will be held at "Lions Hall", Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad- 380 006 on Wednesday, the September 29, 2010 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, 2010 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare Dividend on the Equity Shares of the Company.
3. To appoint Auditors of the company from the conclusion of this meeting to the conclusion of the next Annual General Meeting.
4. To appoint a director in place of Shri Jeetmal B. Parekh, who retire by rotation and being eligible offers himself for reappointment.

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 MONDAY THE 27th DAY OF SEPTEMBER, 2010 TO WEDNESDAY THE 29th DAY OF SEPTEMBER, 2010 (BOTH DAYS INCLUSIVE)
3. The Board of Directors has recommend Dividend at the rate of 5% (Rs. 0.50 per Equity Share on the face value of Rs. 10/- each) on paid up Equity Share Capital of the company. The Dividend when sanctioned and declared at the Annual General Meeting of the Company will be made payable to the equity shareholders of the Company whose names stand registered on the Company's Register of Members :
 - in respect of shares held in electronic form, to those members whose names appear in the statements of beneficial ownership furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the opening hours of September 27, 2010.
 - to those members whose names appear on the Company's register of members, after giving effect to all valid share transfers in physical form lodged Sharepro Services (India) Pvt. Ltd., Registrar and Share Transfer Agent of the Company before September 27, 2010.
4. 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 18, 2010

S/d-
Chandresh Pandya
(Company Secretary)

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, 2010.

FINANCIAL RESULTS:	For the year ended 31.03.2010 (Rs. in Lacs)	For the year ended 31.03.2009 (Rs. in Lacs)
Particulars		
Income from Operations & Other Income	9022.98	8284.51
Profit before Depreciation	987.38	583.57
Less: Depreciation	<u>344.15</u>	<u>276.68</u>
Profit before Tax	643.23	306.89
Less: Provision for Tax	109.00	35.00
Less: Provision for deferred Tax	<u>83.08</u>	<u>57.11</u>
Profit after Tax	451.15	214.78

OPERATION AND REVIEW:

The Company continued to see strong and profitable growth in the financial year 2009-10 driven by good performance in existing and new business.

The total income increased to Rs. 9022.98 lacs from Rs. 8284.51 lacs in the previous year, at a growth rate of 8.91%. Our Textile business aggregated Rs. 8222.88 lacs up by 7.32% from Rs. 7661.74 in the previous year. The profit before tax amounted to Rs. 643.23 lacs as against Rs. 306.89 lacs in the previous year. The net profit after tax was Rs. 451.15 lacs as against Rs. 214.78 lacs in the previous year.

DIVIDEND:

Considering the improved financial performance of the Company, your Directors are glad to recommend for approval of the members Dividend at the rate of 5% (Rs. 0.50 per Equity Share on the face value of Rs. 10/- each) (Last year 5%) on paid up Equity Share Capital of the company. The dividend on the Equity Shares, if declared as above, would involve cash outflow of Rs. 51,59,640/- (including tax on dividend).

DIRECTORS:

Shri Jeetmal B. Parekh, 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 31.03.2010 and of the profit of the Company for the year ended on 31.03.2010; (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.

AUDITORS:

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

FIXED DEPOSITS:

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

WARRANTS:

Company had issued 12,00,000 convertible warrants on 25.02.2008 on preferential basis. As per the terms of allotment the warrants were to be converted into equity shares of Rs. 10 each. The allottees did not exercise their right for conversion of said warrants into equity shares. Accordingly, the aforesaid warrants stand lapsed and application money forfeited.

INSURANCE:

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

COMPULSORY TRADING IN DEMAT:

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

EMPLOYEES:

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

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

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

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

APPRECIATION:

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

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

Sd/-
Jeetmal B. Parekh
(Chairman)

Place: Ahmedabad.
Date: **May 30, 2010**

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'		2009-10	2008-09
POWER AND FUEL CONSUMPTION			
(a) 1. Electricity			
A. Purchased:			
Units	8756589	10686179	
Amount Rs	4,92,72,772	5,51,70,066/-	
B. Own Generation:			
(i) Through Diesel			
Units	35000	9916	
Amount Rs	3,64,078/-	1,08,607/-	
(ii) Through Windmill			
Units	2437123	19303	
2. Fuel			
Waste Wood			
Tonnes	31582	22470	
Amount Rs.	7,99,99,355/-	5,93,73,768/-	
Coal & Lignite			
Tonnes	22721	27550	
Amount Rs.	5,82,22,471/-	7,68,98,842/-	

(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. 77253904
Foreign exchange outgo: Rs. 5958332

MANAGEMENT DISCUSSION AND ANALYSIS:

A. Business Overview

The Company's turnover at Rs. 8834.14 lacs has recorded an increase of about 8.39% compared to the previous year. Meanwhile the Net Profit for the year (before depreciation and tax) recorded increase of about 69.20% compared to the previous year. The profit before tax, after absorbing depreciation, for the year stands at Rs. 643.23 lacs.

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. 830.16 Lacs.

