

25<sup>th</sup>

ANNUAL REPORT 2017-18



**RUBFILA**  
International Limited

# 25<sup>th</sup>

ANNUAL REPORT 2017-18

## BOARD OF DIRECTORS

**BHARAT J PATEL**  
Chairman

**BHARAT J DATTANI**  
Director

**THOMAS CARLTON THOMPSON III**  
Director

**DHIREN S SHAH**  
Director

**HARDIK B PATEL**  
Director

**SAMIR K SHAH**  
Director

**PATRICK M DAVENPORT**  
Director

**S N RAJAN**  
Director

**R CHITRA**  
Director

**S H Merchant**  
Director

**G KRISHNA KUMAR**  
Managing Director

Company Secretary &  
Chief Financial Officer  
**N N PARAMESWARAN**

Statutory Auditors  
**M/S. CYRIAC & ASSOCIATES**  
Chartered Accountants  
TC 3/2418 Marappalam Jn.,  
Pattom, Trivandrum - 695041.

Secretarial Auditors  
**M/s.SVJS & ASSOCIATES**  
Company Secretaries, Cochin.

Cost Auditors  
**M/S. AJITH SIVADAS & CO.**  
Cost Accountants, Palakkad



Tax Auditors  
**M/S. MUKESH M. SHAH & CO.**  
Chartered Accountants, Ahmedabad

Internal Auditors Auditors  
**M/S. PRATAPKARAN PAUL & CO.**  
Chartered Accountants, Chennai



Registered Office & Factory  
New Industrial Development Area  
Kanjikode, Palakkad  
Kerala- 678 621





# Notice of 25<sup>th</sup> Annual General Meeting

Notice is hereby given that the 25th Annual General Meeting of the Members of Rubfila International Limited (CIN: L25199KL1993PLC007018) will be held at **RB Auditorium, Opp. Instrumentation Ltd, Kanjikode, Palakkad** on **Saturday, the 22nd Day of September, 2018 at 11.00 a.m.** to transact the following business:-

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt audited Standalone Financial Statements of the Company for the year ended 31st March, 2018 together with the Report of the Board of Directors and Independent Auditors Report thereon.

2. To declare a final dividend of Rs. 1/- per equity share of Rs. 5/- each for the Financial Year ended 31st March, 2018.
3. To appoint a Director in place of Mr. Thomas Calton Thompson III (holding DIN 01509260), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Hardik B. Patel (holding DIN 00590663), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.

#### **SPECIAL BUSINESS:**

5. Reclassification of the Status of Promoters Shareholding into Public Shareholding.  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws and regulations as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), and other applicable provisions; subject to necessary approvals from the Stock Exchanges and other appropriate statutory authorities, as may be necessary; the approval of the Members, be and is hereby accorded to reclassify the following persons/entities (hereinafter individually & jointly referred to as the “Applicants”) and currently forming part of the “Promoter and Promoter Group” holding 3212049 Equity Shares aggregating to 7.10% of the paid up capital of the Company, from “Promoter & Promoter Group” shareholding of the Company to the “Public” shareholding of the Company:

**“RESOLVED FURTHER THAT** on approval of the Stock Exchange(s) upon application for re-classification of the aforementioned applicants, the Company shall effect such re-classification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to perform and execute all such acts, deeds, matters and things including but not limited to making timely intimation to stock exchange(s), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard to give full effect to the aforesaid resolutions.”

6. To ratify the remuneration payable to Cost Auditors for the year 2018-19.

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

**RESOLVED THAT** pursuant to the provision of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or any amendment(s) there to or any substitution(s) or any re-enactments thereof for the time being in force), M/s. Ajith Sivasdas & Co, Cost Accountants, Palakkad were appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2019, be paid remuneration of Rs.50,000/- plus applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized severally to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By Order of the Board of Directors  
RUBFILA INTERNATIONAL LTD

**N.N. Parameswaran**  
CFO & Company Secretary

Place : Mumbai  
Date : 01-08-2018

## Notes:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

Proxies in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered as invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy Form, for identification purposes.

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 the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable. Proxy shall not have a right to speak at the Meeting and shall not be entitled to vote except on a poll.

2. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Members /proxies should bring the attendance slips duly filled in and PHOTO ID Proof for attending the meeting. The duly filled in Attendance Slip must be surrendered at the counter before attending the Meeting.
4. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting
6. Request for any clarification needed on the accounts should be lodged in writing at the Registered Office of the Company on or before 5 P.M. on 15/09/2018.
7. The Share Transfer Books and the Register of Members shall remain closed from 16th September, 2018 to 22nd

September, 2018 both days inclusive.

8. The Board of Directors have recommended a dividend @ 20% (Rs.1/- per Equity Share of Re.5/- Fully paid-up) of the paid up capital for the year. If declared at the Annual General Meeting, the same will be paid to the share holders who holds shares:
  - a) In dematerialized mode, based on the beneficial ownership details to be received from National Securities Depository Limited and Central Depository Services (India) Limited as on 15th September, 2018.
  - b) In physical mode, if their names appear in the Company's Register of Members after giving effect to all valid transfers in physical form lodged with the Company and its Registrar and Transfer Agents on or before 15th September, 2018.
9. Members are requested to intimate immediately change of address, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be.
10. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filing required form.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.
12. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents.
13. In view of the circular issued by SEBI, the Electronic clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, Members holding shares in physical form are requested to provide bank account details to the Company and its Registrar and Share Transfer Agents. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. Any changes in such bank mandate must be advised only to the Depository Participant of the Members.
14. In terms of the Circulars No. 17/2011 of 21st April, 2011 and

18/2011 of 29th April, 2011 issued by the Ministry of Corporate Affairs (MCA) as part of its “green initiative in Corporate Governance”, MCA allows paperless compliances including service of a notice/document by companies to their Members through electronic mode. Therefore, the Company proposes to send documents required to be sent to Members like Notice of General Meetings (including AGM), Audited Financial Statements, Report of the Directors, Independent Auditor’s Report etc to the Members in electronic form to the e-mail IDs provided by them and made available to the Company by the Depositories. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents will also be available on the Company’s website [www.rubfila.com](http://www.rubfila.com) for download by the Members. The physical copies of the Annual Report will be made available on request from the members.

15. Voting through Electronic means:

a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Rules, 2015 the Company is pleased to provide Members with a facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through Electronic Voting (Remote e-Voting) Services provided by the Central Depository Services (India) Limited (CDSL):

“Electronic voting system” means a secured voting system based process of display of electronic ballots, recording of votes of the Members and the number of votes polled in favour or against, in such a manner that the entire voting exercised by way of electronic means gets registered and counted in an electronic registry in a centralized server with adequate cybersecurity.

“Remote e-voting” means the facility of casting votes by a Member using an electronic voting system from a place other than venue of a general meeting.

“Cut-off date” for determining the eligibility for voting either through electronic voting system or ballot is fixed as 15th September, 2018. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

b) Procedure for Remote E-Voting

- i) Log on to the remote e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii Click on “Shareholders” tab
- iii) 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.
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi) If you are a first time user follow the steps given below:

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both de-mat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the de-mat account/folio number in the PAN field..</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your de-mat account or in the company records for the said de-mat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your de-mat account or in the company records for the said de-mat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.</li> </ul>



vii) After entering these details appropriately, click on "SUBMIT" tab.

viii) Members holding shares in physical form will then reach directly 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 de-mat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote 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.

ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x) Click on the EVSN to choose **<RUBFILA INTERNATIONAL LIMITED>** to vote.

xi) 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.

xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiii) 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.

xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on The Voting page.

xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii) Note for Non-Individual Shareholders & Custodians.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves as Corporate and custodians respectively

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/ folio numbers on which they wish to vote.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.

#### **In case of members receiving the physical copy:**

Please follow all the steps from SL.No. : (i to xvii) above to cast vote.

#### **GENERAL INFORMATION**

A) The voting period begins on Wednesday 19th September 2018 at 9.00 A.M and ends on Friday 21st September 2018 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 15th September, 2018, may cast their vote electronically. The Remote E-voting module shall be blocked by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.

B) Members have an option to vote either Remote e-voting (availing the services provided by CDSL) OR by using the poll slips to be distributed at the meeting. If members have cast their vote through remote e-voting, then they should not cast their vote at the meeting but they can attend meeting.

However if a member has voted through remote e-voting and has again voted at the meeting, then the voting done through remote e-voting shall prevail and voting done at the meeting shall be treated as invalid.

