



MAHALAXMI RUBTECH LIMITED

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

Ref: MRT/CS/Correspondence/2016-17/29

Date: 6th October, 2016

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

Company Code: 514450

Dear Sir / Madam,

Sub.: Submission of Annual Report of the Company for the year ended on 31st March, 2016 under Regulation 34 of SEBI (LODR) Regulation, 2015

Please find attached herewith Annual Report of the Company for the year ended on 31st March, 2016, in pursuance of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 duly approved and adopted in the Annual General Meeting of the Company held at Lions Hall, Near Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad - 380006 on Thursday the 29th Day of September, 2016 at 11.30 a.m.

Kindly take the same on record and oblige.

Thanking You,

Yours Faithfully,

For, Mahalaxmi Rubtech Limited

Shailesh Koshti
Company Secretary



Encl.: Annual Report of the Company for the year ended on 31st March. 2016.

CORPORATE OFFICE:

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

WORKS:

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

REGD. OFFICE:

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

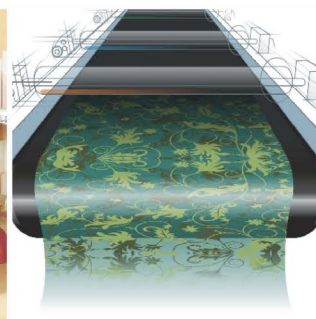
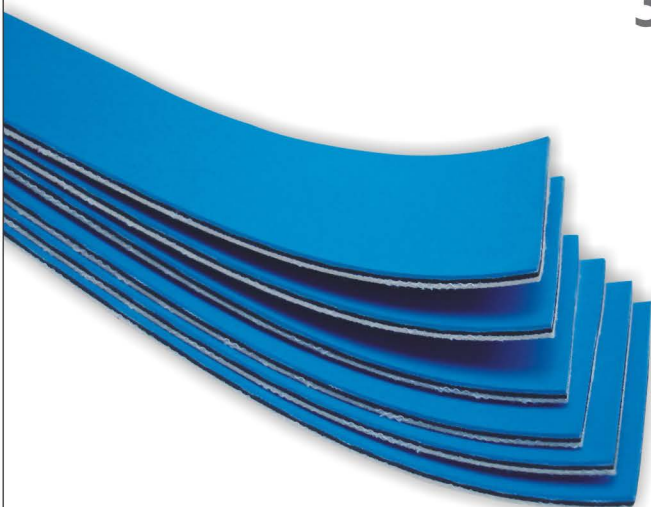


MAHALAXMI RUBTECH LIMITED

25th ANNUAL REPORT

2016

31st March





MAHALAXMI RUBTECH LIMITED

CIN : L25190GJ1991PLC016327

BOARD OF DIRECTORS

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

GROUP PRESIDENT & CFO

SHRI RAJENDRA R. MEHTA

COMPLIANCE OFFICER

SHRI SHAILESH P. KOSHTI
(COMPANY SECRETARY)

STATUTORY AUDITORS

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

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

FACTORY

UMA INDUSTRIAL ESTATE, PHASE III,
VASNA (IYAVA) SANAND, DIST: AHMEDABAD

MAHALAXMI FABRIC MILLS
(A UNIT OF MAHALAXMI RUBTECH LTD.) ISANPUR ROAD,
NEAR NAROL CHAR RASTA, NAROL,
AHMEDABAD - 382 405

REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
C-13, PANNALAL SILK MILLS COMPOUND
L.B.S. MARG, BHANDUP (WEST)
MUMBAI - 400 078
Email - dematremat@linkintime.co.in

CIN: L25190GJ1991PLC016327Regd. office: 47, New Cloth Market, Ahmedabad – 380002, Gujarat. Web: www.mrtglobal.com, Ph.: 079 4000 8000 Fax: 079 4000 8030E-mail: cs@mahalaxmigroup.net**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of “Mahalaxmi Rubtech Limited” will be held at “Lions Hall”, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad- 380 006 on Thursday, September 29, 2016 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and if approved, adopt the Audited Balance Sheet as at March 31, 2016 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Rahul Jeetmal Parekh (DIN: 00500328), who retire by rotation at this AGM and being eligible offers himself for re-appointment.

3. TO APPOINT STATUTORY AUDITORS OF THE COMPANY AND FIX THEIR REMUNERATION

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

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Bhanwar Jain & Co, Chartered Accountants, Firm Registration No 117340W, be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM at such remuneration plus applicable service tax and out of pocket expenses incurred by them for the purpose of audit of the company as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:**4. To APPOINT MRS. SANGITA SINGHI (DIN 06999605) AS AN INDEPENDENT DIRECTOR**

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

“RESOLVED THAT pursuant to the provisions of section 149, 152, Schedule VI and other applicable provisions of the Companies Act, 2013 and the rule made thereunder, Smt. Sangita Singhi (DIN:06999605), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 31, 2016 and who hold the office till the date of the AGM, in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received the notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Smt. Sangita S. Singhi as a candidate for the office of a Director of a Company, be and is hereby appointed as an independent director of the Company to hold office for a period of 5 (five) consecutive years, up to conclusion of 30th AGM of the Company, not liable to retire by rotation.

RESOLVED FURTHER that board of directors of the company be and is hereby authorized to do all such acts and take such actions as may be necessary, expedient and proper to give effect to this resolution.”

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

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Dalwadi & Associates, Cost Accountants (Firm Registration Number - 000338), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017 at the remuneration of ₹ 70,000/- (Rupees Seventy Thousand Only) plus service tax and out of pocket expenses, if any, incurred during the course of above audit.”

6. TO CONSIDER REVISION IN REMUNERATION OF MR. RAHUL J. PAREKH, MANAGING DIRECTOR.

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

“RESOLVED that in partial modification of resolution passed at the twenty-first Annual General Meeting of the Company held on September 28, 2012 and subject to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Schedule V to the Act and the Rules made thereunder(including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded for increase in the remuneration of Mr. Rahul J. Parekh (DIN: 00500328) as Managing Director of the Company, by way of change in the existing remuneration payable to Mr. Rahul J. Parekh with effect from April 1, 2016 for the remaining tenure of his office, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and / or as approved by the Central Government or such other competent authority.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managing Director, the above remuneration excluding commission amount payable on profits

earned as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any required.

RESOLVED FURTHER that the Board and the Company Secretary be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

7. TO CONSIDER REVISION IN REMUNERATION OF MR. ANAND J. PAREKH, JOINT MANAGING DIRECTOR.

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

"RESOLVED that in partial modification of resolution passed at the twenty-first Annual General Meeting of the Company held on September 28, 2013 and subject to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with Schedule V to the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded for increase in the remuneration of Mr. Anand J. Parekh (DIN: 00500384) as Joint Managing Director of the Company, by way of change in the existing remuneration payable to Mr. Anand J. Parekh with effect from April 1, 2016 for the remaining tenure of his office, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and / or as approved by the Central Government or such other competent authority.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Joint Managing Director, the above remuneration excluding commission amount payable on profits earned as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER that the Board and the Company Secretary be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

8. TO CONSIDER THE RELATED PARTY TRANSACTIONS

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

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules Under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (Including any amendment, modification or re-enactment thereof), and pursuant to the consent of the Audit Committee and the Board of Directors vide resolution passed in their respective meetings held on 27th May, 2016, the consent of the members of the Company be and is hereby accorded to the proposed transactions between the Company and related entities Mahalaxmi Calchem Private Limited, Anand Chem Industries Private Limited, Mahalaxmi Exports, Shah Jeetmal Champalal and Rahul Textile for entering into contract or arrangement with the related parties as defined under the Act and the Rules made thereunder, as per details and on terms & conditions as set out in the Explanatory Statement annexed to this Notice.

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

9. APPROVAL FOR KEEPING AND MAINTAINING THE REGISTERS, RETURNS ETC. AT A PLACE OTHER THAN THE REGISTERED OFFICE OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 94, other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register and Index of Members, and copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Corporate Office of the Company viz. 'YSL Avenue', Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380015, or its any other office or place within the Ahmedabad city, instead of the Registered Office of the Company.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.

RESOLVED FURTHER THAT the Registers, Indices, Returns, Books, Certificates and Documents of the Company required to be maintained and kept open for inspection by the Members and/or any person entitled thereto under the Act, be kept open for inspection, at the place where they are kept, to the extent, in the manner and on payment of the fees, if any, specified in the Act between the working hours on any working day (excluding Saturday) and except when the registers and books are closed under the provisions of the Act or the Articles of Association of the Company."

By order of the Board of Directors
For **Mahalaxmi Rubtech Limited**
Shailesh P. Koshti
(Company Secretary)

Place: Ahmedabad
Date: August 10, 2016

NOTES

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him / her and the proxy need not be a member of the Company.
A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed, not less than 48 hours before the commencement of meeting. A proxy form is sent herewith.
2. The Register of Members and Transfer Book of the Company will remain closed from Friday the 23rd day of September, 2016 to Thursday the 29th day of September, 2016 (both days inclusive) for the purpose of 25th Annual General Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of this Notice.
4. Members are reminded to send their dividend warrants, which have not been encashed, to the Company for revalidation. As per the provisions of the Section 124(6) of the Companies Act, 2013, unclaimed dividend is liable to be transferred to the Investor Education and Protection Fund of the Central Government after the expiry of seven years from the date they become due for payment. As per the Section 124 of the Companies Act, 2013, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF). Accordingly unpaid dividend for the FY 2007-08 has also been transferred to the IEPF.
5. Electronic copy of the Annual Report for FY 2015-16 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purpose unless any member has requested for a Physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2015-16 are being sent through the permitted mode. Members may also note that the Notice of 25th Annual General Meeting and Annual Report for 2015-16 will also be available on the Company's website www.mrtglobal.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office and Administrative Office in Ahmedabad.
6. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, Power of Attorney, change of address/name, Income Tax Permanent Account Number (PAN) etc. to their Depository Participant only. Changes intimated to the Depository Participants will be automatically reflected on the Company's record which will help the Company and its Registrar and Transfer Agent to provide efficient & better services.
Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA Link Intime India Private Limited. In respect with shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
7. Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company, at least one week before the date of the Meeting, Replies will be provided in respect of such queries received in writing, only at the Meeting.
8. A Member or his Proxy is required to bring a copy of the Annual Report to the Meeting as extra copies will not be distributed.
9. Members/ Proxies should bring the Attendance Slip sent herewith duly filled in and Photo ID proof for attending the Meeting.
10. The Company had on September 23, 2010, sub-divided each Equity Share of the face value of ₹ 10/- each into ten Equity Shares of the face value of ₹ 1/- each. Subsequently, on November 6, 2015, the Company has consolidated 10 Equity Share of the face value of ₹ 1/- each into 1 Equity Shares of the face value of ₹ 10/- each. The Company has in the past sent reminders to those Shareholders who have not claimed new certificates for consolidated Shares of the face value of ₹ 10/- each. Shareholders who have not so far surrendered their old certificates in exchange for new certificates for consolidated Shares of the face value of ₹ 10/- each, are requested to do so immediately.
11. In compliance with the Security and Exchange Board of India (SEBI) circular dated 7th January, 2010 it is mandatory for Members holding shares in Physical form to furnish a copy of PAN in the following cases (a) Deletion of name of deceased shareholders(s), where the shares are held in the name of two or more shareholders (b) Transmission of shares to the legal heir(s), where the deceased shareholder was the sole holder of shares (c) Transposition of shares when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
12. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 25th Annual General Meeting (AGM). The business shall be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).
The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 25th Annual General Meeting. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
- A. **The instructions for members for voting electronically are as under:-In case of members receiving e-mail:**
 - (i) The voting period begins on 26th September, 2016 at 10:00 a.m. and ends on 28th September, 2016 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off

date (record date) of 22nd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

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

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- B. Please follow all steps from Sl. No. (ii) to (xix) to cast vote in case of members receiving the physical copy of Notice of Annual General Meeting [for members whose e-mail IDs are not registered with the Company / Depository Participant[s] or requesting physical copy].
- C. Results declared along with scrutinizer's report shall be communicated to BSE thereafter placed on website of the Company. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The e-voting module shall be disabled by CDSL for voting thereafter.
- D. Hudda & Associates Company Secretaries LLP, Mr. Bunty Hudda (Partner) (Membership No.: A31507 and CP No.: 11560) Address : E-812, Titanium City Center, Nr. IOC Petrol Pump, Anandnagar-Prahladnagar Road, Satellite, Ahmedabad – 380015 has been appointed as scrutinizer to scrutinize e-voting process.
- E. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than forty eight hours from the conclusion of meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mrtglobal.com and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.
- F. The Resolution shall deemed to be passed on the date of Annual General Meeting. Subject to Receipt of requisite number of votes.
- G. The voting right of shareholder shall be in proportion to their share of the paid up share capital of the company.
- H. Pursuant to Regulation 6 of SEBI (LODR) Regulation, 2015, the Company has created an exclusive E-mail. ID: cs@mahalaxmigroup.net for quick redressal of shareholders/investors grievances.
13. THE COMPANY IS HAVING DEPOSITORY ARRANGEMENT WITH NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL), AND CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL) TO FACILITATE THE SHAREHOLDERS TO HOLD AND TRADE COMPANY'S EQUITY SHARES IN ELECTRONIC FORM. INTERESTED SHAREHOLDERS CAN AVAIL THIS FACILITY BY OPENING A BENEFICIARY ACCOUNT WITH DEPOSITORY PARTICIPANTS. FOR MORE DETAILS SHAREHOLDERS MAY CONTACT THE COMPANY'S DEPOSITORY TRANSFER AGENTS FOR NSDL AND CDSL, LINK INTIME INDIA PRIVATE LIMITED C-13, PANNALAL SILK MILLS COMPOUND, L.B.S. MARG, BHANDUP (WEST), MUMBAI - 400 078.

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

Place: Ahmedabad
Date: August 10, 2016

Shailesh P. Koshti
(Company Secretary)

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

Item No. 4:

The Board of Director at its meeting held on March 31, 2016 appointed Smt. Sangita S. Singhi as an Additional Director of the Company with effect from March 31, 2016, pursuant to section 161 of the Companies Act, 2013 read with article 77 of the Article of Association of the Company.

Pursuant to the provisions of the section 161 of the Companies Act, 2013, Smt. Sangita Singhi will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provision of section 160 of the Companies Act, 2013 from a member along with a deposit of ₹ 1 Lac proposing the candidature of Smt. Sangita Singhi for the office of Independent Director to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

The Company has received from Mrs. Sangita Singhi, (i) consent in writing to act as director form DIR-2, pursuant to Rule 8 of Companies (Appointment and Qualification of Director) Rule, 2014, (ii) intimation in DIR 8 in terms of Companies (Appointment & Qualification of Director) Rule 2014, to the effect that she is not disqualified under Sub-section (2) of section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The Resolution seeks approval of the members for the appointment of Mr. Sangita Singhi as an independent director of the Company for a period of 5 (five) consecutive years, up to conclusion of 30th AGM of the Company, pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She will not be liable to retire by rotation.