B. Industry Structure and Development:

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

Polymer Based Technical Textile Division at MRT manufactures world class Textile Printing Blankets and range of other niche rubber products having a dedicated R & D wing for technical textiles. Being widely used on all types of textile screen printing machines, we are today one of the largest 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 more than 25 countries, with major countries of export being China, Pakistan, Brazil, Colombia, Thailand and Indonesia. The Company has been regularly participating in international exhibitions which enable us to keep abreast with the latest global trends.

In Rubber division 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 in products like defense equipment, safety & protective clothing, gaskets, diaphragms, bellows, expansion joints and many more and manufacturing of Air Cell, Hydraulic seals and spares which are supplied to transformer manufacturers and users of hydraulic equipments. Your company confirms to ASTM standards, Bureau of Indians standards, DIN standards, Federal Standards etc. and is an ISO 9001:2008 Company.

Your Company has plans to expand its ambit and scope of activities in the technical textile space. The diversification and expansion is planned with a special focus on manufacturing of Offset Printing Blankets (used in Sheet Fed and Web Fed printing machines), 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 completed amalgamation of Mahalaxmi Fabric Mills Pvt. Ltd. in the year 2008-09 and the same has been absorbed as a separate unit in textile division. As a result of amalgamation, 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.

C. Research & Development:

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

D. Internal Control System:

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

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

E. Human Resources:

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

F. ISO 9001:2008 Certification:

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

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

G. Cautionary Statement:

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

CORPORATE GOVERNANCE

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

1. Company's Philosophy on Code of Governance:

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

2. Board of Directors:

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

During the year 6 Board Meetings were held on 08.05.2009, 27.06.2009, 30.07.2009, 31.10.2009, 05.12.2009 and 30.01.2010. 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 16.09.2009	No. of other Directorships	Committee	
					Membership **	Chairmanship **
Jeetmal B. Parekh	NED-P	6	YES	*4	----	----
Rahul J. Parekh	MD	6	YES	*6	1	----
Anand J. Parekh	JT. MD	6	YES	*3	2	----
Nikhil K. Parikh	NED-I	5	NO	NIL	1	----
Nehal M. Shah	NED-I	2	NO	10	----	1
Malav J. Ajmera	NED-I	5	YES	NIL	—	1

* All Private Limited Company

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

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

3. Audit Committee:

1. Terms of Reference:

The terms of reference of the Audit Committee include:

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

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

2. Composition :

As on 31.03.2010 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 16.09.2009.

During the year 4 committee meetings held on 25.06.09, 30.07.09, 31.10.09 and 30.01.2010 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

During the year under review Shri Malav J. Ajmera has been appointed as Chairman of Audit Committee.

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

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

4. Remuneration Committee (Non Mandatory)

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

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

During the year under review, the committee met one time on 23.06.2009 where all members were present in the meeting.

Details of Remuneration for the year 2009-2010 paid to the Directors are as follows:

Remuneration for the year 2009-10 to Shri Rahul J. Parekh, Managing Director:-

- i. Basic Salary Rs.: 4,80,000/-, (Rupees Four Lacs Eighty Thousand only), Perquisites: 26,400/- (Rupees Twenty Six Thousand Four Hundred Only)

Remuneration for the year 2009-10 to Shri Anand J. Parekh, Jt. Managing Director:-

- i. Basic Salary Rs: 4,80,000/- (Rupees Four Lacs Eighty Thousand only), Perquisites: 26400/- (Rupees Twenty six thousand four hundred only)

The other information of Directors are as under:

Name	Age	Designation	Date of initial appointment	Nature of employment	Shares held
Jeetmal B. Parekh	67	Chairman	27.08.1993	-----	1002856
Rahul J. Parekh	38	Managing Director	05.07.1995	Contractual	891119
Anand J. Parekh	34	Jt. Managing Director	19.11.2008	Contractual	791122
Nikhil K. Parikh	38	Director	31.03.2003	-----	NIL
Nehal M. Shah	38	Director	30.03.2005	-----	NIL
Malav J. Ajmera	33	Director	19.11.2008	-----	NIL

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

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

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

5. CEO/CFO CERTIFICATION:

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

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31-03-2010 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
- Significant changes in internal control during the year.
 - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

6. Shareholders / Investors Grievance Committee :

Terms of Reference

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

The shareholders' Grievance Committee comprise of Non-Executive director (independent), and two Executive Directors. The committee met Four times during the year on 24.06.2009, 07.10.2009, 25.11.2009 and 25.02.2010, 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 Chandresh Pandya, Company Secretary is a Compliance Officer.

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

7. Share Transfer Committee:

The board has delegated the power of approving transfer of shares to a committee of Three directors and one senior executive, committee met 20 times during the year and approved the transfer of shares lodged with the company and no transfer were pending as on 31-03-2010.

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
2008-2009	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	16.09.2009	12.30 PM	1
2007-2008	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	25.09.2008	1.00 PM	0
2006-2007	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006	28.09.2007	12.30 PM	0

Postal Ballot:

- No Special resolutions were required to be put through postal ballot last year.
- No special resolutions on matters requiring postal balloting are placed for shareholder's approval at this meeting.