C) The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 8th September, 2018. A person who is not a member of the Company as on the afore-mentioned date should treat this notice for information purposes only.



- D) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or you may contact Helpdesk: 18002005533/022-22723333
- E) Shareholders who acquired shares after dispatch of this AGM Notice may please contact CDSL as mentioned above to obtain the login id and password for remote e-voting.
- F) Any grievances / queries related to remote e-voting may be addressed to Mr.Rakesh Dalvi, Designation - Deputy Manager, Address - 16th Floor, PhirozeJeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001. Contact No.18002005533. Email id - [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
16. The route map to the venue of the Annual General Meeting also forms part of this notice.
17. The Company has appointed M/s. SVJS & Associates, Company Secretaries, Cochin, as the Scrutinizers for conducting the remote e-voting process and poll in the meeting in a fair and Transparent manner.
18. The Scrutinizer shall, immediately after the conclusion

of voting at the Annual 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 2 (two) witnesses not in employment of the Company and make not later than 2 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Director or a person authorized by him in writing who shall counter sign the same.

19. The results shall be declared forthwith upon receipt of the Scrutinizer's Report. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.rubfila.com](http://www.rubfila.com), its Notice Board and on the website of CDSL and communicated to the stock exchanges where shares of the Company are listed.
20. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for Inspection at the Registered Office of the Company during normal business hours (9.00 a.m to 5.00 p.m) on all working days except Sundays, upto and including the date of the Annual General Meeting of the Company. Members may also note that the Notice and Annual Report of the Company for the Financial Year 2017-18 are available on Company's website at [www.rubfila.com](http://www.rubfila.com).

## STATEMENT AS PER SECTION 102 OF COMPANIES ACT 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

### Item No. 5

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") has provided a regulatory mechanism for classification of Promoters & Promoter group as Public Shareholders subject to fulfilment of conditions as provided therein.

In this regard, the Company received applications from the person/entities (as set out below) pursuant to Regulation 31A

of the Listing Regulations for classifying them under the Public Category since their names have been included as a part of the Promoter and Promoter group.

They are not the 'immediate relatives' nor are they controlled by the remaining Promoters of the Company, as per the definition of promoter group as provided in Regulations 2(1)(zb)(ii) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

They are financially independent persons/entities, who take independent investment decisions and are no way related to any of the business carried out by the Company. Further they do not hold any key managerial position or representations of

the Board of Directors in the Company and have not engaged in any management or day to day affairs of the Company and also do not have any right either to appoint any Director of the Company or an ability to control the management or policy decisions of the Company in any manner whatsoever including by virtue of their shareholding. Further, they shall not act as a key management person of the Company for a period of more than three years from the date of the shareholders approval in relation to this reclassification. None of their act influences the decision taken by the Company and they do not have any special right through formal or informal arrangements with the Company or with the Promoter of the Company.

The afore-mentioned Promoters vide their letters dated 31-07-2018, have requested the Company for re-classification of their shareholding (as mentioned in the table above) as Public Shareholding

In view of the explanations given by the Applicants as detailed above and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, the Board of Directors of the Company at their meeting held on 1st August, 2018 have approved all the applications for re-classification received by the Company as above from Promoter and Promoter Group category to Public category subject to approval by the members and relevant regulatory authorities. As required, intimation has been sent to Stock Exchanges based on declaration received from the aforesaid persons/entities.

Further as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on date of the notice fulfils the minimum public shareholding requirement of at least 25% and the proposed re-classification does not intend to increase the public shareholding to achieve compliance with the minimum public shareholding requirement.

Further, in accordance with Regulation 31A of the Listing Regulations, the said re-classification requires the approval of the Stock Exchanges, where the shares of the Company are listed. In terms of the procedure adopted by the Stock Exchanges for granting such approval, the Stock Exchanges, inter alia, require that the Company obtain the consent of the Shareholders of the Company, for the said reclassification.

None of the Directors, Key Managerial Persons, or their relatives is concerned or interested in this resolution as set out in the notice.

The Board recommends the passing of the above resolutions as set out under item no. 5 for approval of the Members as Ordinary Resolution.