In the Opinion of the Board, Mrs. Sangita Singhi, the Independent Director proposed to be appointed, fulfill the conditions specified in the Companies Act, 2013 and Rules made thereunder and she is independent of the Management. The terms and conditions for appointment of Mrs. Sangita Singhi as an Independent Director of the Company shall be open for inspection by the members at the administrative / corporate office during normal business hours on any working day, excluding Saturday up to the date of AGM of the Company. Brief resume and other details of Ms. Sangita Singhi whose appointment is proposed are provided in the annexure to the Notice attached herewith.

No Director, Key Managerial Personnel or any of their relatives, except Mrs. Sangita Singhi, to whom the resolution relates, are interested or concerned in the above resolution.

The Shareholders' approval is solicited for the resolution at Item No. 4 of the accompanying Notice.

Item No. 5:

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment of Messrs. Dalwadi & Associates, Ahmedabad, to conduct the audit of the cost records of the Company for the Financial Year 2016-17.

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

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

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 5 of the Notice, save and except as shareholder and to the extent of their shareholding in the Company.

The Shareholders' approval is solicited for the resolution at Item No. 5 of the accompanying Notice.

Item No. 6 & 7:

The Board of Directors in its meeting held on May 27, 2016 recommended by Nomination and Remuneration Committee, approved the payment of remuneration of ₹ 18,00,000/- plus perquisites as specified, per annum individually, to Mr. Rahul J. Parekh (DIN: 00500328) as Managing Director and Mr. Anand J. Parekh (DIN: 00500384), as Joint Managing Director of the Company, with effect from April 1, 2016, for the remaining tenure of their office, subject to the approval of the shareholders in the General Meeting.

Disclosure as required under Schedule XIII of the Companies Act, 1956 and Schedule V to the Companies Act, 2013 is given hereunder and Annexure to this Notice.

Mr. Rahul J. Parekh and Mr. Anand J. Parekh are the Promoter Directors of the Company. Mr. Rahul J. Parekh was first appointed on the Board of the Company in 1995 and Mr. Anand J. Parekh was first appointed on the Board on 2008. They are considered as a pioneer of expose MRT to export multiple products and business in diverse markets and environment. The remuneration was approved by the Board based on industry standards, responsibilities handled by the Managing Director and Joint Managing Director of the Company.

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

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

No other Director, Key Managerial Personnel, or their respective relatives except Mr. Jeetmal B. Parekh, Chairman, Mr. Rahul J. Parekh, Managing Director, Mr. Anand J. Parekh, Jt. Managing Director and their respective relatives, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 6 & 7 of the Notice, save and except as shareholder and to the extent of their shareholding in the Company.

The Shareholders' approval is solicited for the resolutions at Item No. 6 & 7 of the accompanying Notice.

Item No. 8:

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

The Audit Committee and Board of Directors of the Company, at its meeting held on 27th May, 2016 has approved a proposal for entering into related party transactions with the related entities Mahalaxmi Calchem Private Limited, Anand Chem Industries Private Limited, Mahalaxmi Exports, Shah Jeetmal Champalal and Rahul Textile (mentioned in resolution No. 8), in which Directors or relatives of Directors or other related persons are interested. The nature of transactions, amount of transactions and other related information as envisaged under Companies (Meeting of Board and its powers) Rules, 2014 are furnished in below mentioned table.

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

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

No other Director, Key Managerial Personnel, or their respective relatives except Mr. Jeetmal B. Parekh, Chairman, Mr. Rahul J. Parekh, Managing Director, Mr. Anand J. Parekh, Jt. Managing Director, Mr. Rajendra R. Mehta, Chief Financial Officer and their respective relatives, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 8 of the Notice, save and except as shareholder and to the extent of their shareholding in the Company.

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

Item No. 9:

As required under the provisions of Section 94 the Companies Act, 2013, certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the Registered Office of the Company. However, these documents can be kept at any other place within the city, town or village in which the Registered Office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping and maintaining the afore-mentioned registers and documents at the Corporate Office of the Company viz. 'YSL Avenue', Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380015, or any other its office or place within the Ahmedabad city, instead of the Registered Office of the Company.

A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Gujarat, Ahmedabad, as required under the said Section 94 (1) of the Companies Act, 2013.

The Special Resolution also specifies the time of inspection of the books and documents of the Company by its Members, namely, during the working hours on any working day (excluding Saturday) and except when the registers and the books are closed under the provisions of the Act or Articles of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution set out in Item No. 9 of this Notice, save and except as shareholder and to the extent of their shareholding in the Company.

The Shareholders' approval is solicited for the resolutions at Item No. 9 of the accompanying Notice.

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE 25TH ANNUAL GENERAL MEETING OF THE COMPANY

| | | |
|---|---|---|
| Name of the Director | Mr. Rahul J. Parekh | Mrs. Sangita S. Singhi |
| Director Identification Number (DIN) | 00500328 | 06999605 |
| Date of birth | 27/04/1972 | 05/08/1970 |
| Date of appointment | 05/07/1995 | 31/03/2016 |
| Qualification | MBA from USA | Bachelor of Commerce |
| Experience & Expertise in specific functional area | He is second generation entrepreneur and joined MRT in 1995 on the Board of the Company and was responsible for Company's diversification into other categories of business. He has experience in corporate finance, production, marketing and secretarial matters. He is responsible for MRT's strategic financial matters, including corporate finance, corporate strategy, business development, risk management and overall affairs of the Company. Presently he is Managing Director of the Company. | She has a wide experience in Business Administration, Finance, Project Finance, Stock Broking and Mortgage Finance. She is also involved in the various assignments of project finance and stock broking advisor. |
| Shareholding in the Company as on 31.03.2016 | 851119 equity shares of ₹ 10/- each | Nil |
| Relationship with other Directors and KMPs of the Company | Son of Mr. Jeetmal B. Parekh (Chairman) Brother of Mr. Anand J. Parekh (Jt. Managing Director) | N.A. |
| List of companies* in which outside directorship held | 1. Mahalaxmi Calchem Private Limited 2. Sonnet Colours Private Limited 3. Rahul Calchem Private Limited 4. Heena Agriculture Private Limited 5. Ashita Mercantile Private Limited 6. Rainbow Exports Private Limited | 1. Ahmedabadcity Com India Limited 2. Mudra Finvest (Gujarat) Limited |
| Chairman/Member of the Committee* of Board of Directors of other Indian public companies | Nil | Nil |

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

DIRECTORS' REPORT

**TO
THE MEMBERS,**

Your Directors have pleasure in presenting herewith the Directors' Report, along with the Audited Statement of Accounts for the year ended 31st March, 2016.

FINANCIAL RESULTS:

| Particulars | For the year ended 31.03.2016 (₹ in Lacs) | For the year ended 31.03.2015 (₹ in Lacs) |
|---------------------------------------|---|---|
| Income from Operations & Other Income | 16941.44 | 14591.44 |
| Profit before Depreciation | 1209.93 | 1101.39 |
| Less: Depreciation | 738.31 | 665.62 |
| Profit before Tax | 471.62 | 435.77 |
| Less: Provision for Tax | 189.27 | 165.09 |
| Less: Provision for deferred Tax | (25.68) | (20.54) |
| Profit after Tax | 308.03 | 291.22 |

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2016 was ₹ 8,82,02,750/-. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company. The Company has consolidated its face value of equity share in such a manner that 10 existing equity share of face value of ₹ 1/- each were consolidated in 1 share of face value of ₹ 10/- each during the year results in reduction in the number of shares in the capital but issue, subscribed and paid up capital will not change and for the purpose of consolidation the record date was fixed on November 6 2015. Accordingly all the figures in the annexure to this report for previous years are as per face value of ₹ 1/- each and current year figures are as per face value of ₹ 10/- each.

OPERATION AND REVIEW AND STATES OF COMPANIES AFFAIRS:

The Company continues to see marginal growth with its overall performance in the financial year 2015-16 driven by the average performance in existing and new business.

The total income of the company increased to ₹ 16941.44 lacs from ₹ 14591.44 lacs in the previous year, at a rate of 16.11 %. The Profit before Tax amounted to ₹ 471.62 lacs as against ₹ 435.77 lacs in the previous year. The net profit after tax was increased to ₹ 308.03 lacs as against ₹ 291.22 lacs in the previous year.

DIVIDEND:

Board of Directors has not recommended any dividend for the Financial Year 2015-16.

FIXED DEPOSITS:

The company has not invited / accepted any deposits from public within the meaning of provisions of section 73 and 76 of the Companies Act, 2013 and the rules framed there under and the directives issued by the Reserve Bank of India.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

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

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) and Schedule V of the Listing Obligation and Disclosure Requirement, Regulation, 2015 is appended to this Report.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

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

MEETINGS OF THE BOARD AND ITS COMMITTEE

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

DIRECTORS:

Resignation from Director

Smt. Bhavana N. Parikh, (DIN: 07136900) an independent director submitted his resignation to the Board on March 17, 2016 due to pre-occupancy. The same was accepted by the Board in its meeting held on March 31, 2016. The Board hereby places on record its sincerest thanks and gratitude for the invaluable contribution made by Smt. Bhavana N. Parikh towards the growth and development of the company during his tenure as an Independent Director.

Confirmation of Appointment

Pursuant to provisions of the section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, and in compliance of regulation 17(1)(a) of the Listing Obligation and Disclosure Requirement, Regulation 2015 (from hereafter called as “**Listing Regulations**”), Smt. Sangita Sandeep Singhi (DIN: 06999605) is appointed as Additional Director – Woman Director, Category – Independent, on March 31, 2016 in place of Smt. Bhavana Parikh who was resigned from the Board during the year and she shall hold office only up to the date of Annual General Meeting and being eligible offer herself re-appointed as Director.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri Rahul J. Parekh, liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Governance Guidelines:

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

Procedure for Nomination and Appointment of Directors:

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

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

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

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

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

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

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

Board Evaluation

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

Remuneration Policy

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

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

DIRECTORS RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

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

- a. in the preparation of the annual accounts for the year ended on March 31, 2016, the applicable accounting standards have been followed and there are no material departures from the same;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2016 and of the profit of the Company for the year ended on March 31, 2016;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared annual accounts on a going concern basis.
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

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

AUDITORS:

At the Annual General Meeting (AGM) of the Company held last year, pursuant to the provisions of the Act and the Rules made there under, M/s. Bhanwar Jain & Co., Chartered Accountants, Ahmedabad, who are Statutory Auditors of the Company hold office up to the forthcoming Annual General Meeting are recommended for re-appointment for the Financial Year 2016-17 subject to approval of the Shareholder's of the Company at the AGM to be held in 2016. As required under the provision of Section 139 of the Companies Act, 2013 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 Act.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

The Company has appointed M/s. Dalwadi & Associate, Cost Accountants, Ahmedabad (Firm Registration No. 000338) as the Cost Auditors of the Company for audit of cost accounting records for the financial year ended 31st March, 2016. Further, the Company maintains the cost records; however the Company was not fall under the criteria for Cost Audit for the year ended on 31st March, 2015. The Board of Directors has, on recommendation of the Audit Committee, at its meeting held on 27th May, 2016 appointed M/s. Dalwadi & Associates, as the Cost Auditor of the Company for audit of cost accounting records for the financial year 2016-17 and has also fixed their remuneration. In terms of Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules, 2014, it is proposed by the Board to recommend the remuneration approved in its meeting, for ratification by the shareholders in the ensuing Annual General Meeting of the Company.

The Board has appointed M/s. Hudda & Associates Company Secretaries LLP, (M. No.A31507 and CP No. 11560) to conduct Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure - II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

AUDIT OBSERVATIONS

There is no qualification, reservation or adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the financial year ended on 31st March, 2016.

KEY MANAGERIAL PERSONNEL

Pursuant to section 203 of the Companies Act, 2013, your company had appointed its Key Managerial Personnel viz., Shri Rahul J. Parekh, Managing Director, Shri Anand J. Parekh, Jt. Managing Director, Shri Rajendra R. Mehta, Chief Financial Officer and Shri

Shailesh Koshti as Company Secretary and Key Managerial Personnel. No change occurred in the Key Managerial Personnel of the Company during the financial year 2015-16.

VIGIL MECHANISM

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

INSURANCE:

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

COMPULSORY TRADING IN DEMAT:

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

EMPLOYEES:

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

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

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

LISTING:

The Securities of your company are listed with the BSE Limited, and pursuant to Regulation 14 of Listing Regulation, the Annual Listing fees for the year 2016-17 have been paid within due date. The bill for annual custodian fees to NSDL & CDSL is been paid by the Company for the Securities of the Company held in dematerialized mode with them for year 2016-17.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has not crossed the threshold limit to implement CSR, hence not applicable to the Company during the year under report.

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

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

The Company has not received any complaint of sexual harassment during the financial year 2015-16.

EXTRACT OF ANNUAL RETURN

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

SUBSIDIARY COMPANIES

Your Company does not have any subsidiary company during the year; hence consolidation of financial data of the subsidiary company is also not applicable to the Company for the financial year 2015-16.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

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

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

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

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

CHANGE IN REGISTRAR AND SHARE TRANSFER AGENT

As per SEBI vide its order no. WTM/RKA/MIRSD2/41/2016 dated 22nd March, 2016, has passed an interim order against the Company's previous Registrar and Share Transfer Agents (R&TA), M/s. Sharepro Services (India) Pvt. Ltd. ("Sharepro") inter alia require to appoint new R&TA within 6 months from the date of said order. Your company had complied with the requirement and had appointed M/s Link Intime India Private Limited as new R&TA from 21st June, 2016 as directed by Securities and Exchange Board of India (SEBI).

ENVIRONMENT

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

GENERAL

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

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

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

APPRECIATION:

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

The Directors also 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 on behalf of the Board
Mahalaxmi Rubtech Limited

Jeetmal B. Parekh
(Chairman)

Place: Ahmedabad
Date: May 27, 2016

ANNEXURES TO DIRECTORS' REPORT
ANNEXURE – I TO THE DIRECTORS' REPORT

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

1. CONSERVATION OF ENERGY

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

FORM 'A'

| (a) Power and Fuel Consumption | 2015-16 | 2014-15 |
|--------------------------------|-----------|-----------|
| 1. Electricity | | |
| (a) Purchased: | | |
| Units | 9124136 | 8682733 |
| Amount ₹ | 77476469 | 67865153 |
| (b) Own Generation: | | |
| (i) Through Diesel: | | |
| Units | 2800 | 8400 |
| Amount ₹ | 41232 | 146624 |
| (ii) Through Windmill | | |
| Units | 2106491 | 2317591 |
| 2. Fuel | | |
| Waste Wood | | |
| Tonnes | 38603 | 28620 |
| Amount ₹ | 147681132 | 104974788 |
| Steam Coal | | |
| Tonnes | 21807 | 26891 |
| Amount ₹ | 97815534 | 122770955 |

(b) Consumption per unit of production

It is not possible to ascertain the same as company is having different process for different kind of production.

2. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION:

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

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange earnings ₹ 19.35 Crore

Foreign exchange outgo ₹ 4.74 Crore

ANNEXURE – II TO THE DIRECTORS' REPORT**Form No. MR – 3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015****[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Mahalaxmi Rubtech Limited ("the Company") for the financial year ended on 31 March 2016 according to the provisions of:

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

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

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

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

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

I further report that, The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the

period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the audit period the company has passed one special resolution for increase in borrowing limited under section 180(1)(c) of the Companies Act, 2013 which is having major bearing on the Companies affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

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

Place: Ahmedabad
Date: May 20, 2016

ACS No. 31507
C P No: 11560

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

‘Annexure A’

To,
The Members
Mahalaxmi Rubtech Limited

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

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

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

Place: Ahmedabad
Date: May 20, 2016

ACS No. 31507
C P No: 11560

ANNEXURE – III TO THE DIRECTORS' REPORT
Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|--|
| i) | CIN:- | L25190GJ1991PLC016327 |
| ii) | Registration Date | 25-09-1991 |
| iii) | Name of the Company | Mahalaxmi Rubtech Limited |
| iv) | Category / Sub-Category of the Company | Limited by Shares / Public Company |
| v) | Address of the Registered office and contact details | 47 New Cloth Market O/S Raipura Gate, Ahmedabad – 380002 Tel.: +91-79-26582552/26585864 Fax: +91-79-26583552 |
| vi) | Whether listed company | Yes / No (BSE Limited) |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai 400 078 Tel.: 022-25946970 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1. | Weaving of Textile and Finishing of Textile | 131 | 93.66% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| S. No. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/AS SOCIATE | % of shares held | Applicable Section |
|--------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| 1. | N.A. | N.A. | N.A. | N.A. | N.A. |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

| Category of Shareholders | | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------|---|---|----------------|-----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A | Promoters | | | | | | | | | |
| (1) | Indian | | | | | | | | | |
| a) | Individual/ HUF | 41857130 | 0 | 41857130 | 47.46 | 4211246 | 0 | 4211246 | 47.74 | 0.28 |
| b) | Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) | State Govt.(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) | Bodies Corp. | 7528250 | 0 | 7528250 | 8.53 | 823977 | 0 | 823977 | 9.34 | 0.81 |
| e) | Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) | Any Other.... | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Sub-total (A) (1):- | 49385380 | 0 | 49385380 | 55.99 | 5035223 | 0 | 5035223 | 57.08 | 1.09 |
| (2) | Foreign | | | | | | | | | |
| a) | NRIs - Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) | Other – Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) | Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) | Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) | Any Other.... | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Sub-total (A) (2):- | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 49385380 | 0 | 49385380 | 55.99 | 5035223 | 0 | 5035223 | 57.08 | 1.09 |
| B | Public Shareholding | | | | | | | | | |
| 1 | Institutions | | | | | | | | | |
| a) | Mutual Funds | 79000 | 0 | 79000 | 0.09 | 7900 | 0 | 7900 | 0.09 | 0.00 |
| b) | Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) | Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) | State Govt.(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) | Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) | Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) | FIs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) | Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) | Others | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Sub-total (B)(1):- | 79000 | 0 | 79000 | 0.09 | 7900 | 0 | 7900 | 0.09 | 0.00 |
| 2 | Non- Institutions | | | | | | | | | |
| a) | Bodies Corp. | | | | | | | | | |
| i) | Indian | 8553171 | 41000 | 8594171 | 9.74 | 822823 | 4100 | 826923 | 9.38 | -0.36 |
| ii) | Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) | Individuals | | | | | | | | | |
| i) | Individual shareholders holding nominal share capital upto ₹ 1 lakh | 17610509 | 1352700 | 18963209 | 21.50 | 1757501 | 132045 | 1889546 | 21.42 | -0.08 |
| ii) | Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 10861105 | 0 | 10861105 | 12.31 | 1043043 | 0 | 1043043 | 11.83 | -0.48 |
| c) | Others | | | | | | | | | |
| i) | NRI | 234173 | 46250 | 280423 | 0.32 | 8245 | 4625 | 12870 | 0.15 | -0.17 |
| ii) | Clearing Member | 5462 | 0 | 5462 | 0.01 | 1370 | 0 | 1370 | 0.01 | 0.00 |
| iii) | Trust | 34000 | 0 | 34000 | 0.04 | 3400 | 0 | 3400 | 0.04 | 0.00 |
| | (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Sub-total (B)(2):- | 37298420 | 1439950 | 38738370 | 43.92 | 3636382 | 140770 | 3777152 | 42.83 | -1.09 |
| | Total Public Shareholding (B)=(B)(1)+ (B)(2) | 37377420 | 1439950 | 38817370 | 44.01 | 3644282 | 140770 | 3785052 | 42.92 | -1.09 |
| C | Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Grand Total (A+B+C) | 86762800 | 1439950 | 88202750 | 100.00 | 8679505 | 140770 | 8820275 | 100.00 | 0.00 |

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year |
|---------|--------------------------------|---|----------------------------------|--|--------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Jeetmal B. Parekh & HUF | 9628560 | 10.92 | 0 | 962856 | 10.92 | 0 | 0.00 |
| 2 | Rahul J. Parekh | 8511190 | 9.65 | 0 | 851119 | 9.65 | 0 | 0.00 |
| 3 | Kamlaben J. Parekh | 7565700 | 8.58 | 0 | 756570 | 8.58 | 0 | 0.00 |
| 4 | Anand J. Parekh | 7511220 | 8.52 | 0 | 751122 | 8.52 | 0 | 0.00 |
| 5 | Amita A. Parekh | 3460622 | 3.92 | 0 | 371596 | 4.21 | 0 | 0.29 |
| 6 | Ratna R. Parekh | 3541208 | 4.01 | 0 | 354120 | 4.01 | 0 | 0.00 |
| 7 | Mamta A. Surana | 1592380 | 1.81 | 0 | 159238 | 1.81 | 0 | 0.00 |
| 8 | Rahul Calchem Pvt. Ltd | 2861000 | 3.24 | 0 | 286100 | 3.24 | 0 | 0.00 |
| 9 | Mahalaxmi Calchem Pvt. Ltd | 1700000 | 1.93 | 0 | 233490 | 2.65 | 0 | 0.72 |
| 10 | Heena Agriculture Pvt. Ltd | 948750 | 1.07 | 0 | 94875 | 1.07 | 0 | 0.00 |
| 11 | Anand Chem Industries Pvt. Ltd | 1231000 | 1.40 | 0 | 130762 | 1.48 | 0 | 0.08 |
| 12 | Sonnet Colours Pvt. Ltd | 456250 | 0.52 | 0 | 45625 | 0.52 | 0 | 0.00 |
| 13 | Ashita Mercantile Pvt. Ltd | 331250 | 0.37 | 0 | 33125 | 0.37 | 0 | 0.00 |
| 14 | Atulkumar Jain | 46250 | 0.05 | 0 | 4625 | 0.05 | 0 | 0.00 |
| | TOTAL | 49385380 | 55.99 | 0 | 5035223 | 57.08 | 0 | 1.09 |

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

| Sl. No. | Date | Reason | Shareholding at the beginning of the year | | Cumulative Share holding at the end of the year | |
|---------|-----------|------------------------------|---|----------------------------------|---|----------------------------------|
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| | | At the beginning of the year | 4938537 | 55.99 | 4938537 | 55.99 |
| 1 | 5-Jan-16 | Market Purchase | 10604 | 0.12 | 4949141 | 56.11 |
| 2 | 6-Jan-16 | Market Purchase | 3221 | 0.04 | 4952362 | 56.15 |
| 3 | 7-Jan-16 | Market Purchase | 4010 | 0.05 | 4956372 | 56.20 |
| 4 | 8-Jan-16 | Market Purchase | 3855 | 0.04 | 4960227 | 56.24 |
| 5 | 11-Jan-16 | Market Purchase | 1387 | 0.02 | 4961614 | 56.26 |
| 6 | 12-Jan-16 | Market Purchase | 2130 | 0.02 | 4963744 | 56.28 |
| 7 | 20-Jan-16 | Market Purchase | 1670 | 0.02 | 4965414 | 56.30 |
| 8 | 21-Jan-16 | Market Purchase | 2475 | 0.03 | 4967889 | 56.33 |
| 9 | 18-Feb-16 | Market Purchase | 1062 | 0.01 | 4968951 | 56.34 |
| 10 | 19-Feb-16 | Market Purchase | 559 | 0.01 | 4969510 | 56.35 |
| 11 | 23-Feb-16 | Market Purchase | 1500 | 0.02 | 4971010 | 56.37 |
| 12 | 24-Feb-16 | Market Purchase | 5399 | 0.06 | 4976409 | 56.43 |
| 13 | 29-Feb-16 | Market Purchase | 4574 | 0.05 | 4980983 | 56.48 |
| 14 | 1-Mar-16 | Market Purchase | 3700 | 0.04 | 4984683 | 56.52 |
| 15 | 2-Mar-16 | Market Purchase | 3702 | 0.04 | 4988385 | 56.56 |
| 16 | 3-Mar-16 | Market Purchase | 2848 | 0.03 | 4991233 | 56.59 |
| 17 | 4-Mar-16 | Market Purchase | 8286 | 0.09 | 4999519 | 56.68 |
| 18 | 9-Mar-16 | Market Purchase | 4704 | 0.05 | 5004223 | 56.73 |
| 19 | 10-Mar-16 | Market Purchase | 5466 | 0.06 | 5009689 | 56.79 |
| 20 | 16-Mar-16 | Market Purchase | 1750 | 0.02 | 5011439 | 56.81 |
| 21 | 17-Mar-16 | Market Purchase | 4010 | 0.05 | 5015449 | 56.86 |
| 22 | 18-Mar-16 | Market Purchase | 2255 | 0.03 | 5017704 | 56.89 |
| 23 | 21-Mar-16 | Market Purchase | 9200 | 0.10 | 5026904 | 56.99 |
| 24 | 22-Mar-16 | Market Purchase | 3614 | 0.04 | 5030518 | 57.03 |
| 25 | 23-Mar-16 | Market Purchase | 4705 | 0.05 | 5035223 | 57.08 |
| | | At the End of the year | | | 5035223 | 57.08 |

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

| Sl. No. | Name | Shareholding at the beginning of the year ¹ | | Date | Increase / Decrease in share-holding | Reason | Cumulative Shareholding during the year ² | |
|---------|--|--|----------------------------------|--|---|--|--|--|
| | | No. of Shares | % of total shares of the company | | | | No. of Shares | % of total shares of the company |
| 1 | ENVIRO CONTROL ASSOCIATES (INDIA) PRIVATE LIMITED | 1704550 | 1.93 | 01.04.2015 31.03.2016 | 0 | Nil movement during the year | 170455 | 1.93 |
| 2 | KAMAL KUMAR KESHWANI | 1164738 | 1.32 | 01.04.2015 31.03.2016 | 0 | Nil movement during the year | 116473 | 1.32 |
| 3 | MANAV MERCANTILE PRIVATE LIMITED | 876712 | 0.99 | 01.04.2015 31.03.2016 | 0 | Nil movement during the year | 87671 | 0.99 |
| 4 | KARVY STOCK BROKING LIMITED | 833993 | 0.95 | 01.04.2015 21.08.2015 11.09.2015 23.10.2015 06.11.2015 27.11.2015 07.12.2015 11.12.2015 18.12.2015 08.01.2016 26.02.2016 04.03.2016 11.03.2016 18.03.2016 31.03.2016 | -1050* -2000 150 5096 -25** -506 5 -5 -50 -1 3 -30 -5 | Market sale Market sale Market Purchase Market Purchase Market sale Market sale Market Purchase Market sale Market sale Market sale Market sale Market Purchase Market sale Market sale | 832943 830943 831093 836162 83601 83095 83100 83095 83045 83044 83047 83017 83012 83012 | 0.94 0.94 0.94 0.95 0.95 0.94 0.94 0.94 0.94 0.94 0.94 0.94 0.94 0.94 0.94 |
| 5 | BHAVIK RAJESH KHANDHAR SHARE & STOCK BROKERS PVT.LTD | 700000 | 0.79 | 01.04.2015 31.03.2016 | 0 | Nil movement during the year | 70000 | 0.79 |
| 6 | VAST APPRO COMBINES PRIVATE LTD | 699937 | 0.79 | 01.04.2015 31.03.2016 | 0 | Nil movement during the year | 69993 | 0.79 |
| 7 | ROHIT C SHAH | 693000 | 0.79 | 01.04.2015 31.03.2016 | 0 | Nil movement during the year | 69300 | 0.79 |
| 8 | CHIRAGBHAI YOGESHBHAI SHAH | 692520 | 0.79 | 01.04.2015 08.01.2016 04.03.2016 11.03.2016 18.03.2016 25.03.2016 31.03.2016 31.03.2016 | -10000** -500 -1100 -500 -500 -500 -1300 | Market sale Market sale Market sale Market sale Market sale Market sale Market sale | 59252 58752 57652 57152 56652 55352 55352 | 0.67 0.67 0.65 0.65 0.64 0.63 0.63 |
| 9 | GLOBE FINCAP LIMITED | 562569 | 0.64 | 01.04.2015 06.11.2015 04.12.2015 15.01.2016 31.03.2016 | -18378* -3000** -1989 | Market sale Market sale Market sale | 544191 51419 49430 49430 | 0.62 0.58 0.56 0.56 |
| 10 | ROOPA CHIRAGBHAI SHAH | 513297 | 0.58 | 01.04.2015 18.09.2015 08.01.2016 15.01.2016 29.01.2016 05.02.2016 31.03.2016 31.03.2016 | -5* -2000** -10832 -800 -600 -710 | Market sale Market sale Market sale Market sale Market sale Market sale Market sale | 513292 49329 38497 37697 37097 36387 36387 | 0.58 0.56 0.44 0.43 0.42 0.41 0.41 |
| 11 | LKP FINANCE LIMITED | 471804 | 0.53 | 01.04.2015 31.03.2016 | 0 | Nil movement during the year | 47180 | 0.53 |

1. Shareholding in the beginning is as per face value of ₹ 1/- each fully paid.
 2. Closing Balance as on 31.03.2016 of Cumulative Shareholding during the year is as per face value of ₹ 10/- each fully paid.
- * Face value of ₹ 1/- each.
 **From this face value of ₹ 10/- each.