9. Disclosures:

- Details of related party transactions are furnished in Note No.12 of schedule No.19 Part B under Notes to Accounts. None of the transactions with any of the related parties were in conflict with the interest of the company.
- No strictures or penalties have been imposed on the company by the Stock Exchange or SEBI or any statutory authority on any matters related to capital market during the last three years.
- 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, 2010, 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:

The Company has published its first, second and third quarter result in Business Standard English Edition and Loksatta Jansatta Gujarati Edition and fourth quarter/Annual result in the Economic Times English and Gujarati edition.

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.	Jeetmal B. Parekh	67	Business	Graduate	Having vast experience as a Director in Management of Companies	4	1

12. General Shareholder information

Annual General meeting to be held on	:	29 th September, 2010 At 12.30 p.m.
Place of the meeting	:	Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad – 380 006
Financial Calendar	:	1 st April to 31 st March
Financial Results		
* First Quarter Results	:	By 14 th August
* Half Yearly Results	:	By 14 th November
* Third Quarter Results	:	By 14 th February
* Annual Results	:	With in 60 days.
Book Closure Date	:	From 27 September, 2010 to 29 September, 2010 (both days inclusive)
Dividend Payment date	:	on or after October 04, 2010
Listing at Stock Exchanges:		
Name of Stock Exchange	:	Bombay Stock Exchange Limited
Stock Code	:	514450
ISIN NO. (dematerialized Shares)	:	INE112D01019

The Company has already paid listing fees for the year 2009-10 to all the Stock Exchanges, where listed.

Market Price Data: (as per BSE)

Month	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2009	24.95	14.60
May, 2009	36.00	17.10
June, 2009	36.85	26.15
July, 2009	39.85	24.70
August, 2009	83.85	32.55
September, 2009	86.85	66.15
October, 2009	80.45	65.80
November, 2009	86.60	57.00
December, 2009	84.10	60.10
January, 2010	85.90	66.40
February, 2010	81.00	65.05
March, 2010	101.00	67.00

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@shareproservices.com

Depository Mode:

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@shareproservices.com

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@shareproservices.com

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, Share 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 2010)

No. of Shares	Shareholders		No. of Share held	
	Number	Total in %	Numbers	Total in %
1 - 500	2811	83.49	405348	4.60
501 - 1000	185	5.49	146836	1.66
1001 - 2000	123	3.65	190318	2.16
2001 - 3000	68	2.02	180869	2.05
3001 - 4000	37	1.10	129595	1.47
4001 - 5000	24	0.71	110642	1.25
5001 - 10000	33	0.98	246316	2.79
10001 - AND ABOVE	86	2.55	7410351	84.01
Total	3367	100	8820275	100

Shareholding Pattern: (As on 31st March, 2010)

Category	No. of Shares held	% to the Shareholding
Promoters & Associates	6241469	70.76
Bodies Corporate	921035	10.44
Non Resident Indians	23507	0.27
Banks & Mutual Funds	8875	0.10
Public	1625389	18.43
Total	8820275	100

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, 2010, 50.21% Shares have been dematerialized

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

Shareholders who have not yet encashed their dividend warrants for the year 2005-06, 2006-07, 2007-08 and 2008-09 may approach the Company for revalidation / issue of duplicate dividend warrant

PLANT LOCATION:
Factory:

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

(2) Mahalaxmi Fabric Mills

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

ADDRESS FOR CORRESPONDENCE:
Registered Office:

47, New Cloth Market, Ahmedabad-380 002.

Corporate office:

507, Chanakya, Near Dinesh Hall, Ashram Road,
Ahmedabad-380 009.

Tel: 079-26575616, 079-26582552 Fax: 079-26583552

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, 2010.

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

Place: Adhmedabad
Date: April 15, 2010

On behalf of the Board of Directors,

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, 2010, 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, 2010, no investor grievances are pending against the Company as per records maintained by the Company and presented to the Shareholders/ Investors Grievance Committee.

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

For BHANWAR JAIN & CO.
Chartered Accountants.

Sd/-

(B. M. Jain)
Partner
Ahmedabad: May, 30, 2010.

AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI RUBTECH LIMITED.

1. We have audited the attached balance sheet of **MAHALAXMI RUBTECH LIMITED**, as at 31st March, 2010, the profit and loss account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of those books.
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the balance sheet, of the state of affairs of the company as at 31st March, 2010.
 - (b) In the case of the profit and loss account, of the profit for the year ended on that date and
 - (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For BHANWAR JAIN & CO.,
Chartered Accountants.

S/d

(B. M. JAIN)

Partner.

M.No.: 34943

AHMEDABAD: 30th May, 2010.

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.642.21 lakhs and the year end balance of the loan taken from such parties was Rs. 520.63 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, 2010 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 a propriate authorities are as under:

Name of the Statute	Amount (in Lakhs)	Forum where dispute is pending
Central Excise Duty	20.60	Appellate Tribunal
Income Tax	12.89	High Court
Textile Cess	11.12	High Court
Labour Suits	0.67	Labour Court

- (x) There are no accumulated losses of the company as on 31st March, 2010. 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 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) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For BHANWAR JAIN & CO.,
Chartered Accountants.

S/d

(B. M. JAIN),
Partner.
M.No.: 34943
AHMEDABAD: 30th May, 2010.