#### **Item No. 6**

In accordance with the provisions of Section 148 of the Act,



read with The Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board on recommendation of the Audit Committee had appointed M/s. Ajith Sivasdas & Company, Cost Accountants as the Cost Auditors of the Company for the financial year 2018-19 for a remuneration of Rs. 50,000/- as audit fee payable to the Cost Auditors plus applicable taxes and reimbursement of out of pocket expenses.

Accordingly, consent of the Members is being sought for passing the Ordinary resolutions as set out in item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2018-19

The resolution as set out in item no. 6 of this Notice is accordingly commended for your approval.

None of the Directors or Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise, in the resolution set out in the item no. 6 of the accompanying Notice.

By Order of the Board of Directors  
RUBFILA INTERNATIONAL LTD

**N.N. Parameswaran**  
CFO & Company Secretary

Place : Mumbai  
Date : 01-08-2018

## Particulars of Directors who are proposed to be re-appointed at the meeting are given below :

Name of the Director	Mr. Thomas Calton Thompson III	Mr. Hardik B. Patel
DIN No.	01509260	00590663
Age & Date of Birth	03-06-1952	10-01-1982
Type of appointment	Director Retiring by Rotation	Director Retiring by Rotation
Date of first Appointment	08-09-2005	28-09-2012
Experience and Areas of Specialization	Finance Advisor	Finance Management
Qualifications	BA, MSC	MBA
Terms & Conditions of Appointment	Non-Executive	Non-Executive
Remuneration last drawn	Nil	Nil
No. of Shares Held in the Company	Nil	1144268
No. of Board Meetings attended during Financial Year 2017-18	2	4
List of Directorship held in outside Public Limited Companies	Nil	Nil
Chairman/member of the Committee of the Board of Directors of other Companies	Nil	Nil
Relation with Key Managerial Personnel and Directors	Nil	Nil
Justification for appointment	Expertise in Finance/ Management	Expertise in Finance/Management

### FOR THE ATTENTION OF THE MEMBERS:

- Members are requested to send intimations of any changes in their addresses, applications for demat of shares, applications for transfer of shares and any related correspondence to the Company's share transfer agents M/s Integrated Registry Management Services Private Limited, 2nd Floor,"Kences Towers", No.1, Ramakrishna Street, North Usmand Road, T. Nagar, Chennai - 600017. Ph: 044-28140801 - 3. Email :corpserv@integratedindia.in
- Sending notices and documents to share holders through email:**  
As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are request-

ed to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company M/s. Integrated Registry Management Services Private Limited at their postal / email address given above. Please give the details in the attached format for registering your email ID. Those holding shares in demat form are requested to register their email IDs with their Depository Participants.

- Making payment of dividend through NECS /NEFT:**  
In order to enable payment of dividend by direct credit to the bank accounts of the shareholders through National Electronic Clearing Service(NECS) / National Electronic Fund Transfer(NEFT), those holding shares in physical form are requested to furnish their mandates for the same in the attached format along with the specified details / documents to M/s Integrated Registry Management Services Private Limited. Those holding shares in demat form are requested to update their records with DPs in this respect.



#### 4. Payment of unpaid dividends of previous years.

The company has so far declared dividends and issued warrants to the shareholders as below:

Year	% of share paid up value
2012 - 13	12
2013 - 14	12
2014 - 15	15
2015 - 16	10
2016 - 17	15

Members wishing to claim unclaimed dividends are requested to correspond with the Company Secretary of the Company, at the registered office. Members are requested to note that dividends which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 124 of the Companies Act, 2013 and Rules made there under, be transferred to the Investor Education and Protection Fund. Further, pursuant to the provisions of section 124 of

the Companies Act, 2013, read with the Investor, Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividend remain unpaid / unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. The Company has uploaded the details of unpaid and unclaimed amounts on the website of the Company ([www.rubfila.com](http://www.rubfila.com)). Shareholders who have not encashed their dividend warrants for any of the years 2012 - 13 to 2016 - 17 are requested to get the warrants revalidated by the Bank, since the outstanding dividend will be transferred to Investor Education and Protection Fund.

Necessary formats for item 2, 3 & 4 above are available on the website of the Company [www.rubfila.com](http://www.rubfila.com) / investors.