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Jeetmal B. Parekh & HUF (Chairman) | | | | |
| | At the beginning of the year | 9628560 | 10.92 | 962856 | 10.92 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 9628560 | 10.92 | 962856 | 10.92 |
| 2 | Rahul J. Parekh (Managing Director) | | | | |
| | At the beginning of the year | 8511190 | 9.65 | 851119 | 9.65 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 8511190 | 9.65 | 851119 | 9.65 |
| 3 | Anand J. Parekh (Jt. Managing Director) | | | | |
| | At the beginning of the year | 7511220 | 8.52 | 751122 | 8.52 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 7511220 | 8.52 | 751122 | 8.52 |
| 4 | Malav J. Ajmera (Independent Director) | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 0 | 0 | 0 | 0 |
| 5 | Nehal M. Shah (Independent Director) | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 0 | 0 | 0 | 0 |
| 6 | Sangita S. Singhi (Independent Director) | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 0 | 0 | 0 | 0 |
| 7 | Rajendra R. Mehta (Chief Financial Officer) | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 0 | 0 | 0 | 0 |
| 8 | Shailesh P. Koshti (Company Secretary) | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the End of the year | 0 | 0 | 0 | 0 |

VI. INDEBTEDNESS

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

(₹ in Crores)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 24.26 | 18.98 | 0 | 43.24 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 24.26 | 18.98 | 0 | 43.24 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 2.47 | 0 | 0 | 2.47 |
| • Reduction | 1.88 | 0 | 0 | 1.88 |
| Net Change | 0.59 | 0 | 0 | 0.59 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 24.85 | 18.98 | 0 | 43.83 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 24.85 | 18.98 | 0 | 43.83 |

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
|------------|---|------------------------------------|----------------|----------------|
| | | Rahul Parekh | Anand Parekh | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1200000 | 1200000 | 2400000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 32400 | 32400 | 64800 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission | | | |
| | - as % of profit | 0 | 0 | 0 |
| | - Others, specify... | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 |
| | Total (A) | 1232400 | 1232400 | 2464800 |
| | Ceiling as per the Act | (10% of net profit of the Company) | | |

B. Remuneration to other directors:

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

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

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

| Sl. No. | Particulars of Remuneration | Name of MD/WTd/ Manager | | | Total Amount |
|---------|---|-------------------------|-------------------|---------|--------------|
| | | CEO | Company Secretary | CFO | |
| 1 | Gross salary | N.A. | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | 210000 | 1200000 | 1394000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | 0 | 0 | 0 |
| 2 | Stock Option | | 0 | 0 | 0 |
| 3 | Sweat Equity | | 0 | 0 | 0 |
| 4 | Commission | | 0 | 0 | 0 |
| | - as % of profit | | 0 | 0 | 0 |
| | - Others, specify... | | 0 | 0 | 0 |
| 5 | Others, please specify | | 0 | 0 | 0 |
| | Total (A) | | 210000 | 1200000 | 1394000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE – IV TO THE DIRECTORS' REPORT
Form No. AOC-2

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

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

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

| MAXIMUM VALUE OF CONTRACT /TRANSACTION FOR THE FINANCIAL YEAR 2015-16 | | |
|--|--|---|
| (TRANSACTIONS/ CONTRACT CARRIED OUT IN ORDINARY COURSE OF BUSINESS) | | |
| Nature of contract / transactions with Related Parties | Name of the related parties and nature of relationship | Value of the contract / transactions with each Related Party. |
| To sale goods and articles and/or To get job work done for party and/or To purchase goods and articles and / or To get job work done from party and/or To avail services from party and /or To provide services to party. (Including sell, purchase or otherwise dispose / acquire property if any kind and / or Letting / Leasing of property of any kind.) | M/s Mahalaxmi Exports (Associate concern) | ₹ 34.32 Crores |
| | Anand Chem Industries Pvt. Ltd (Associate concern) | ₹ 76.43 Lakhs |
| | Mahalaxmi Calchem Pvt. Ltd (Associate concern) | ₹ 5.32 Lakhs |
| | Shah Jeetmal Champalal (Associate concern) | ₹ 4.55 Crores |
| DIRECTORS/KMPS/ Relatives of Directors and KMPS / Other Firms and Companies in Which all or any of the following namely Mr. Rahul J Parekh Mr. Anand J. Parekh, Mr. Jeetmal B. Parekh and Mr. Rajendra R. Mehta are Interested as per the provisions of Section 2(76) of the Companies Act,2013. | | |

- a) Name of the related party and nature of relationship: As provided in the table above.
- b) Nature of the contract /arrangement / transaction: As provided in the table above.
- c) Duration of the contract / arrangement / Transaction: 2015-16
- d) Salient terms of the contract or arrangement or transaction including the value, if any: As provided in the table above.
- e) Date of approval at the Board Meeting held on: 30.05.2015, 14.08.2015, 06.11.2015 and 12.02.2016
- f) Amount paid as advance, if any : Nil

For and on behalf of the Board
Mahalaxmi Rubtech Limited

Place: Ahmedabad
Date: 27th May, 2016

Jeetmal B. Parekh
(Chairman)

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Company continues to sustain with its overall performance in the financial year 2015-16 driven by the average performance in existing and new business. Currently the Company is running well in Traditional Textile segment and marginal growth in the Technical Textile Segment. Your Directors have been making efforts on all fronts viz. production, marketing, finance and cost control etc. and these efforts have been yielding good results. The outlook for the company's products appears to be good and the company is confident of achieving improved operational performance.

The total income of the company increased to ₹ 16941.44 lacs from ₹ 14591.44 lacs in the previous year, at a rate of 16.11 %. The Profit before Tax amounted to ₹ 471.62 lacs as against ₹ 435.77 lacs in the previous year. The net profit after tax was increased to ₹ 308.03 lacs as against ₹ 291.22 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 ₹ 1934.52/- Lacs.

INDUSTRY STRUCTURE AND DEVELOPMENT:

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

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

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

Since a long time MRT has been exporting its products to many countries, Your Company operates across multiple products and business in diverse markets and environment. This includes manufacturing of Polymer Coated Engineered Fabrics having diverse end uses. The company regularly participates in international exhibitions enabling it to keep abreast with the latest global trends. Your company confirms to ASTM standards, Bureau of Indians standards, DIN standards etc. and is an ISO 9001:2008 company of Technical Textile & Rubber Division.

SEGMENTAL REVIEW AND ANALYSIS:

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

OPPORTUNITIES AND THREATS:

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

Natural Disasters

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

Currency Volatility

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

OUTLOOK:

During the year under review, the Textile Industry has performed reasonably well in comparison to the performance of the previous year. In the mid-long term, the Indian textile industry is expected to grow very strongly with growth being balanced from both domestic

consumption as well as exports demand. In the near-term, domestic demand would depend on the revival of the macroeconomic factors. On exports front, there are both positive and negative factors.

Your company is looking grow selectively in high value added segments within textiles, for maximum capital efficiency as well as de-risked business model. The company is taking all efforts to improve the quality and productivity to get more orders at competitive rates. Due to well established of weaving dying, bleaching and printing units, the Company is able to quote better rates and maintain high quality & productivity in the finished goods manufactured. The company's business is committed to achieve world benchmark quality besides expanding on new product offering from new clients. These measures will ensure the company maintaining its leadership position in the world market. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

KEY RISKS & CONCERNS

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

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.

FINANCIAL AND OPERATIONAL PERFORMANCE:

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

INTERNAL CONTROL SYSTEM:

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

The internal audit programme is finalized in consultation with the internal auditors and the audit committee of the Board. The Audit Committee is briefed on the findings by the internal auditors, every quarter, along with the remedial actions that have been recommended or have been taken by the management to plug systemic weaknesses. The audit committee of the Board meets periodically to review various aspects of the performance of the company and also review the adequacy and effectiveness of the internal control system and suggests improvement for strengthening then from time to time.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

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

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

Our positive approach to competency, development and retention allows attracting, retaining and built the best team. The Company attaches priority to human resource development, with focus on regular up-gradation of the knowledge and skills of our employees and equipping them with the necessary expertise to meet the challenges of change and growth successfully.

Industrial Relations were cordial and satisfactory.

ISO 9001:2008 CERTIFICATION:

We wish to inform you that your company has obtained the ISO 9001:2008 Certification for Technical Textile & Rubber Division, Accredited by TUV South Asia Private Limited, 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.

CAUTIONARY STATEMENT:

Comments in this Management Discussion and Analysis outlining the Company's strategies and objectives are believed by the Management to be true and to the best of its knowledge but at the time of preparation actual results may differ materially from those expressed or implied and hence the Company and the Management shall not be held responsible for any loss which may arise as a result of any action taken on the basis of information contained herein. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and outside the country and other factors such as litigation and industrial relations.

CORPORATE GOVERNANCE

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 prescribed in Regulation 17 to 27 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and some of the practices followed by the Company on Corporate Governance, for the financial year ended 31st March, 2016.

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 8 Board Meetings were held on 13.04.2015, 30.05.2015, 05.06.2015, 14.08.2015, 24.10.2015, 06.11.2015, 12.02.2016 and 31.03.2016. 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 30.09.2015 | No. of other Directorships | Committee | |
|----------------------------------|--------------------------|--------------------------------|--------------------------------------|----------------------------|---------------|-----------------|
| | | | | | Membership ** | Chairmanship ** |
| Jeetmal B. Parekh (DIN 00512415) | NED-P | 8 | YES | *4 | 2 | 0 |
| Rahul J. Parekh (DIN 00500328) | MD | 8 | YES | *6 | 1 | 1 |
| Anand J. Parekh (DIN 00500384) | JT. MD | 8 | YES | *3 | 3 | 0 |
| Sangita Singhi # (DIN 06999605) | NED-I (WD) | 0 | NO | 2 | 1 | 1 |
| Nehal M. Shah (DIN 00020062) | NED-I | 6 | NO | *7 | 1 | 1 |
| Malav J. Ajmera (DIN 02441549) | NED-I | 7 | YES | *1 | 1 | 1 |
| Bhavana Parikh** (DIN 07136900) | NED-I (WD) | 6 | NO | NIL | 1 | 1 |

* All Private Limited Company, # Mrs. Sangita Singhi was appointed on the Board on 31.03.2016, **Mrs. Bhavana Parikh was resigned from the Board on 31.03.2016, ***As required under the Listing Obligation and Disclosure Requirement, Regulation 2015 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), WD-Woman Director, Shri Jeetmal B. Parekh is a Non-Executive Chairman, Shri Rahul J. Parekh and Shri Anand J. Parekh are Managing Directors, Smt. Sangita S. Singhi, Smt. Bhavana Parikh, Shri Nehal M. Shah & Shri Malav J. Ajmera are Non Executive Directors (Independent).

3. Audit Committee:

Composition and Terms of Reference:

The Audit Committee comprises of two Independent Directors and one Executive Director. Shri Malav J. Ajmera – Independent Director is the Chairman, Shri Anand J. Parekh – Executive Director and Smt. Sangita Singhi – Independent Director are the members of the Committee. All members of the Audit Committee are financially literate and bring in expertise in the field of Finance, Taxation, Accounts, Management Expertise, Risk and International Finance. The Chairman of the Audit Committee has attended last Annual General Meeting of the Company held on 30th September, 2015.

The Committee met 4 times during the year on 30.05.2015, 14.08.2015, 06.11.2015 and 12.02.2016. The attendance of members at the meetings was as follows:

| Name of Member | Status | No. of Meetings Attended |
|-----------------|----------|--------------------------|
| Malav J. Ajmera | Chairman | 4 |
| Anand J. Parekh | Member | 4 |
| Bhavana Parikh | Member | 4 |
| Sangita Singhi | Member | 0 |

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

Review of Information by Audit Committee

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

- (1) Management Discussion and Analysis of financial condition and results of operation:
- (2) Statement of significant Related Party transactions submitted by the management:
- (3) Internal Audit Reports relating to internal control weaknesses.

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

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

4. Nomination & Remuneration Committee

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

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

During the year under review, the committee met on two times on 25.05.2015 and 22.03.2016 where all members were present in the meeting.

Details of Remuneration for the year 2015-16 paid to the Directors are as follows:

Remuneration for the year 2015-16 to Shri Rahul J. Parekh, Managing Director:-

- i. Basic Salary ₹ 12,00,000/- (Rupees Twelve Lacs only), Perquisites: ₹ 32,400/- (Rupees Thirty two Thousand Four Hundred Only)
Remuneration for the year 2015-16 to Shri Anand J. Parekh, Jt. Managing Director:-

- ii. Basic Salary ₹ 12,00,000/- (Rupees Twelve Lacs only), Perquisites: ₹ 32,400/- (Rupees Thirty two thousand four hundred only)
The other information of Directors are as under:

| Name | Age | Designation | Date of Appointment | Nature of Employment | Shares held |
|-------------------|-----|-----------------------|---------------------|-----------------------------|-------------|
| Jeetmal B. Parekh | 73 | Chairman | 27.08.1993 | ———— | 962856 |
| Rahul J. Parekh | 44 | Managing Director | 05.07.1995 | As Per terms of Appointment | 851119 |
| Anand J. Parekh | 40 | Jt. Managing Director | 19.11.2008 | As Per terms of Appointment | 751122 |
| Bhavana Parikh* | 45 | Director | 30.03.2015 | ———— | NIL |
| Nehal M. Shah | 44 | Director | 30.03.2005 | ———— | NIL |
| Malav J. Ajmera | 39 | Director | 19.11.2008 | ———— | NIL |
| Sangita S. Singhi | 45 | Director | 31.03.2016 | ———— | NIL |

*Mrs. Bhavana Parikh was resigned from the Board from 31.03.2016.

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

5. Share Transfer Committee:

The board has delegated the power of approving transfer of shares to a committee of Three directors , committee met 14 times during the year and approved the transfer of shares lodged with the company and no transfer were pending as on 31-03-2016.

6. Stakeholder's Relationship Committee (SR Committee)

Terms of Reference

The SR Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints like transfer of shares, non-receipt of dividends, non-receipt of annual report etc. received from shareholders / investors and improve the efficiency in investors' service, wherever possible. The Committee also

monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

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

The shareholders' Grievance Committee comprise of Non-Executive director (independent), and two Executive Directors. The committee met five times during the year on 15.04.2015, 02.07.2015, 29.09.2015, 28.12.2015 and 26.02.2016 all the members of committee attended the meeting.

Members:

Shri Nehal M. Shah – Chairman,

Shri Rahul J. Parekh – Member,

Shri Anand J. Parekh – Member

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

During the year company has received 4 complaints, 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. Code of Conduct

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

8. Board and Director Evaluation and criteria for evaluation

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

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

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

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

9. Familiarisation programmes for Board Members

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

10. Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director. One meeting of Independent Directors was held during the year on 12th March, 2016.

11. Remuneration Policy

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

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully

- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

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

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

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

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

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

12. Risk Management

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

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

13. Disclosures:

- Details of related party transactions are furnished in the Financial Statements None of Transactions with any of the related parties were in conflict with the interest of the company.
- No strictures or penalties have been imposed on the company by the Stock Exchange or SEBI or any statutory authority on any matters related to capital market during the last three years.
- The Company has adopted a Code of Conduct for Prevention of Insider Trading ("The Code") in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992 with effect from October 1, 2002. The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulation of 1992 which ordain new action steps by corporate and other market intermediaries for the purpose of prevention of Insider Trading. The Code is amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations.
- As per Section 177 of The Companies Act 2013 and Regulation 22 of the LODR, Regulation 2015, the company has adopted whistle Blower / Vigil Mechanism which includes concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct 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, 2016, received from all Designated Persons, a declaration of compliance with the code. A certificate from the Managing Director, to this effect forms part of this Report.
- The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of the financial statements, the Company has not adopted a treatment different from that prescribed by any Accounting Standard.
- The Company has complied with all mandatory requirements and compliances time to time as required by various authorities and prescribed under various Laws and Regulations. The adoption of non-mandatory requirements has been dealt with further on in this Report.

- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

14. **CEO/CFO CERTIFICATION:**

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

- We have reviewed financial statements and the cash flow statement for the year ended 31-03-2016 and that to the best of our knowledge and belief :
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 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.
- There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- 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.
- 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 if any and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Mahalaxmi Rubtech Limited

Place: Ahmedabad
Date: May 27, 2016

Rahul J. Parekh
Managing Director

Rajendra R. Mehta
Chief Financial Officer

15. **Management Discussion and Analysis Report :**

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

16. **Means of Communication:**

• **Financial Results:**

The Quarterly & Half Yearly results are published in Indian Express English and Financial Express Gujarati Edition. The Company's financial results and shareholding pattern are also displayed in the Company's website www.mrtglobal.com. These are made available to members on request.