MAHALAXMI RUBTECH LIMITED.
BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS :			
Share Capital	:1:	88202750	88202750
Equity Share Warrants		---	9480000
Reserves & Surplus	:2:	246108672	205585486
		334311422	303268236
LOAN FUNDS :			
Secured Loans	:3:	186926872	147435510
Unsecured Loans	:4:	52063436	46780066
		238990307	194215576
DEFERRED TAX LIABILITY		31730000	23422000
	TOTAL	605031729	520905812
APPLICATION OF FUNDS :			
FIXED ASSETS :			
Gross Block	:5:	540621296	506413263
Less: Depreciation		114852970	81309625
Net Block		425768326	425103638
Capital Work in progress		48801159	11439797
INVESTMENTS :	:6:	453650	646540
CURRENT ASSETS, LOANS & ADVANCES :			
Closing Stock	:7:	101235225	100021900
Sundry Debtors	:8:	249699109	112680156
Cash & Bank Balances	:9:	6327833	4659783
Loans & Advances	:10:	35486121	33130097
		392748288	250491936
Less: Current Liabilities & Provisions	:11:	268288643	171583896
NET CURRENT ASSETS		124459645	78908040
MISCELLANEOUS EXPENDITURE :	:12:	5548948	4807797
	TOTAL	605031729	520905812
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	:19:		

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

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
(B. M. JAIN)
Partner.
M.No.: 34943
AHMEDABAD: 30th May 2010

S/d-
ANAND J. PAREKH
Jt. Managing Director
AHMEDABAD: 30th May 2010

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

S/d-
CHANDRESH B. PANDYA
Company Secretary

MAHALAXMI RUBTECH LIMITED.
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31ST MARCH, 2010.

	Schedule	Rs.	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
INCOME :				
Sales & Job Work Receipts		887107968		816502888
Less: Excise Duty		3694219		1448789
			883413749	815054099
Other Income	:13:		18884517	13396772
Increase/(Decrease) in Stocks	:14:		182009	32116726
		TOTAL	902480275	860567597
EXPENDITURE :				
Material Cost			451429291	443132156
Employees' Emoluments	:15:		30613194	28065037
Manufacturing Expenses	:16:		270829911	268552024
Administrative & Selling Expenses	:17:		33719341	49834156
Financial Expenses	:18:		17150264	12627509
Depreciation			34415242	27667897
			838157243	829878779
PROFIT BEFORE TAX :			64323032	30688818
Provision for Taxation:				
Current Tax			10900000	3500000
Deferred Tax			8308000	5711000
PROFIT AFTER TAX :			45115032	21477818
Add :Balance as per last year			52522935	17661759
Add: Adjustment due to Amalgamation			- - -	20402945
Add: Income Tax of earlier years			550760	(1859947)
			98188727	57682575
Proposed Dividend on Equity Shares			4410138	4410138
Corporate Dividend Tax on above			732469	749503
		TOTAL	93046121	52522935
Balance carried over to Balance Sheet				
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	:19:			

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

S/d-
(B. M. JAIN)
Partner.
M.No.: 34943
AHMEDABAD: 30th May 2010

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
ANAND J. PAREKH
Jt. Managing Director
AHMEDABAD: 30th May 2010

S/d-
RAHUL J. PAREKH
Managing Director

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

S/d-
CHANDRESH B. PANDYA
Company Secretary

SCHEDULES TO AND FORMING PART OF ACCOUNTS
SCHEDULE :1: SHARE CAPITAL
AUTHORISED:

15000000 (15000000) Equity Shares of Rs.10/-each

ISSUED & SUBSCRIBED & PAID UP

8820275 (8820275) Equity Shares of Rs.10 each fully paid

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

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
	150000000	150000000
	150000000	150000000
	88202750	88202750
TOTAL	88202750	88202750

SCHEDULE :2: RESERVES & SURPLUS
Capital Reserve

As per last balance sheet

General Reserve

As per last balance sheet

Add:- Created on Amalgamation

Profit & Loss Account

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
	1500000	1500000
	151562549	1760250
	---	149802299
	93046121	52522935
TOTAL	246108672	205585484

SCHEDULE :3: SECURED LOANS
From Bank of Baroda:

Working Capital Facilities

Term Loan

Secured by way of hypothecation of stock, book debts, plant & machineries, furniture & fixtures and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors

Loans secured by way of hypothecation of vehicles from:

ICICI Bank

HDFC Bank:

Kotak Mahindra Primus Ltd.

Tata Capital Ltd.