By Order of the Board of Directors  
RUBFILA INTERNATIONAL LTD

Place : Mumbai  
Date : 01-08-2018

N.N. Parameswaran  
CFO & Company Secretary



# DIRECTOR'S REPORT

TO THE MEMBERS OF RUBFILA INTERNATIONAL LIMITED

The Directors have pleasure to present their 25th Annual Report and the audited Annual Accounts for the year ended 31st March 2018.

## 1. Financial Results

Particulars	Year ended 31st March, 2018 (Rs in lakhs)	Year ended 31st March, 2017 (Rs in lakhs)
Gross Income	21773.10	18513.09
Profit before Interest and Depreciation	3606.25	2238.27
Finance Charges	(2.64)	6.47
Profit before Depreciation	3608.89	2231.80
Provision for Depreciation	356.24	299.60
Net Profit before Tax	3252.64	1932.20
Provision for Tax	1145.13	679.93
Net Profit after Tax	2107.51	1252.27
Balance of Profit brought forward	5717.89	4918.37
Balance available for appropriation	7825.42	6170.64
Dividend on Equity Shares	324.13	216.09
Tax on proposed Dividend	66.00	44.00
Transfer to General Reserve	105.38	62.61
Surplus carried to Balance Sheet	7720.02	6108.02

## 2. Performance Review

Your company achieved a higher turnover of Rs.21773.10 lakhs, an increase of 17.60% as compared to last year. This is the highest turnover achieved by the company in its history. The profit before depreciation and taxes is Rs.3608.89 Lakhs as compared to Rs. 2231.80 lakhs posted during the previous year. The earnings per equity share (face value Rs. 5) for the year is Rs.4.80. as against Rs. 2.90 for the previous year.

## 3. Dividend and Transfer to Reserves

Your Directors have recommended a dividend of 20% (Rs.1 per Share of face value Rs.5/-) for the year subject to the approval of shareholders at the ensuing Annual General Meeting. This will result in total payout for the year 2017-18 (including Dividend Distribution Tax) of Rs.390.13 Lakhs. (Rs.260.09 Lakhs in 2016-17). An amount of Rs.105.38 Lakhs, has been transferred to General Reserve as per the provisions of Companies Act, 2013.

## 4. Capital Expenditure

As on 31st March 2018, the gross fixed assets of the company stand at Rs.10302.92 Lakhs and net fixed assets Rs. 4968.81 Lakhs. Capital additions during the year amounted to Rs 1740.04 Lakhs, which include addition to Building for Rs.341.51 Lakhs, Plant & Machinery and other assets amounting to Rs.1079.11 Lakhs and Capital Work in Progress of Rs.319.42 Lakhs.

## 5. Future Prospects

Your company expects to retain its share in the domestic market even though there are challenges in the form of huge volume of imports coming from Malaysia and Thailand at lower prices. Higher price of natural latex in India compared to international markets is a major factor which decides the market dynamics. This impacts the profitability of the operations. With the brand well known in the Indian as well as international markets, your company is confident of meeting the challenges existing in the market and remain profitable.

## 6. Directors' Responsibility Statement

The Directors report that

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. 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 and of the profit of the company for the period ended 31st March 2018.

- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on a going concern basis.
- v. 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.
- vi. 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.

## 7. Listing on Stock Exchanges

Your Company's shares are listed on the Bombay stock exchange Ltd. The Company has paid listing fee for the year 2018-19.

## 8. Declaration on Independent Directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013 Mr. Samir K. Shah (DIN 01714717), Mr. S.N. Rajan (DIN 00105864), Mr. Patrick M Davenport (DIN 00962475), Ms. R. Chitra (DIN 01560585) and Mr. S H Merchant (00075865) are the Independent Directors of the Company. They have submitted a declaration that each of them meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as an Independent Director during the year.

- (a) in the opinion of the Board, these persons are of integrity and possess relevant expertise and experience;
- (b) (i) who were not Promoters of the company or its holding, subsidiary or associate company  
(ii) who are not related to Promoters or Directors in the company, its holding, subsidiary or associate Company;
- (c) who have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their Promoters or Directors, during the two immediately preceding financial years or during the current financial year;
- (d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their Promoters, or Directors, amounting to two percent or more of its gross turnover of total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two im-



mediately preceding financial years or during the current financial year;

- (e) Who, neither himself/herself nor any of his/her relatives -
- i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed;
  - ii) is or has been an employee or propriety or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -
    - (A) a firm of auditors or company secretaries in practice or cost auditors or the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - iii) holds together with his/ her relative two per cent, or more of the total voting power of the company; or
  - iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- (f) Who possess appropriate skills, experience and knowledge in one or more fields of finance,, law, management, sales, marketing, administration, research, corporate governance, technical operations and other disciplines related to the Company's business.