17. **General Body Meeting:**

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

| Year | Location | Date | Time | Special Resolutions passed |
|---------|--|------------|----------|--|
| 2014-15 | Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006 | 30.09.2015 | 11.00 AM | 1. To approve Consolidation of Share Capital of the Company. 2. To alter Clause V of memorandum of Association. |
| 2013-14 | Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006 | 29.09.2014 | 12.30 PM | 1. To approve adoption of new Articles of Association of the Company. 2. To approve borrowing limit of the Company under Section 180(1)(c) of the Companies Act, 2013. 3. To authorise creation of charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013. 4. To authorise related party transactions under Section 188 of the Companies Act, 2013. |
| 2012-13 | Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006. | 28.09.2013 | 12.30 PM | 1. To re-appointment of Mr. Anand Jeetmal Parekh, Jt. Managing Director of the Company. 2. To increase in the remuneration of Mr. Rajendra R. Mehta, CFO of the Company. |

Postal Ballot:

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

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

| Name | Mr. Rahul J. Parekh | Mrs. Sangita S. Singhi |
|---|---|---|
| DIN | 00500328 | 06999605 |
| Age | 44 | 45 |
| Occupation | Business | Business |
| Qualification | MBA from USA | Bachelor of Commerce |
| Expertise | Mr. Rahul Parekh is second generation entrepreneur and joined MRT in 1995 on the Board of the Company and was responsible for Company's diversification into other categories of business. He has experience in corporate finance, production, marketing and secretarial matters. He is responsible for MRT's strategic financial matters, including corporate finance, corporate strategy, business development, risk management and overall affairs of the Company. Presently he is Managing Director of the Company. | Mrs. Sangita Singhi has a wide experience in Business Administration, Finance, Project Finance, Stock Broking and Mortgage Finance. She is also involved in the various assignments of project finance and stock broking advisor. |
| Shareholding | 851119 equity shares of ₹ 10/- each | Nil |
| Relationship with other Directors and KMPs | Son of Mr. Jeetmal B. Parekh (Chairman) Brother of Mr. Anand J. Parekh (Jt. Managing Director) | N.A. |
| Name of the companies in which Director | 1. Mahalaxmi Calchem Private Limited 2. Sonnet Colours Private Limited 3. Rahul Calchem Private Limited 4. Heena Agriculture Private Limited 5. Ashita Mercantile Private Limited 6. Rainbow Exports Private Limited | 1. Ahmedabadcity Com India Limited 2. Mudra Finvest (Gujarat) Limited |
| Name of The Committee in which Chairman or Member | Chairman of Share Transfer Committee and Member of Stakeholder's Relationship Committee and Risk Management Committee. | Chairman of Nomination & Remuneration Committee and Member of Audit committee |

General Shareholder information

| | |
|--------------------------------------|---|
| Annual General meeting to be held on | : 29th September, 2016, Thursday at 11.30 a.m. |
| Place of the meeting | : Lions Hall, Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad 380 006 |
| Tentative Financial Calendar | : 1 st April 2016 to 31 st March 2017 |
| Financial Results | : |
| * First Quarter Results | : By 14 th August, 2016 |
| *Half Yearly Results | : By 14 th November 2016 |
| *Third Quarter Results | : By 14 th February 2017 |
| *Annual Results | : Within 60 days. From 31 st March, 2017 |
| Book Closure Date | : From 23 th , September, 2016 to 29 th , September, 2016 (both days inclusive) |
| Dividend Payment date | : N.A. |
| Listing at Stock Exchanges: | : |
| Name of Stock Exchange | : BSE Limited |
| Stock Code | : 514450 |
| ISIN NO. (dematerialized Shares) | : INE112D01035 |
| Corporate Identity Number (CIN) | : L25190GJ1991PLC016327 |

The Company has already paid listing fees for the year 2015-16 to all the Stock Exchanges, where listed.

Market Price Data:
(as per BSE)

| Month | Highest Rate (₹) | Lowest Rate (₹) |
|-----------------|------------------|-----------------|
| April, 2015 | 4.11 | 3.00 |
| May, 2015 | 4.05 | 3.35 |
| June, 2015 | 3.89 | 2.90 |
| July, 2015 | 3.60 | 2.54 |
| August, 2015 | 5.25 | 2.82 |
| September, 2015 | 4.07 | 2.98 |
| October, 2015 | 4.70 | 2.72 |
| November, 2015 | 57.60 | 3.65 |
| December, 2015 | 51.00 | 42.00 |
| January, 2016 | 50.00 | 37.65 |
| February, 2016 | 43.00 | 30.10 |
| March, 2016 | 36.75 | 31.10 |

Note: Consolidation of Equity share capital of the Company effective from November, 2015.

REGISTRAR AND TRANSFER AGENTS

Physical Mode:

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078
Tel Nos.022- 25946970 Fax No 022- 2594 6969, Email: dematremat@linkintime.co.in

Depository Mode:

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

Link Intime India Private Limited (Registered Office)

C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078.
Tel No.: 022 - 25946970, Fax No.: 022 - 2594 6969
Email: dematremat@linkintime.co.in

Link Intime India Private Limited (Investor Relations Centre)

Unit No. 303, 3rd Floor, Shippers Plaza -V,
Opp. Municipal Market, B/h. Shoppers Plaza - II,
Off. C G Road, Ahmedabad - 380009, Gujarat.
Tel No.: 079 - 2646 5179
Email: ahmedabad@linkintime.co.in

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 dematerialized 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 2016)

| No. of Shares | | | Shareholders | | No. of Share held | |
|---------------|---|-------|--------------|---------------|-------------------|---------------|
| | | | Number | Total in % | Numbers | Total in % |
| 1 | - | 500 | 5675 | 87.94 | 625615 | 7.09 |
| 501 | - | 1000 | 306 | 4.74 | 234986 | 2.67 |
| 1001 | - | 2000 | 178 | 2.76 | 265158 | 3.01 |
| 2001 | - | 3000 | 77 | 1.19 | 195798 | 2.22 |
| 3001 | - | 4000 | 38 | 0.59 | 135781 | 1.54 |
| 4001 | - | 5000 | 36 | 0.56 | 163163 | 1.85 |
| 5001 | - | 10000 | 58 | 0.90 | 424918 | 4.82 |
| 10000 | - | 20000 | 29 | 0.45 | 385577 | 4.37 |
| ABOVE 20000 | | | 56 | 0.87 | 6389279 | 72.43 |
| Total | | | 6453 | 100.00 | 8820275 | 100.00 |

Shareholding Pattern:
(As on 31st March, 2016)

| Category | No. of Shares held | % to the Shareholding |
|------------------------|--------------------|-----------------------|
| Promoters & Associates | 5035223 | 57.08 |
| Bodies Corporate | 826923 | 9.38 |
| Non Resident Indians | 12870 | 0.15 |
| Banks & Mutual Funds | 7900 | 0.09 |
| Public | 2937359 | 33.30 |
| TOTAL | 8820275 | 100.00 |

Dematerialisation of Share and liquidity:

The trading of Equity shares of the Company in all categories is Compulsory in Demat mode with effect from 23.03.2001. As on 31st March, 2016, 98.40% Shares have been dematerialized.

Outstanding GDRs / ADRs / Warrants or any Convertible : NIL

Instruments, Conversion date and likely impact on equity

Shareholders who have not yet encased their dividend warrants for the year 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 No : 079-22160776

E-mail: cs@mahalaxmigroup.net

Corporate office:

YSL avenue, opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi, Ahmedabad - 380 015.

Tel: 079- 4000 8000 **Fax:** 079-4000 8030

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

In accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, I hereby confirm that, Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Conduct of Board of Directors and Senior Management, as applicable to them, for the period ended 31st March, 2016.

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

Place: Ahmedabad
Date: May 27, 2016

On behalf of the Board of Directors,

Rahul J. Parekh
Managing Director

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Mahalaxmi Rubtech Limited

We have examined the compliance of conditions of Corporate Governance by Mahalaxmi Rubtech Limited ("the Company"), for the year ended on 31st March 2016, as stipulated in Clause 49 of the Listing Agreement (up to 30th November 2015) and Schedule V of Listing Regulations (with effect from 1st December 2015).

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

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

We state that in respect of investor grievances received during the year ended March 31, 2016, no investor grievances are pending against the Company as per records maintained by the Company and presented to the Stakeholders Relationship Committee.

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

For BHANWAR JAIN & CO.
Firm Regd. No.: 117340W
Chartered Accountants

B. M. Jain
Partner

Membership No.: 034943

Place: Ahmedabad
Date: 27th May, 2016

INDEPENDENT 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, 2016 the statement of profit and loss and Cash Flow Statements for the year ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013, ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in the India including the Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures 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 assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the 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, of the state of affairs of the company as at March 31, 2016 and its profit and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of books;
 - (c) The balance sheet, the statement of profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the annexure, and
- (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according the explanations given to us:
 - i. the company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. the company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BHANWAR JAIN & CO.,
Chartered Accountants.
(Firm Registration No. 117340W)

(B. M. JAIN)
Partner.
M. No. 034943
AHMEDABAD: 27th May, 2016.

“Annexure” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the maintenance of cost records by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, the dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute and forum where dispute is pending are as under:

| Name of the Statute | Amount in (Lakhs) | Forum where dispute is pending |
|---------------------|-------------------|--------------------------------|
| Duty of Excise | 9.98 | CESTAT |
| Income Tax | 9.99 | CIT (Appeals) |
| Service Tax | 2.09 | CESTAT |

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutes. The Company has not taken any loan from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or fraud on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
BHANWAR JAIN & CO.
Chartered Accountants
Firm's Registration No.:117340W

(B.M. JAIN)
Partner
Membership number: 034943
Place: Ahmedabad
Date:27th May,2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **Mahalaxmi Rubtech Ltd.** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls.

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For BHANWAR JAIN & CO.,

Chartered Accountants

Firm's Registration No.:117340W

(B.M. JAIN)

Partner

Membership number: 034943

Ahmedabad: 27th May, 2016.

BALANCE SHEET AS AT 31ST MARCH, 2016

| PARTICULARS | NOTE NO. | AS AT 31/03/2016 ₹ | AS AT 31/03/2015 ₹ |
|--|----------|--------------------------|--------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholder's Funds | | | |
| Share Capital | 1 | 88202750 | 88202750 |
| Reserves & Surplus | 2 | 420275946 | 389337808 |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 3 | 244776705 | 253693438 |
| Deferred Tax Liabilities (Net) | 4 | 42561000 | 45129000 |
| Long Term Provisions | 5 | 8082728 | 7533903 |
| Current Liabilities | | | |
| Short Term Borrowings | 6 | 137375470 | 112944691 |
| Trade Payables | | 327013041 | 202892190 |
| Other Current Liabilities | 7 | 81850022 | 87166319 |
| Short Term Provisions | 8 | 14909000 | 8630000 |
| TOTAL | | 1365046659 | 1195530100 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed Assets | | | |
| (i) Tangible Assets | 9 | 637706049 | 612134652 |
| (ii) Intangible Assets | 10 | 7524978 | 8495514 |
| (iii) Capital work-in-progress | | 2446431 | 24221354 |
| Non Current Investment | 11 | 446850 | 446850 |
| Long Term Loans & Advances | 12 | 10524362 | 13114712 |
| Other Non-current Assets | 13 | 1799854 | 2415108 |
| Current assets | | | |
| Inventories | 14 | 253168165 | 169934874 |
| Trade Receivables | 15 | 305376857 | 280599894 |
| Cash & Cash Equivalents | 16 | 92739455 | 21644739 |
| Short Term Loans & Advances | 17 | 28748532 | 51221929 |
| Other Current Assets | 18 | 24565129 | 11300475 |
| TOTAL | | 1365046659 | 1195530100 |
| 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: 27th May, 2016.

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAJENDRA R. MEHTA
Chief Financial Officer
AHMEDABAD: 27th May, 2016.

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
MALAV AJMERA
Director

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

S/d-
SHAILESH P. KOSHTI
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016.

| PARTICULARS | NOTE NO. | AS AT 31/03/2016 ₹ | AS AT 31/03/2015 ₹ |
|--|----------|--------------------------|--------------------------|
| Revenue from Operations | 19 | 1687421478 | 1446729991 |
| Other Income | 20 | 6722741 | 12413858 |
| Total Revenue | | 1694144219 | 1459143849 |
| EXPENSES: | | | |
| Cost of Raw Materials consumed & Trading Purchase | 21 | 906358485 | 686380969 |
| Changes in Inventories | 22 | (13311479) | 32718235 |
| Manufacturing & Operating Costs | 23 | 509994170 | 464134854 |
| Employees' Benefit Expenses | 24 | 82251811 | 70077339 |
| Financial Cost | 25 | 19646225 | 22823238 |
| Depreciation & Amortization Expenses | | 73831487 | 66562207 |
| Other Expenses | 26 | 68211623 | 72870028 |
| Total Expenses | | 1646982322 | 1415566869 |
| Profit Before Tax | | 47161898 | 43576979 |
| Tax Expense: | | | |
| Current Income Tax | | 14909000 | 8630000 |
| MAT Credit Adjustment | | 4018250 | 7879000 |
| Deferred Tax | | (2568000) | (2054000) |
| Net Profit for the year | | 30802648 | 29121979 |
| Earning per equity share of Re.10 : | | | |
| Basic | | 3.49 | 3.30 |
| Diluted | | 3.49 | 3.30 |
| 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: 27th May, 2016.

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAJENDRA R. MEHTA
Chief Financial Officer
AHMEDABAD: 27th May, 2016.

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
MALAV AJMERA
Director

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

S/d-
SHAILESH P. KOSHTI
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016.

| | (₹ in Lakhs) | |
|---|------------------|-----------------|
| | Inflow/(Outflow) | |
| | 2015-16 ₹ | 2014-15 ₹ |
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net Profit before tax and extraordinary items | 471.62 | 435.77 |
| Adjustment for : | | |
| Depreciation | 738.31 | 665.62 |
| Interest Paid | 170.22 | 213.67 |
| Deferred Revenue Expenses written off | 6.15 | 6.15 |
| Liabilities written back | (16.52) | (0.29) |
| Profit on sale of Fixed Assets | (4.89) | (15.78) |
| Loss on sale of Fixed Assets | 3.58 | 2.36 |
| Loss on sale of Investment | | 0.05 |
| Exchange Rate Fluctuation | (14.55) | (0.33) |
| Bad Debts written off | 18.25 | 50.19 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 1372.17 | 1357.40 |
| Adjustment for : | | |
| Trade & Other Receivables | (133.48) | (948.59) |
| Inventories | (832.33) | 544.77 |
| Trade Creditors & Other Payables | 1210.05 | 326.81 |
| CASH GENERATED FROM OPERATIONS | 1616.41 | 1280.40 |
| Income Tax Paid | (125.13) | (38.87) |
| CASH FLOW BEFORE EXTRAORDINARY ITEMS | 1491.28 | 1241.53 |
| Deferred Revenue Expenses | 0.00 | (1.91) |
| NET CASH FROM OPERATING ACTIVITIES | 1491.28 | 1239.62 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase of Fixed Assets | (802.46) | (370.07) |
| Sale / Capital Subsidy of Fixed Assets | 37.20 | 184.20 |
| Sale of Investments | 0.00 | 0.02 |
| NET CASH USED IN INVESTING ACTIVITIES | (765.26) | (185.86) |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Proceed from long term Borrowings | (89.17) | (623.15) |
| Working Capital Finance | 244.31 | (47.57) |
| Interest Paid | (170.22) | (213.67) |
| NET CASH SURPLUS IN FINANCING ACTIVITIES | (15.08) | (884.39) |
| D. NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS | 710.95 | 169.37 |
| E. Cash and cash equivalent as at 1st April,2015 | 216.45 | 47.08 |
| F. Cash and cash equivalent as at 31st March, 2016. | 927.39 | 216.45 |

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: 27th May, 2016.