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
	49470338	30102422
	135064084	115630656
	454732	856038
	179078	846394
	330456	---
	1428184	---
TOTAL	186926872	147435510

SCHEDULE :4: UNSECURED LOANS
From Directors

From Corporates

From Banks

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
	50311566	45497532
	1751870	---
	---	1282534
TOTAL	52063436	46780066

SCHEDULE :5: FIXED ASSETS

S. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01-Apr-09	Additions	Deductions	As on 31-Mar-10	Upto Previous year	During the year	Recouped	Total	As on 31-Mar-10	As on 31-Mar-09
1.	Freehold Land	78099141	0	0	78099141	0	0	0	0	78099141	78099141
2.	Leasehold Land	1000000	0	0	1000000	50000	50000	0	100000	900000	950000
3.	Buildings	91597122	2487336	0	94084458	12784482	2920883	0	15705365	78379093	78812640
4.	Plant & Machinery	311485702	30567474	3710955	338342221	61358517	29497738	800368	90055887	248286334	250127185
5.	Electric Installation	8563452	0	0	8563452	2194699	443365	0	2638064	5925388	6368753
6.	Furniture, Fixtures & Office Equipments	7212532	2228235	0	9440767	3020017	633432	0	3653449	5787318	4192515
7.	Vehicles	8455316	2776596	140655	11091257	1901912	869824	71530	2700206	8391051	6553404
	TOTAL	506413265	38059641	3851610	540621296	81309627	34415242	871898	114852971	425768325	425103637
	Prev. Year	401542834	106610039	1739608	506413265	53830609	27667898	188880	81309627	425103637	134074140

SCHEDULE:6: INVESTMENTS

(As valued , verified & certified by the management)

QUOTED-NON-TRADE

25 (25) Equity Shares of Reliance Power Rs.10 each fully paid

UNQUOTED-NON TRADE

NIL (470) Equity Shares of Anand Chem Industries Pvt. Ltd..of Rs.1000 each fully paid

700 (700) Equity Shares of Rahul Calchem Pvt. Ltd..of Rs.100 each fully paid

685 (NIL) Equity Shares of Mahalaxmi Calchem Pvt. Ltd..of Rs.100 each fully paid

1 (1) Share of The Social Co-op Bank Ltd. of Rs.100 each fully paid up

Aggregate value of quoted shares:

Cost Rs.6880 (Rs.6880)

Market Value Rs.3738 (Rs.1640)

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
	6800	6800
	---	569640
	70000	70000
	376750	---
	100	100
TOTAL	453650	646540

SCHEDULE :7: CLOSING STOCK

(As valued, verified & certified by the management)

Raw Materials

Colours & Chemicals

Semi-finished Goods

Finished Goods

Trading Goods

Stores & Spares

Fents, Rags & Rejections

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
	17492750	29145466
	12505400	7764986
	17317264	22096755
	34374060	30266099
	---	18495
	18404145	10460527
	1141605	269572
TOTAL	101235224	100021900

SCHEDULE :8: SUNDRY DEBTORS

(Unsecured and considered good unless otherwise stated)

Debts exceeding six months

Other Debts

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
	13965109	6962352
	235734000	105717804
TOTAL	249699109	112680156

SCHEDULE :9: CASH & BANK BALANCES

	Rs.	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
Cash on hand		731078	501182
Bank Balances: With Scheduled Banks			
On Current Accounts	4938754		
On Deposit Accounts	658000	5596754	4158601
TOTAL		6327832	4659783

SCHEDULE :10: LOANS & ADVANCES

(Unsecured and considered good unless otherwise stated)

		As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
Advances recoverable in cash or in kind or for value to be received		19938748	23831825
Deposits		5353011	3236096
Accrued Income		7651905	4274877
Prepaid Expenses		2542457	1787300
TOTAL		35486120	33130097

SCHEDULE :11: CURRENT LIABILITIES & PROVISIONS
CURRENT LIABILITIES:

Sundry Creditors	237006014	144366521
Unclaimed Dividend	445904	347995
Other Liabilities	9401698	13321834

PROVISIONS:

For Gratuity	5392422	4887906
For Taxation	10900000	3500000
For Proposed Dividend	4410138	4410138
For Corporate Dividend Tax	732469	749503
TOTAL	268288643	171583896

SCHEDULE :12: MISCELLANEOUS EXPENDITURE :

(to the extent not written off or adjusted)

	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
Preliminary Expenses	271800	465800
Deferred Revenue Expenses	5277148	1556537
TOTAL	5548948	2022337

SCHEDULE :13: OTHER INCOME

	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
Duty Drawback	4327968	10495501
Sales of Scrap	2402450	1443197
Insurance Claim	59874	765356
Vatav Kasar	265820	92194
Liabilities written back	568045	565927
Profit on Sale of investments	1780360	34598
Share Warrants Money Forfeited	9480000	---
TOTAL	18884517	13396773

SCHEDULE :14: INCREASE / (DECREASE) IN STOCKS

	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
Closing Stock		
Finished Goods	34374060	30266099
Semi Finished Goods	17317264	22096755
Trading Goods	---	18495
Fents, Rags & Rejections	1141605	269572
	52832930	52650921
Less:- Opening Stock		
Finished Goods	30266099	11384439
Semi Finished Goods	22096755	8772314
Trading Goods	18495	77250
Fents, Rags & Rejections	269572	300192
	52650921	20534195
INCREASE/(DECREASE) IN STOCKS	TOTAL 182009	32116726

SCHEDULE :15: EMPLOYEES' EMOLUMENTS

	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
Salaries & Wages	28361199	25319102
Contribution to Provident Fund & Others	1176164	1583036
Employees' Welfare & Amenities	1075831	1162899
TOTAL	30613194	28065037

SCHEDULE :16: MANUFACTURING EXPENSES

	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
Stores, Spares & Repairs	27575025	31143814
Power & Fuel	188279391	191965972
Freight, Octroi & Cartage	2487449	3138259
Job Charges paid	6019401	6480926
Excise Duty	13524	8570
Design Materials & Expenses	8415904	234968
Labour Charges	37305930	33722740
Laboratory Expenses	83437	65114
Pollution Control Expenses	649850	1791661
TOTAL	270829911	268552024

SCHEDULE :17: ADMINISTRATIVE & SELLING EXPENSES

	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
Telephone Expenses	822355	729451
Postage & Stationery Expenses	1226483	1160264
Staff Bus Expenses	374949	412426
General Expenses	341856	267390
Insurance Charges	1755224	1551609
Packing Materials Expenses	8827261	17346402
Audit Fees	165450	121330
Legal & Professional Expenses	895301	1901977
Conveyance Expenses	376391	379752
Motor Car Expenses	877265	679037
Advertisement Expenses	209193	225335
Export Freight & Forwarding Expenses	2662571	7432051
Travelling Expenses	1906101	877060
Exhibition Expenses	220610	818111
Commission	2417755	2164900
Export Commission	2392247	6012519
Sales Tax/VAT	2502370	1541638
Preliminary Expenses written off	194000	294544
Deferred Revenue Expenses written off	1518877	669627
Rent Rates & Taxes	702230	558747
E.C.G.C. Expenses	154701	346790
Loss on sale of Fixed Assets	938354	1026080
Service Tax	364903	1327177
Miscellaneous Expenses	1872895	1989939
TOTAL	33719341	49834156

SCHEDULE ::18: FINANCIAL EXPENSES

	Year Ended As At 31/03/2010 Rs.	Year Ended As At 31/03/2009 Rs.
Interest	15967075	10621900
Bank Charges	1183189	1579401
Exchange Rate Fluctuation	---	426208
TOTAL	17150264	12627509

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

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

2. Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations of during the reporting year. Although these estimates are based on management's best knowledge of current 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. Retirement Benefits: The liability for gratuity has been provided on the basis of actuarial valuation carried out by an independent actuary as at Balance Sheet date. In respect of Provident Fund contributions paid regularly to the government and is charged to revenue. The provision for leave encashment is made for accumulated leaves that employees can encash in future.

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

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

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

15. Provisions, Contingent Liabilities and Contingent Assets: Provisions involving substantial degree of estimation in measurement are recognised when 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.

16. Inter Divisional Transactions: Inter divisional transactions are eliminated as contra items. Any unrealised profits on unsold stocks on account of inter divisional transactions is eliminated while valuing the inventory.

17. Accounting policies not specifically referred to are consistent with generally accepted accounting policies.

B. NOTES TO ACCOUNTS

1. Payment to Auditors :

Audit Fee	165450	121330
Tax Audit	27575	22060
For Others (Reports, certificates etc.)	22060	20990

TOTAL 215085 164380

2. Managerial Remuneration

Remuneration to Managing Directors/Directors :		
Remuneration	960000	884000
Perquisites	52800	---

3. Earning in foreign exchange :

Exports of goods calculated on F.O.B. value basis (Net of Export Commission)	77253904	140072985
--	----------	-----------

4. C.I.F value of Import

Raw Materials	811269	---
Capital Goods	1708015	3713372
Stores & Spares	---	1349199

5. Expenditure in foreign currency equivalent to Indian Currency

Capital Goods	1706580	3709326
Raw Materials	811269	---
Stores & Spares	---	1349199
Export Claim	216247	---
Traveling Expenses	251630	127725
Exhibition Expenses	425603	534417
Professional Services	154746	---
Export Commission	2392247	6012519

TOTAL 2009-10 2008-09

6. Capacities & Production:

(a) Licensed Capacity :

No license is required.

(b) Installed Capacity :

(i) Rubberized Products Division:

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

(ii) Textile Division

Grey Fabric

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

Mtrs. in lacs 36.40 36.40

Processed Fabric

Different processes have different installed capacities, however the installed capacity is based on stenter machine. (as certified by Management
Installed Capacities certified by Management and not verified by auditors being technical matter)

Mtrs. in lacs 460.00 460.00

(c) Actual Production : Rubberized Products Division:

Rubber Printing Blankets

Rft. 32254 21749

Textile Division

Weaving -Grey & Finished Fabric

Mtrs 2046205 1575250

Processing- Processed Fabric (including on job work basis)

Mtrs 35780187 33868246

7. Quantitative Particulars:

(i) Raw Materials Consumed

Yarn

Kgs. 803486 91651188 690801 75079996

Grey Fabric

Mtrs 4859041 112584919 9772925 185234622

Rubber Compound

Kgs. 39778 6603169 22876 4587320

Chemicals & Solvents

Kgs. 197462 10795051 146782 8782756

(ii) Finished Goods :