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAJENDRA R. MEHTA
Chief Financial Officer
AHMEDABAD: 27th May, 2016.

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
MALAV AJMERA
Director

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

S/d-
SHAILESH P. KOSHTI
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS:
NOTE: 1. SHARE CAPITAL

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|--|------------------------------|------------------------------|
| AUTHORISED: 25000000 (250000000) Equity Shares of Re.10 (Re.1) each | 250000000 250000000 | 250000000 250000000 |
| ISSUED & SUBSCRIBED & PAID UP 8820275 (88202750) Equity Shares of ₹ 10 (Re.1) each fully paid | 88202750 | 88202750 |
| Notes: Equity Shares include 1034775 shares of ₹ 10 each issued as fully paid up Bonus Shares and 3646400 shares of ₹ 10 each issued pursuant to a scheme of amalgamation of erstwhile Mahalaxmi Fabric Mills P Ltd. with the company without payment received in cash | | |
| TOTAL | 88202750 | 88202750 |

The Company has only one class of equity shares having a par value of Re.10 per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding. However, no such preferential amounts exist currently.

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

| Particulars | AS AT March 31, 2016 | | AS AT March 31, 2015 | |
|--|--------------------------------|----------|-------------------------------|----------|
| | No.of shares (of ₹ 10 each) | ₹ | No.of shares (of ₹ 1 each) | ₹ |
| Outstanding at the beginning of the year | 8820275 | 88202750 | 88202750 | 88202750 |
| Add/Less: Adjustment during the year | — | — | — | — |
| Outstanding at the end of the year | 8820275 | 88202750 | 88202750 | 88202750 |

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

| Particulars | AS AT March 31, 2016 | | AS AT March 31, 2015 | |
|-------------------------|--------------------------------|--------------|-------------------------------|--------------|
| | No.of shares (of ₹ 10 each) | % of Holding | No.of shares (of ₹ 1 each) | % of Holding |
| Jeetmal B. Parekh & HUF | 962856 | 10.92 | 9628560 | 10.92 |
| Rahul J. Parekh | 851119 | 9.65 | 8511190 | 9.65 |
| Kamlaben J. Parekh | 756570 | 8.58 | 7565700 | 8.58 |
| Anand J. Parekh | 751122 | 8.52 | 7511220 | 8.52 |

NOTE: 2. RESERVES & SURPLUS

| Particulars | AS AT March 31, 2016 | | AS AT March 31, 2015 | |
|--|-------------------------|------------------|-------------------------|------------------|
| | ₹ | ₹ | ₹ | ₹ |
| General Reserve As per last year Balance Sheet | | 151562549 | | 151562549 |
| Capital Reserve As per last year Balance Sheet | | 1500000 | | 1500000 |
| Surplus Opening balance | 236275259 | | 204864231 | |
| Add: Net Profit for the year | 30802648 | | 29121979 | |
| Add: Adjustments related to Fixed Assets | 0 | | (445523) | |
| Less: Income Tax /Wealth Tax of earlier years | (135490) | 267213397 | (2734573) | 236275259 |
| TOTAL | | 420275946 | | 389337808 |

NOTE: 3. LONG TERM BORROWINGS

| Particulars | AS AT March 31, 2016 | | AS AT March 31, 2015 | |
|--|-------------------------|-----------|-------------------------|-----------|
| | ₹ | ₹ | ₹ | ₹ |
| <u>Long Term maturities of term loan</u> | | | | |
| Secured | | | | |
| From Bank of Baroda | 52859415 | 52859415 | 62066140 | 62066140 |
| <u>Deferred payment liabilities</u> | | | | |
| Secured by way of hypothecation of vehicles from: | | | | |
| HDFC Bank Ltd. (Car) | — | 2059209 | 118392 | 1769216 |
| HDFC Bank Ltd. (Staff Bus) | 427481 | | 881165 | |
| HDFC Bank Ltd. (Trucks) | 212592 | | 769659 | |
| Volkswagen Finance P Ltd. | 1419136 | | — | |
| <u>Loans and advances from related parties:</u> | | | | |
| Unsecured | | | | |
| From Directors | 189858082 | 189858082 | 189858082 | 189858082 |
| TOTAL | | 244776705 | | 253693438 |

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

Term Loan
Balance Outstanding

- Term Loan of ₹ 269.47 Lacs
- Term Loan of ₹ 5.40 Lacs
- Term Loan of ₹ 68.00 Lacs
- Term Loan of ₹ 163.89 Lacs
- Term Loan of ₹ 114.36 Lacs
- Term Loan of ₹ 445.00 Lacs

Terms of Repayment

- Repayable in 60 monthly installments commencing from April, 2012. Last installment due in December, 2016.
- Repayable in 72 monthly installments commencing from June, 2010. Last installment due in May, 2016.
- Repayable in 60 monthly installments commencing from April, 2012. Last installment due in March, 2017.
- Repayable in 60 monthly installments commencing from September, 2014. Last installment due in August, 2019.
- Repayable in 60 monthly installments commencing from September, 2014. Last installment due in July, 2019.
- Repayable in 60 monthly installments commencing from May, 2016. Last installment due in April, 2021.

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.

Deferred Payment Liabilities:
Balance Outstanding

- HDFC Bank secured by hypothecation of Motor Car
- HDFC Bank secured by hypothecation of Staff Bus
- HDFC Bank secured by hypothecation of Motor Truck
- HDFC Bank secured by hypothecation of Motor Truck
- Volsvagen Finance P.Ltd. secured by hypothecation of Motor Car

Terms of Repayment

- Repayable in 36 monthly installments commencing from October, 2013. Last installment due in September, 2016.
- Repayable in 36 monthly installments commencing from March, 2015. Last installment due in February, 2018.
- Repayable in 36 monthly installments commencing from May, 2014. Last installment due in April, 2017.
- Repayable in 36 monthly installments commencing from September, 2014. Last installment due in August, 2017.
- Repayable in 36 monthly installments commencing from July, 2015. Last installment due in June, 2018.

| NOTE: 4. DEFERRED TAX LIABILITY/ASSET (NET) | | AS AT March 31, 2016 | AS AT March 31, 2015 |
|---|--|-------------------------|-------------------------|
| Particulars | | ₹ | ₹ |
| Deferred Tax Liability | | | |
| i. On account of timing difference relating to depreciation | | 44986000 | 47389000 |
| ii. Others | | (2425000) | (2260000) |
| TOTAL | | 42561000 | 45129000 |

| NOTE: 5. LONG TERM PROVISION | | AS AT | AS AT |
|-------------------------------------|--|----------------|----------------|
| Particulars | | March 31, 2016 | March 31, 2015 |
| | | ₹ | ₹ |
| Provision for Gratuity | | 8082728 | 7533903 |
| TOTAL | | 8082728 | 7533903 |

| NOTE: 6. SHORT TERM BORROWING | | AS AT | AS AT |
|--|--|------------------|------------------|
| Particulars | | March 31, 2016 | March 31, 2015 |
| | | ₹ | ₹ |
| Secured | | | |
| Working Capital facilities from Bank of Baroda | | | |
| Cash Credit | | 120156402 | 112944691 |
| Foreign Bills Purchase | | 7455951 | — |
| Overdraft | | 9763117 | — |
| Cash Credit and FBP facilities are secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and overdraft is secured by way of pledge of fixed deposit receipts of the company. | | | |
| TOTAL | | 137375470 | 112944691 |

| NOTE: 7. OTHER CURRENT LIABILITIES | | AS AT | AS AT |
|---|--|-----------------|-----------------|
| Particulars | | March 31, 2016 | March 31, 2015 |
| | | ₹ | ₹ |
| Advances from Customers | | 2516883 | 4533457 |
| Current Maturities of long term debts | | 56213756 | 65796474 |
| Duties & Taxes Payable | | 3063287 | 2743282 |
| Unclaimed Dividend | | 791998 | 904714 |
| Outstanding Expenses | | 19237328 | 13127974 |
| Unpaid Salary & Bonus | | 26769 | 60418 |
| TOTAL | | 81850021 | 87166319 |

| NOTE: 8. SHORT TERM PROVISIONS | | AS AT | AS AT |
|---------------------------------------|--|-----------------|----------------|
| Particulars | | March 31, 2016 | March 31, 2015 |
| | | ₹ | ₹ |
| PROVISIONS: | | | |
| For Current Tax | | 14909000 | 8630000 |
| TOTAL | | 14909000 | 8630000 |

| NOTE: 9. | | TANGIBLE ASSETS | | | | | | | | | | |
|----------|-----------------------|------------------|-----------|------------|------------------|---------------------------|-----------------|-------------------------------|----------|-----------|------------------|------------------|
| Sl. No. | PARTICULARS | GROSS BLOCK | | | | DEPRECIATION/AMORTISATION | | | | | NET BLOCK | |
| | | As on 01/04/2015 | Additions | Deductions | As on 31/03/2016 | Upto the Previous year | During the year | Transfer to Retained Earnings | Recouped | TOTAL | As on 31/03/2016 | As on 31/03/2015 |
| 1 | Freehold Land | 95268517 | — | — | 95268517 | — | — | — | — | — | 95268517 | 95268517 |
| 2 | Leasehold Land | 1000000 | — | — | 1000000 | 350000 | 50000 | — | — | 400000 | 600000 | 650000 |
| 3 | Building | 183213740 | 17578910 | — | 200792650 | 36474737 | 5902727 | — | — | 42377464 | 158415186 | 146739003 |
| 4 | Plant & Machinery | 630315617 | 66093158 | 4571277 | 691837498 | 283046983 | 60370495 | — | 1302219 | 342115258 | 349722240 | 347268634 |
| 5 | Electric Installation | 17413422 | — | — | 17413422 | 7316651 | 2148461 | — | — | 9465112 | 7948310 | 10096771 |
| 6 | Furniture Fixtures | 6055709 | 11313804 | — | 17369513 | 4024909 | 1605855 | — | — | 5630765 | 11738748 | 2030800 |
| 7 | Office Equipments | 9297398 | 2798550 | — | 12095948 | 6235819 | 1171591 | — | — | 7407410 | 4688538 | 3061579 |
| 8 | Vehicles | 12670429 | 4236130 | 2455205 | 14451354 | 5651080 | 1611822 | — | 2136059 | 5126844 | 9324510 | 7019349 |
| | Current Year Total | 955234832 | 102020552 | 7026482 | 1050228902 | 343100180 | 72860951 | — | 3438278 | 412522853 | 637706049 | 612134652 |
| | Prev. Year Total | 952782779 | 25317666 | 22865612 | 955234832 | 282851360 | 65591671 | 445523 | 5788373 | 343100183 | 612134649 | 669931419 |

NOTE: 10. INTANGIBLE ASSETS

| Sl. No. | PARTICULARS | GROSS BLOCK | | | | DEPRECIATION/AMORTISATION | | | | NET BLOCK | |
|---------|-------------------------------|------------------|-----------|------------|------------------|---------------------------|-----------------|----------|---------|------------------|------------------|
| | | As on 01/04/2015 | Additions | Deductions | As on 31/03/2016 | Upto the Previous year | During the year | Recouped | TOTAL | As on 31/03/2016 | As on 31/03/2015 |
| 1 | Commercial Right-ETP Pipeline | 9705360 | — | — | 9705360 | 1209846 | 970536 | — | 2180382 | 7524978 | 8495514 |
| | Current Year Total | 9705360 | — | — | 9705360 | 1209846 | 970536 | — | 2180382 | 7524978 | 8495514 |

NOTE: 11. NON CURRENT INVESTMENT

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|--|------------------------------|------------------------------|
| (As valued , verified & certified by the management) | | |
| Investment in Associates : (Unquoted - Non Trade) | | |
| 700 (700) Equity Shares of Rahul Cal Chem Pvt. Ltd..of ₹100 each fully paid | 70000 | 70000 |
| 685 (685) Equity Shares of Mahalaxmi Calchem Pvt. Ltd..of ₹100 each fully paid | 376750 | 376750 |
| Investment in Others : (Unquoted - Non Trade) | | |
| 1 (1) Share of The Social Co-op Bank Ltd. of ₹100 each fully paid up | 100 | 100 |
| TOTAL | 446850 | 446850 |

The details of aggregate of quoted and unquoted investment :

| Particulars | Book Value | | Market Value | |
|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | AS AT March 31, 2016 | AS AT March 31, 2015 | AS AT March 31, 2016 | AS AT March 31, 2015 |
| Aggregate Quoted Investment | — | — | — | — |
| Aggregate Unquoted Investment | 446850 | 446850 | — | — |

NOTE: 12. LONG TERM LOANS AND ADVANCES

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---|------------------------------|------------------------------|
| Capital Advances | | |
| Unsecured and considered good | 8781942 | 8248392 |
| Security Deposits | | |
| Unsecured and considered good | 556220 | 1170220 |
| Other Loans & Advances (Unsecured & considered good) | | |
| Margin Money with Banks | 1186200 | 3696100 |
| TOTAL | 10524362 | 13114712 |

NOTE: 13. OTHER NON CURRENT ASSETS

| Particulars | AS AT March 31, 2016 ₹ | | AS AT March 31, 2015 ₹ | |
|---------------------------|------------------------------|----------------|------------------------------|----------------|
| Deferred Revenue Expenses | 928275 | | 1237701 | |
| Issue Expenses | 871579 | | 1177407 | |
| | | 1799854 | | 2415108 |
| TOTAL | | 1799854 | | 2415108 |

| NOTE: 14. INVENTORIES | | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---|--|------------------------------|------------------------------|
| Particulars | | | |
| (As verified, valued & certified by management) | | | |
| Raw Materials | | 120908938 | 58967916 |
| Finished Goods | | 77860595 | 69689015 |
| Semi-finished Goods | | 30388800 | 27870069 |
| Fents & Rags | | 2990352 | 362404 |
| Stores, Spares, Packing & Design Materials | | 20914951 | 12934160 |
| Trading Goods | | 104530 | 111310 |
| TOTAL | | 253168165 | 169934874 |

| Particulars | | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---|--|------------------------------|------------------------------|
| A. The details of closing stock of Raw Materials | | | |
| - Yarn | | 14901397 | 16743856 |
| - Grey Fabric | | 79868629 | 27691798 |
| - Rubber Compound | | 1564901 | 2001620 |
| - Chemical Solvents | | 24574010 | 12530642 |
| TOTAL | | 120908938 | 58967916 |
| B. The details of closing stock of finished goods: | | | |
| - Rubber Printing Blankets | | 378081 | 1141072 |
| - Grey & Finished Fabric | | 21908073 | 58990854 |
| - Processed Fabric | | 55574441 | 9557089 |
| TOTAL | | 77860595 | 69689015 |
| C. The details of closing stock of semi finished goods: | | | |
| - Rubber Printing Blankets | | 14880724 | 10359216 |
| - Offset Printing Blankets | | 1620903 | 1789851 |
| - Grey & Finished Fabric | | 13045598 | 14556467 |
| - Processed Fabric | | 841575 | 1164535 |
| TOTAL | | 30388800 | 27870069 |
| D. The details of closing stock of trading goods: | | | |
| - Offset Printing Blanket | | 104530 | 111310 |
| TOTAL | | 104530 | 111310 |

| NOTE: 15. TRADE RECEIVABLES | | AS AT March 31, 2016 ₹ | | AS AT March 31, 2015 ₹ | |
|------------------------------------|--|------------------------------|------------------|------------------------------|------------------|
| Particulars | | | | | |
| Debts exceeding six months | | | | | |
| Unsecured and considered good | | 6865667 | 7154748 | 8636149 | 9750531 |
| Doubtful | | 289081 | | 1114382 | |
| Other debts | | | | | |
| Unsecured and considered good | | 298222110 | 298222110 | 270849364 | 270849364 |
| Doubtful | | — | | — | |
| TOTAL | | | 305376858 | | 280599895 |