Opening Stock

Rft. 2600 3812737 2967 3533885

Rubber Printing Blankets

Mtrs. 305676 19061736 124126 6421706

Grey & Finished Fabric

Mtrs. 181395 7391626 89323 7391626

Processed Fabric

Sales

Rft. 32812 68473009 22116 48115123

Rubber Printing Blankets

Mtrs. 1977671 171328567 1393700 121994214

Grey & Finished Fabric

Mtrs. 5156162 180717642 8496649 301057012

Processed Fabric

Mtrs. 3405793 2213422

Others

Closing Stock

Rft. 2042 2443178 2600 3812737

Rubber Printing Blankets

Mtrs. 374210 27033341 305676 19061736

Grey & Finished Fabric

Mtrs. 117343 4897541 181395 7391626

Processed Fabric

(ii) Trading Activities :

Cloth

Rs. 18495 77250

Opening Stock

Mtrs. 270 976

Purchase

Rs. 128335274 ---

Sales

Mtrs. 1594484 ---

Closing Stock

Rs. 138981796 74104

Mtrs. 1594754 706

Rs. --- 18495

Mtrs. --- 270

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

	2009-2010	2008-2009
(i) Net Profit after tax	45115032	21477818
(ii) Number of Equity Shares of Rs.10 each	8820275	8820275
(iii) Basic and Diluted Earning Per Share		
Weighted Average Shares	8820275	6981608
Basic EPS	5.11	2.44
Diluted EPS	5.11	3.08

9. Provision for Income Tax has been made in accordance with the provisions of the Income Tax Act, 1961 after adjusting the MAT Credit entitlement.

10. The power cost is net of value of captively consumed units of Wind Mill.

11. 12 Lacs Warrants which were issued on preferential basis and were due for conversion on August 24, 2009 were lapsed and the upfront amount received was forfeited and credited to Profit & Loss account.

12. 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
Rent paid	120000	---
Rent Received	48000	---
Remuneration Paid	---	1012800
Interest Paid	1870	1522516
Loans taken	1750000	19014750
Job Charges Paid	842832	---
Job Charges Received	48282476	---
Purchase	22312657	---
Sales	47171989	---

13. Contingent liabilities in respect of:

		2009-2010	2008-2009
a) Bank Guarantee	Rs.in lacs	8.38	8.38
b) Textile Cess	Rs.in lacs	11.12	11.12
c) Disputed Excise Duty Liability	Rs.in lacs	20.60	10.44
d) Disputed Income Tax Liability	Rs.in lacs	12.89	12.89
e) Claims against suits filed in labour courts not acknowledged by the Company	Rs.in lacs	0.67	2.26
f) Claims against suits by others not acknowledged by the Company	Rs.in lacs	10.09	10.09

14. 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.

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

16. The deferred Tax Liability/(asset)

	31.03.2010	31.03.2009
Deferred Tax Liability/(Asset)		
(i) On account of timing differences relating to depreciation	33348000	24888000
(ii) Others	(1618000)	(1466000)
	31730000	23422000

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

		Amount in Rs.					
		2009-10			2008-09		
Sr. No.	PARTICULARS	Rubber Products	Textile Products	Consolidated	Rubber Products	Textile Products	Consolidated
	BUSINESS SEGMENT						
1	Segment Revenue						
	External sales	71878802	815229166	887107968	50328545	766174343	816502888
	Inter- Segment Sales	---	31690939	31690939	---	---	---
		71878802	846920105	918798907	50328545	766174343	816502888
	Less:Inter- Segment Sales	---	(31690939)	(31690939)	---	---	---
	Total Revenue	71878802	815229166	887107968	50328545	766174343	816502888
2	Results						
	Segment results before Interest	19215590	38400419	57616009	8876074	19296340	28172414
	Interest	(736064)	(9396652)	(10132716)	(609371)	(10012529)	(10621900)
	Unallocable Expenses	---	---	(13117409)	---	---	(4064394)
	Other Income	564234	7058688	7622922	3867640	13335060	17202700
	Unallocable Income	---	---	22334226	---	---	---
	Profit after Interest	19043760	36062455	64323032	12134343	22618871	30688820
	Extraordinary Items	---	---	---	---	---	---
	Current Tax (including FBT)	---	---	10900000	---	---	3500000
	Deferred Tax	---	---	8308000	---	---	5711000
	Net Profit after Tax	---	---	45115032	---	---	21477820
3	Other Information						
	Segment Assets	74168159	668777239	742945398	55732303	545518562	601250865
	Unallocable Assets	---	---	81573809	---	---	79799046
	Segment Liabilities	33768571	408475522	442244093	23030779	283111825	306142604
	Unallocable Liabilities	---	---	96764858	---	---	83078869
	Capital Expenditure Including CWIP	18461244	30339915	48801159	10228601	1211196	11439797
	Depreciation	4621338	26265016	30886355	3526941	23767435	27294376
	Unallocable Depreciation	---	---	3528887	---	---	373521
II	GEOGRAPHICAL SEGMENT						
	Revenue						
	India	56269463	747822291	804091754	36513613	630833455	667347068
	Outside India	15609339	67406875	83016214	13814932	135340888	149155820

Note:

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

18. Based on review carried out as on 31.03.2010, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".

19. Sundry Debtors include Rs.10668628/- due from companies and firms in which directors of the company are directors or partners.