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, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---------------------------|------------------------------|------------------------------|
| Mahalaxmi Calchem Pvt Ltd | — | 37800 |
| Mahalaxmi Exports | 30005836 | 7870902 |
| Shah Jeetmal Champalal | 8964184 | 11877075 |

| NOTE: 16. CASH & BANK BALANCES | | AS AT | | AS AT | |
|---|--|---------------------|----------|---------------------|----------|
| Particulars | | March 31, 2016 ₹ | | March 31, 2015 ₹ | |
| Cash & Cash Equivalents | | | | | |
| Cash on hand | | 1738994 | | 1420500 | |
| Balances with banks on current accounts | | 5109461 | 6848455 | 4424738 | 5845239 |
| Other Bank Balances | | | | | |
| Balances with Banks held as margin money | | 741000 | | 15799500 | |
| Balances with Banks on Deposit Accounts | | 85150000 | 85891000 | — | 15799500 |
| TOTAL | | | 92739455 | | 21644739 |

| NOTE: 17. SHORT TERM LOANS & ADVANCES | | AS AT | | AS AT | |
|--|--|---------------------|----------|---------------------|----------|
| Particulars | | March 31, 2016 ₹ | | March 31, 2015 ₹ | |
| Loans and advances to others | | | | | |
| a to Related Parties | | — | | — | |
| b to Others | | | | | |
| Unsecured and considered good | | 28748532 | | 51221929 | |
| Doubtful | | — | 28748532 | — | 51221929 |
| TOTAL | | | 28748532 | | 51221929 |

| NOTE: 18. OTHER CURRENT ASSETS | | AS AT | AS AT |
|---------------------------------------|--|---------------------|---------------------|
| Particulars | | March 31, 2016 ₹ | March 31, 2015 ₹ |
| Prepaid Expenses | | 4637967 | 4155383 |
| Accrued Income | | 19927162 | 7145092 |
| TOTAL | | 24565129 | 11300475 |

| NOTE: 19. REVENUE FROM OPERATIONS | | AS AT | | AS AT | |
|--|--|---------------------|------------|---------------------|------------|
| Particulars | | March 31, 2016 ₹ | | March 31, 2015 ₹ | |
| Sales of Products | | 1224930767 | | 988706785 | |
| Less: Excise Duty | | 10819786 | 1214110981 | 11074725 | 977632060 |
| Sales of Trading Goods | | | 41208 | | 62846 |
| Job Work Receipts | | | 473269289 | | 469035085 |
| TOTAL | | | 1687421478 | | 1446729991 |

| Particulars | | AS AT | AS AT |
|---|--|---------------------|---------------------|
| | | March 31, 2016 ₹ | March 31, 2015 ₹ |
| A The details of Sales of products: | | | |
| - Rubber Textile Printing Blankets / Offset Printing Blankets | | 116034041 | 115252337 |
| - Grey & Finished Fabric | | 503618757 | 309234440 |
| - Processed Fabric | | 579829116 | 538525288 |
| - Others | | 25448853 | 25694720 |
| TOTAL | | 1224930767 | 988706785 |
| B The details of Sales of Trading Goods | | | |
| - Aircells | | 41208 | — |
| - Offset Printing Blanket | | — | 62846 |
| TOTAL | | 41208 | 62846 |

NOTE: 20. OTHER INCOME

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---|------------------------------|------------------------------|
| Exchange Rate Fluctuation | 1454917 | 33313 |
| Sale of Scrap | 1058430 | 2178723 |
| Insurance Claims | 2018167 | 2145687 |
| Liability Written Back | 1651832 | 28802 |
| Vatav Kasar | 49994 | 54138 |
| Profit on Sale/disposal of Fixed Assets | 489401 | 1578283 |
| State Interest Subsidy | — | 5914667 |
| Excise Duty/Service Tax Refund | — | 480245 |
| TOTAL | 6722741 | 12413858 |

NOTE: 21. COST OF RAW MATERIALS CONSUMED & TRADING PURCHASE

| Particulars | AS AT March 31, 2016 ₹ | | AS AT March 31, 2015 ₹ | |
|---------------------------|------------------------------|------------------|------------------------------|------------------|
| Raw Materials Consumed | | | | |
| Opening Stock | 58967916 | | 68204517 | |
| Add: Purchases | 968267692 | | 676964741 | |
| | 1027235608 | | 745169258 | |
| Less: Closing Stock | 120908938 | 906326670 | 58967916 | 686201342 |
| Purchase of Trading Goods | | 31815 | | 179627 |
| TOTAL | | 906358485 | | 686380969 |

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|--|------------------------------|------------------------------|
| A. The details of Raw material consumed: | | |
| Yarn | 153309211 | 187497909 |
| Rubber Compound | 10441143 | 9808476 |
| Grey Cloth / Fabrics | 557107490 | 319954730 |
| Chemical & Solvents | 185468827 | 168940226 |
| TOTAL | 906326670 | 686201341 |
| B The details of Purchase of Trading Goods | | |
| - Aircells | 31815 | — |
| - Offset Printing Blanket | — | 179627 |
| TOTAL | 31815 | 179627 |

NOTE: 22. CHANGES IN INVENTORIES

| Particulars | AS AT March 31, 2016 ₹ | | AS AT March 31, 2015 ₹ | |
|-------------------------------------|------------------------------|-----------|------------------------------|-----------|
| Opening Stock | | | | |
| Finished Goods | 69689015 | | 90258652 | |
| Semi Finished Goods | 27870069 | | 38545085 | |
| Trading Goods | 111310 | | — | |
| Fents & Rags | 362404 | 98032798 | 1947296 | 130751033 |
| | | 98032798 | | 130751033 |
| Closing Stock | | | | |
| Finished Goods | 77860595 | | 69689015 | |
| Semi Finished Goods | 30388800 | | 27870069 | |
| Trading Goods | 104530 | | 111310 | |
| Fents & Rags | 2990352 | 111344277 | 362404 | 98032798 |
| | | 111344277 | | 98032798 |
| Changes in Inventories TOTAL | | -13311479 | | 32718235 |

NOTE: 23. MANUFACTURING & OPERATING COST

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---|------------------------------|------------------------------|
| Stores, Spares & Maintenance | 55212708 | 52775991 |
| Job Charges Paid | 31499960 | 23824845 |
| Design Expenses | 12871566 | 15590212 |
| Power & Fuel Expenses | 324181178 | 295783702 |
| Processing Charges | 73434827 | 66479885 |
| Laboratory Expenses | 509918 | 637378 |
| Freight, Clearing & Forwarding Expenses | 9459501 | 7558864 |
| Central Excise Duty | 132100 | 192482 |
| Pollution Control Expenses | 2692412 | 1291495 |
| TOTAL | 509994170 | 464134854 |

NOTE: 24. EMPLOYEES BENEFIT EXPENSES

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---|------------------------------|------------------------------|
| Salaries, Wages & Bonus | 78142677 | 65803458 |
| Contribution to Provident & Other Funds | 1327051 | 1082592 |
| Employees' Welfare Expenses | 2782083 | 3191289 |
| TOTAL | 82251811 | 70077339 |

NOTE: 25. FINANCIAL COST

| Particulars | AS AT March 31, 2016 ₹ | AS AT March 31, 2015 ₹ |
|---------------------------|------------------------------|------------------------------|
| Interest (Net) | 17022024 | 21366626 |
| Bank Commission & Charges | 2624201 | 1456612 |
| TOTAL | 19646225 | 22823238 |

| NOTE: 26. | OTHER EXPENSES | AS AT | AS AT |
|---------------------------------------|-----------------------|---------------------|--------------|
| Particulars | March 31, 2016 ₹ | March 31, 2015 ₹ | |
| E.C.G.C. Premium | 367572 | 445493 | |
| Telecommunication Expenses | 1054331 | 830364 | |
| General Expenses | 353793 | 346665 | |
| Insurance Premium | 3637674 | 2991809 | |
| Advertisement Expenses | 175038 | 239824 | |
| Audit Fees | 246175 | 235936 | |
| Car Expenses | 733004 | 1121389 | |
| Packing Materials Expenses | 16675515 | 25432915 | |
| Legal & Consulting Expenses | 2866097 | 2087472 | |
| Postage & Courier Expenses | 694236 | 501970 | |
| Rent, Rates and Taxes | 1570563 | 2892024 | |
| Deffered Revenue Expenses written off | 615254 | 615253 | |
| Loss on Sale of Fixed Assets | 357605 | 235775 | |
| Bus & Truck Expenses | 518655 | 519626 | |
| Miscellaneous Expenses | 2182666 | 2282472 | |
| Value Added Tax | 4249566 | 3815094 | |
| Export Freight | 3369989 | 4295860 | |
| Commission Expenses | 16767481 | 13992170 | |
| Factory Expenses | 344907 | 467685 | |
| Bad Debts written off | 1825347 | 5018784 | |
| Service Tax | 1191248 | 683837 | |
| Business Promotion Expenses | 4010965 | 15050 | |
| Printing & Stationery Expenses | 1237359 | 1225792 | |
| Travelling Expenses | 2298460 | 2102122 | |
| Exhibition Expenses | 868123 | 474647 | |
| TOTAL | 68211623 | 72870028 | |

| NOTE: 27. | THE DETAILS OF PAYMENT TO AUDITORS: | AS AT | AS AT |
|--|--|---------------------|--------------|
| Particulars | March 31, 2016 ₹ | March 31, 2015 ₹ | |
| Audit fee | 246175 | 235936 | |
| Tax Audit | 51525 | 44944 | |
| For Others (Reports, Certificates, etc.) | 65130 | 56180 | |
| TOTAL | 362830 | 337060 | |

| NOTE: 28. | THE DETAILS OF PAYMENTS MADE TO MANAGING DIRECTOR/DIRECTORS: | AS AT | AS AT |
|------------------|---|---------------------|--------------|
| Particulars | March 31, 2016 ₹ | March 31, 2015 ₹ | |
| Remuneration | 2400000 | 2400000 | |
| Perquisites | 64800 | 64800 | |
| TOTAL | 2464800 | 2464800 | |

| NOTE: 29. | VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS: | AS AT | AS AT |
|---------------------------|---|---------------------|--------------|
| Particulars | March 31, 2016 ₹ | March 31, 2015 ₹ | |
| Raw Material | 3841939 | 5771223 | |
| Capital Goods | 31185338 | — | |
| Stores & Spares | 2144600 | 1014745 | |
| Coal (on High Seas basis) | 80366747 | 85072187 | |
| TOTAL | 117538624 | 91858155 | |

| NOTE: 30. THE DETAILS OF EARNING IN FOREIGN CURRENCY: | | AS AT | AS AT |
|--|--|----------------|----------------|
| Particulars | | March 31, 2016 | March 31, 2015 |
| | | ₹ | ₹ |
| Exports of goods calculated on F.O.B. Value Basis (Net of Export Commission) | | 193451939 | 208037573 |
| TOTAL | | 193451939 | 208037573 |

| NOTE: 31. THE DETAILS OF EXPENDITURE INCURRED IN FOREIGN CURRENCY EQUIVALENT TO INDIAN RUPEES: | | AS AT | AS AT |
|---|--|----------------|----------------|
| Particulars | | March 31, 2016 | March 31, 2015 |
| | | ₹ | ₹ |
| Stores & Spares | | 2144600 | 1014745 |
| Capital Assets | | 31185338 | — |
| Raw Materials | | 3841939 | 5771223 |
| Travelling Expenses | | 868736 | 740446 |
| Exhibition Expenses | | 1005498 | 748085 |
| Export Commission | | 7746326 | 7951962 |
| Professional Services | | 602544 | 95545 |
| Subscription Expenses | | — | 30068 |
| TOTAL | | 47394981 | 16352074 |

(₹ in Lacs)

| NOTE: 32. THE DETAILS OF CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR): | | AS AT | AS AT |
|---|--|----------------|----------------|
| Particulars | | March 31, 2016 | March 31, 2015 |
| | | ₹ | ₹ |
| A Contingent Liabilities: | | | |
| 1 Outstanding Bank Guarantee | | 81.64 | 81.64 |
| 2 Outstanding of Letter of Credit | | 22.78 | 5.15 |
| 3 Disputed Excise Duty and service tax Liability | | 2.09 | 12.07 |
| 4 Disputed Income Tax Liability | | 9.99 | 1.61 |
| 5 Employees' cases pending before labour courts | | 73.22 | 36.38 |
| In other cases of Employees' pending before labour courts, the liability is indeterminate. The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary. | | | |
| B Commitments: | | | |
| 1 Estimated amount of capital contracts covered by Letter of Credit and guarantee remaining to be executed on capital account and not provided for (Net of Advances) | | 494.35 | 240.58 |

NOTE: 33. 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 Calchem Pvt. Ltd | Associate |
| Anand Chem Industries Pvt. Ltd. | Associate |
| Mahalaxmi Exports | Associate |
| Rahul Textile | Associate |
| Jeetmal B Parekh | Key Managerial Personnel |
| Rahul J Parekh | Key Managerial Personnel |
| Anand J. Parekh | Key Managerial Personnel |

(b) Transactions during the year with Related Parties:

| Nature of Transaction | Associate | Key Managerial Personnel |
|---------------------------|------------------|--------------------------|
| Rent paid | | |
| Shah Jeetmal Champalal | 12000 | --- |
| Rahul Textile | 108000 | --- |
| | 120000 | --- |
| Rent Received | | |
| Mahalaxmi Calchem P Ltd. | 15000 | --- |
| Anand Chem Ind. P. Ltd. | 5000 | --- |
| | 20000 | --- |
| Remuneration Paid | | |
| Rahul Jeetmal Parekh | --- | 1232400 |
| Anand Jeetmal Parekh | --- | 1232400 |
| | --- | 2464800 |
| Purchase | | |
| Mahalaxmi Cal Chem P Ltd. | 384690 | --- |
| Anand Chem Ind. P. Ltd. | 7487561 | --- |
| Mahalaxmi Exports | 2447202 | --- |
| | 10319453 | --- |
| Job charges Paid | | |
| Mahalaxmi Exports | 7286137 | --- |
| | 7286137 | --- |
| Sales | | |
| Mahalaxmi Cal Chem P Ltd. | 132300 | --- |
| Anand Chem Ind. P. Ltd. | 150675 | --- |
| Mahalaxmi Exports | 333502949 | --- |
| Shah Jeetmal Champalal | 45352512 | --- |
| | 379138436 | --- |