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

Signatures to Schedules: - :1:to:19:

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

S/d-
(B. M. JAIN)
Partner.
M.No.: 34943
AHMEDABAD: 30th May 2010

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
ANAND J. PAREKH
Jt. Managing Director
AHMEDABAD: 30th May 2010

S/d-
RAHUL J. PAREKH
Managing Director

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

S/d-
CHANDRESH B. PANDYA
Company Secretary

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

I.	Registration Details Registration No.: State Code : Balance sheet date	04-16327 04 31 March, 2010
II.	Capital Raised during the year Public Issue Right Issue Bonus Issue Private Placement Alloted to Shareholders of Amalgamated Company	(Amount Rs.in Thousands) NIL NIL NIL NIL NIL
III.	Position of Mobilisation and <u>Deployment of Funds</u> Total Liabilities Total Assets Sources of Funds Paid-up Capital Equity Share Warrants Reserves and Surplus Secured Loans Unsecured Loans Deferred Tax Liability Application of Funds Net Fixed Assets Investment Net Current Assets Misc.Expenditure Accumulated Losses	605032 605032 88203 0 246109 186927 52063 31730 474569 454 124460 5549 ---
IV.	<u>Performance of Company</u> Turnover & Other Incomes Total Expenditure Profit Before Tax Profit After Tax Earning per Share in Rs. Dividend Rate %	905992 837975 68017 45115 5.11 5%
V.	Generic Names of Three Principal Products/Services of Company (as per monetary terms) Item Code No. (ITC Code) Product Description : Item Code No. (ITC Code) Product Description : Item Code No. (ITC Code) Product Description :	59111000 Textile Fabrics, Felt and Felt-Lined Woven Fabrics coated, covered or laminated with Rubber, Leather or Other Material of a Kind used for Card Clothing and Similar Fabrics of a kind for other Technical purposes 59069920, 59069990 Rubberised Textile Fabrics falling within the above code numbers 5208, 5209, 5210, 5211, 5212 Textile-Unbleached woven fabrics and bleached dyed, printed and processed fabrics falling under various sub-codes within the above code numbers

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAHUL J. PAREKH
Managing Director

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

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

S/d-
CHANDRESH B. PANDYA
Company Secretary

AHMEDABAD: 30th May 2010

MAHALAXMI RUBTECH LIMITED.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2010.

		(Rs. in Lakhs)	
		Inflow/(Outflow)	
		2009-10	2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit before tax and extraordinary items		643.23	306.89
Adjustment for :			
Depreciation		344.15	276.68
Interest Paid		159.67	106.22
Dividend Received		---	---
Deferred Revenue Expenses written off		17.13	9.64
Liabilities written back		(5.68)	(5.66)
Share Warrants Forfeited		(94.80)	---
Profit on sale of investment		(17.80)	(0.35)
Loss on sale of Fixed Assets		9.38	10.26
Bad Debts written off		---	0.27
 OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		 1055.28	 703.95
Adjustment for :			
Trade & Other Receivables		(1393.75)	(983.97)
Inventories		(12.13)	(765.15)
Trade Creditors & Other Payables		847.30	1418.83
 CASH GENERATED FROM OPERATIONS		 496.70	 373.66
Income Tax Paid		(29.49)	(47.40)
Interest Paid		(159.67)	106.22
 CASH FLOW BEFORE EXTRAORDINARY ITEMS		 307.54	 220.04
Deferred Revenue Expenses		(24.54)	(45.35)
 NET CASH FROM OPERATING ACTIVITIES		 283.00	 174.69
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of Fixed Assets		(754.21)	(1048.03)
Sale of Fixed Assets		20.41	17.10
Sale of Investments		23.50	31.81
Purchase of Investments		(3.77)	(3.62)
Dividend Received		---	---
 NET CASH USED IN INVESTING ACTIVITIES		 (714.07)	 (1002.74)
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Proceed from long term Borrowings		254.07	688.07
Working Capital Finance		193.68	175.37
 NET CASH SURPLUS IN FINANCING ACTIVITIES		 447.75	 863.44
D. NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS		16.68	34.96
E. Cash and cash equivalent as at 1st April,2009		46.60	11.70
F. Cash and cash equivalent as at 31st March,2010.		63.28	46.60

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

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
(B. M. JAIN)
Partner.
M.No.: 34943
AHMEDABAD: 30th May 2010

S/d-
ANAND J. PAREKH
Jt. Managing Director
AHMEDABAD: 30th May 2010

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

S/d-
CHANDRESH B. PANDYA
Company Secretary



MAHALAXMI RUBTECH LIMITED

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

PROXY FORM

I/We _____ of _____
being a member/member of the above named Company, hereby appoint
_____ of _____
of failing him _____ of _____
as my/our Proxy in my/our absence to attend and vote for me/us my/our behalf at the 19th Annual
General meeting of the Company to be held at Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road,
Ellisbridge, Ahmedabad-380006
on 29th September 2010, at 12-30 p.m. and at any adjournment thereof.
Signature at _____ (Place) this _____ day of _____ 2010
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 19th Annual General Meeting of the Company to be held on 29th
September, 2010

Signature of Member / Proxy

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

Book - Post



To,



If undelivered please return to:



MAHALAXMI RUBTECH LIMITED

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