(c) Outstandings:

| Nature of Transaction | Associate | Key Managerial Personnel |
|--------------------------------|-----------------|--------------------------|
| Payables | | |
| Anand Chem Ind. P. Ltd. | 347375 | --- |
| Mahalaxmi Cal Chem P Ltd. | 462222 | --- |
| | 809597 | --- |
| Receivables | | |
| Mahalaxmi Exports | 30005836 | --- |
| Shah Jeetmal Champalal | 8964184 | --- |
| | 38970020 | --- |
| Unsecured Loans Payable | | |
| Jeetmal Bhoorchand Parekh | --- | 40793701 |
| Rahul Jeetmal Parekh | --- | 89276690 |
| Anand Jeetmal Parekh | --- | 59787691 |
| | --- | 189858082 |

NOTE: 34. DERIVATIVES INSTRUMENTS:

a) Derivatives outstanding as at the Balance Sheet Date:

| Currency | Exposure to Buy/Sell | No. of Contracts | As at the year ended | |
|-----------------|----------------------|------------------|----------------------|------------------|
| | | | ₹ Lacs | Foreign Currency |
| ----- Nil ----- | | | | |

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

| Particulars | AS AT March 31, 2016 | AS AT March 31, 2015 |
|---|-------------------------|-------------------------|
| Payable against import of goods & services | | |
| Rupees in Lacs | 22.78 | 9.87 |
| US Dollar | 10526 | 15797.25 |
| Euro | 16500 | --- |
| Advance payment to suppliers and for expenses | | |
| Rupees in Lacs | --- | 3.80 |
| Euro | --- | 5692.00 |
| Receivable against export of goods and services | | |
| Rupees in Lacs | 119.31 | 29.90 |
| US Dollar | 178989.14 | 47846.20 |
| Euro | | |

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

NOTE: 35. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-17 "SEGMENT REPORTING":

| Sr. No. | PARTICULARS | 2015-16 | | | 2014-15 | | |
|---------|---------------------------------|--------------------------------------|------------------|--------------|--------------------------------------|------------------|--------------|
| | | Rubber / Technical Textiles Products | Textile Products | Consolidated | Rubber / Technical Textiles Products | Textile Products | Consolidated |
| 1 | BUSINESS SEGMENT | | | | | | |
| | Segment Revenue | | | | | | |
| | External sales | 106886066 | 1580535412 | 1687421478 | 105218678 | 1341511313 | 1446729991 |
| | Inter- Segment Sales | 1000000 | 16534345 | 17534345 | 10998560 | 22763449 | 33762009 |
| | | 107886066 | 1597069757 | 1704955823 | 116217238 | 1364274762 | 1480492000 |
| | Less:Inter- Segment Sales | (1000000) | (16534345) | (17534345) | -10998560 | (22763449) | (33762009) |
| | Total Revenue | 106886066 | 1580535412 | 1687421478 | 105218678 | 1341511313 | 1446729991 |
| 2 | Results | | | | | | |
| | Segment results before Interest | (16263930) | 72966139 | 56702208 | (25459159) | 73729617 | 48270458 |
| | Interest | (4288954) | (12428704) | (16717658) | (6470510) | (13538876) | (20009386) |
| | Unallocable Expenses | --- | --- | 451910 | --- | --- | 2906238 |
| | Other Income | 3023040 | 3699585 | 6722624 | 6841301 | 5544526 | 12385827 |
| | Unallocable Income | --- | --- | 2817 | --- | --- | 23841 |
| | Profit after Interest | -17529845 | 64237020 | 47161902 | -25088368 | 65735267 | 43576978 |
| | Extraordinary Items | --- | --- | --- | --- | --- | --- |
| | Current Tax | --- | --- | 18927250 | --- | --- | 16509000 |
| | Deferred Tax | --- | --- | (2568000) | --- | --- | (2054000) |
| | Net Profit after Tax | --- | --- | 30802652 | --- | --- | 29121978 |

| Sr. No. | PARTICULARS | 2015-16 | | | 2014-15 | | |
|---------|-------------------------------------|--------------------------------------|------------------|--------------|--------------------------------------|------------------|--------------|
| | | Rubber / Technical Textiles Products | Textile Products | Consolidated | Rubber / Technical Textiles Products | Textile Products | Consolidated |
| 3 | Other Information | | | | | | |
| | Segment Assets | 286205826 | 996736110 | 1282941936 | 300239937 | 803824842 | 1104064779 |
| | Unallocable Assets | --- | --- | 79658293 | --- | --- | 67243966 |
| | Segment Liabilities | 207110617 | 569651272 | 776761888 | 241352488 | 393903779 | 635256267 |
| | Unallocable Liabilities | --- | --- | 79806078 | --- | --- | 82733276 |
| | Capital Work in Progress | | | | | | |
| | Segment CWIP | 1467522 | 978909 | 2446431 | 14872431 | 3112312 | 17984743 |
| | Unallocable CWIP | --- | --- | 0 | --- | --- | 6236611 |
| | Depreciation | 26276500 | 43304886 | 69581386 | 25684115 | 37842900 | 63527016 |
| | Unallocable Depreciation | --- | --- | 4250100 | --- | --- | 3035191 |
| II | GEOGRAPHICAL SEGMENT Revenue | | | | | | |
| | India | 91826796 | 1388486241 | 1480313037 | 94283909 | 1132355741 | 1226639650 |
| | Outside India | 15059270 | 192049171 | 207108441 | 10934769 | 209155572 | 220090341 |

NOTE: 36.

| | | Gratuity (Non-Funded) | |
|---|--|-----------------------|---------|
| | | 2015-16 | 2014-15 |
| 1 | RECONCILIATION OF OPENING AND CLOSING BALANCES OF DEFINED BENEFIT OBLIGATION | | |
| | Defined Benefit obligation at beginning of year | 7533903 | 7183107 |
| | Current Service Cost | 789817 | 741962 |
| | Interest Cost | 598945 | 669466 |
| | Acturial (gain)/loss | 397354 | -595202 |
| | Benefits paid | -1237291 | -465430 |
| | Defined Benefit obligation at year end | 8082728 | 7533903 |
| 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 | --- | --- |
| 3 | RECONCILIATION OF FAIR VALUE OF ASSETS AND OBLIGATIONS | | |
| | Fair value of Plan assets | --- | --- |
| | Present value of obligation | 8082728 | 7533903 |
| | Amount recognised in Balance Sheet | 8082728 | 7533903 |

4 EXPENSES RECOGNISED DURING THE YEAR

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

| Gratuity (Non-Funded) | |
|-----------------------|----------|
| 2015-16 | 2014-15 |
| 789817 | 741962 |
| 598945 | 669466 |
| --- | --- |
| 397354 | (595202) |
| 1786116 | 816226 |

5 INVESTMENT DETAILS

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

| Gratuity (Non-Funded) | |
|-----------------------|----------------|
| As at 31.03.16 | As at 31.03.15 |
| 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) | |
|-----------------------|---------|
| 2015-16 | 2014-15 |
| 0.00% | 0.00% |
| 7.96% | 7.95% |
| 5.00% | 5.00% |
| 2.00% | 2.00% |

NOTE: 37 The power cost is net of value of captively consumed units of wind mill.

NOTE: 38 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: 39 The Company has export obligation to the extent of ₹ 11.98 Crores on account of concessional rate of custom duty availed under EPCG licence Scheme on import of capital goods.

NOTE: 40 Based on review carried out as on 31.03.2016, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".

NOTE: 41 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: 42 During the year the face value of equity shares were consolidated from ₹ 1/- each to ₹ 10/- each by consolidating 10 (ten) equity shares of ₹ 1/- into 1 (one) equity share of ₹ 10/- each.

NOTE: 43 Previous year figures have been regrouped, rearranged or reclassified , wherever necessary, to make them comparable with the current year figures.

NOTE: 44 **SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES ADOPTED BY THE COMPANY:**
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 has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

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.

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: 27th May, 2016.

S/d-
JEETMAL B. PAREKH
Chairman

S/d-
RAJENDRA R. MEHTA
Chief Financial Officer
AHMEDABAD: 27th May, 2016.

S/d-
RAHUL J. PAREKH
Managing Director

S/d-
MALAV AJMERA
Director

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

S/d-
SHAILESH P. KOSHTI
Company Secretary



MAHALAXMI RUBTECH LIMITED

CIN: L25190GJ1991PLC016327

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the companies (management and administration) Rules, 2014]

Name of the Company : **Mahalaxmi Rubtech Limited**
Registered Office : 47, New Cloth Market, Ahmedabad – 380002, Gujarat, India

| | |
|-------------------------|--|
| Name of the member(s): | |
| Registered address: | |
| Email address: | |
| Folio No. / *Client ID: | |
| *DP ID: | |

I/ We, being the member(s) of _____ shares of Mahalaxmi Rubtech Limited, hereby appoint:

1. Name : _____ Address : _____

E-mail Id : _____ Signature : _____

or failing him / her

2. Name : _____ Address : _____

E-mail Id : _____ Signature : _____

or failing him / her

3. Name : _____ Address : _____

E-mail Id : _____ Signature : _____

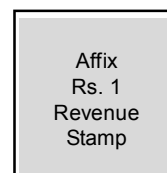
and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 25th Annual General Meeting to be held on Thursday, the 29th day of September, 2016 at 11.30 a.m. at Lions Hall[®], Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad-380006 any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

| Sr. No. | Resolution | Optional** | |
|-------------------|--|------------|---------|
| | | For | Against |
| ORDINARY BUSINESS | | | |
| 1 | Adoption of audited financial statements for the financial year, ended March 31, 2016 together with the reports of the director's and Auditor's thereon. | | |
| 2 | Re-appointment of Mr. Rahul Jeetmal Parekh (DIN: 00500328) who retires by rotation. | | |
| 3 | Appointment of M/s. Bhanwar Jain & Co., Chartered Accountants, Statutory Auditors and fixing their remuneration. | | |

| Sr. No. | Resolution | Optional** | |
|------------------|---|------------|---------|
| | | For | Against |
| SPECIAL BUSINESS | | | |
| 4 | Appointment of Mrs. Sangita Singhi (DIN: 06999605) as an Independent Director (Ordinary Resolution) | | |
| 5 | Ratification of remuneration payable to Cost Auditors, M/s Dalwadi & Associates (Ordinary Resolution) | | |
| 6 | To consider revision in remuneration of Mr. Rahul J. Parekh, managing director (Ordinary Resolution) | | |
| 7 | To consider revision in remuneration of Mr. Anand J. Parekh, joint managing director. (Ordinary Resolution) | | |
| 8 | To consider the Related Party Transactions (Special Resolution) | | |
| 9 | Approval for keeping and inspecting the registers, returns etc. at a place other than the registered office of the Company (Special Resolution) | | |

** Applicable for investors holding shares in electronic form.



Signed this _____ day of _____ 2016

Signature of Shareholder

Signature of first proxy holder

Signature of second proxy holder

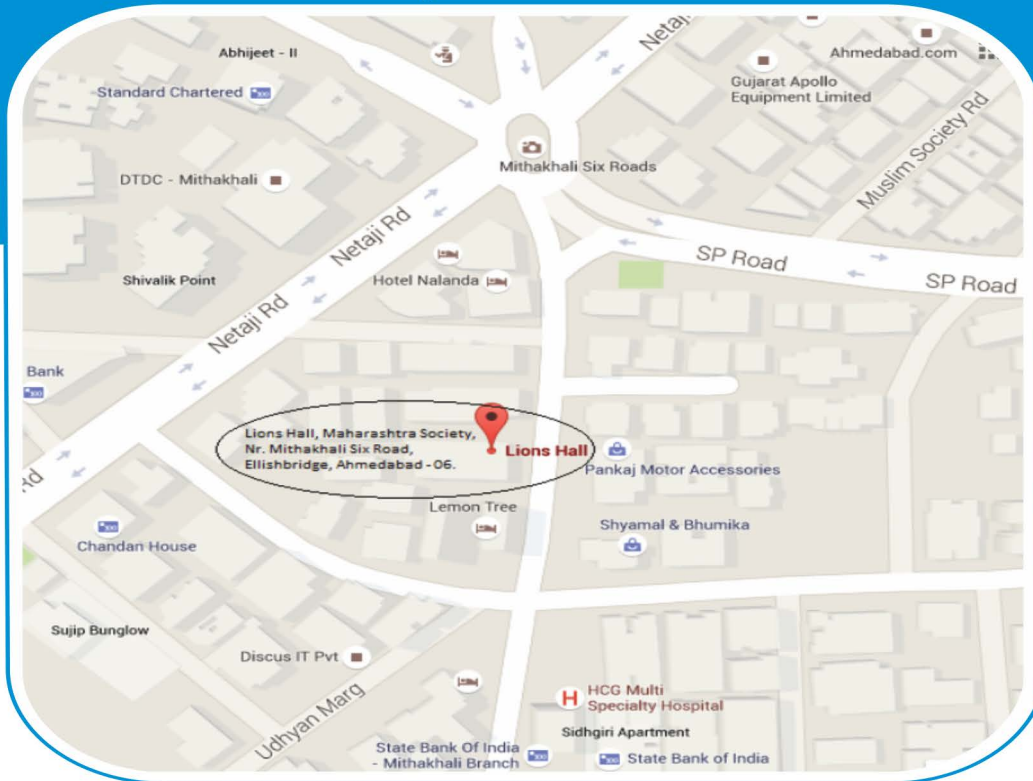
Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly complete and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. For the Resolution, Explanatory Statement and Notes, please refer to Notice of the 25th Annual General Meeting.
3. A proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**This is only optional. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. Please complete all details including membership details in above box before submission. Blank / incomplete Proxies shall be considered invalid.

Routemap of the AGM Venue



MAHALAXMI RUBTECH LIMITED

Regd. office: 47, New Cloth Market, Ahmedabad 380002. Gujarat.

Ph.: 079-4000 8000 Fax: 079-4000 8030

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

CIN : L25190GJ1991PLC016327

ATTENDANCE SLIP

Full name of the member attending _____

Full name of joint-holder _____

Full name of Proxy* _____

*(To be filled in if the Proxy instead of the member)

I hereby record my presence at the 25th Annual General Meeting held at "LIONS Hall", Nr. Nalanda Hotel, Mithakhali Six Road, Ellisbridge, Ahmedabad- 380 006 on Thursday the September 29th, 2016 at 11.30 a.m.

Folio No. _____ DP ID No. _____ *Client ID No. _____

*Applicable for members holding shares in electronic form.

No. of Share(s) held _____

Member's /Proxy's signature _____

BY COURIER / REGISTERED POST

To,



If undelivered, please return to:-



MAHALAXMI RUBTECH LIMITED

CIN: L25190GJ1991PLC016327

47, New Cloth Market, Ahmedabad – 380 002.

Tel: 079- 4000 8000 Fax: 079-4000 8030

Website: www.mrtglobal.com