A note on the familiarizing programme adopted by the Company for the orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Corporate Governance Report which forms part of this Report.

Further, the Independent Directors of the Company met once during the year on 28.01.2018 to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole

## 9. Particulars of Loans, guarantees or investments

Pursuant to Section 186 of the Companies Act, 2013 your

company has not directly or indirectly -

- a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials if any,
- b) given any guarantee or provide security in connection with a loan to any other body corporate or person and
- c) acquired by way of subscription purchase or otherwise, the securities of any other body corporate
- d) exceeding sixty percent, of its paid-up share capital, free reserve and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more.

## 10. Deposits

Your company has not accepted any deposits from public as envisaged under Sections 73 to 76 of Companies Act, 2013 read with Companies (acceptance of Deposit) Rules, 2014 and no amount remain unpaid or unclaimed as at the end of the period under review.

## 11. Conservation of Energy, technology absorption, foreign exchange earnings and outgo

Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are given in Annexure forming part of this report.

## 12. Related Party Transactions

All contracts/ arrangements / transaction entered by the Company during the financial year were in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder and according to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All transactions entered into with the Related Parties during the financial year under the review were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party transactions made by the Company with its Promoters, Directors, Management or their relatives that could have had a potential conflict with the interests of the Company at large. All Related Party Transactions were placed before the Audit Committee and also before the Board for their approval.

The Company had framed a policy on materiality of related party transactions and on dealing with related party transactions. The policy as approved by the Board is uploaded on the Company's website : <http://www.rubfila.com/policies>.

The Members may refer to Note 40 to the Standalone Fi-



nancial Statements which sets out the related party disclosures as per the Accounting Standards.

### 13. Corporate Social Responsibility:

The Board of Directors, the Management and all of the employees subscribe to the philosophy of compassionate care. The company believes and acts on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone.

The CSR Policy may be accessed on the Company's website at the link: <http://www.rubfila.com/about us>

The CSR activities are overseen by a committee of Directors comprising of Mr. Bharat J. Dattani (DIN 1462746), Mr. S.N.Rajan (DIN 00105864) and Mr.G Krishna Kumar on a regular basis.

During the year Company has spent Rs.22.33 Lakhs towards CSR expenditures. The areas in which amounts spent are palliative care, infrastructure development for charitable societies and schools, financial assistance to the needy in the society. A report on the Corporate Social Responsibility activities is annexed to this report.

### 14. Directors and Key Managerial Personnel

The Board of directors of the Company comprises of 11 directors as on the date of report. Your Board comprises Mr. Bharat J Patel as Non-executive Chairman, Mr. G. Krishna Kumar as Managing Director (Executive), Mr. Tommy Thompson, Mr. Bharat J. Dattani, Mr.Dhiren S. Shah, Mr.Hardik B. Patel as Promoter Non-executive Non-independent Directors and five Non-executive Independent Directors namely Mr.Samir K. Shah, Mr.Patrick M Davenport, Mr.S.N.Rajan, Mrs.R.Chitra and Mr.S.H.Merchant. The Details of composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, CSR Committee, Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

In accordance with the Companies Act, 2013, Mr. Thomas Calton Thompson III (DIN 01509260) and Mr. Hardik B. Patel (holding DIN 00590663), retires by rotation and being eligible offer themselves for re-appointment in the ensuing Annual General Meeting.

No directors or Key Managerial Personnel were appointed or have resigned during the period under review.

During the reporting period your Board met five times. The details of the meeting and attendance of directors are provided in the Corporate Governance Report annexed herewith. There were no instances in which the Board had not accepted any recommendation of the Audit Committee.

### 15. Performance Evaluation

The Companies Act, 2013 and SEBI (LODR) Regulations, 2015 stipulates the performance evaluation of the Directors including Chairman, the Board and its Committees. The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc, which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual performance evaluation of the Board, Board Committees and Individual Directors and Chairperson. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees.

The reports on performance evaluation of the Individual Directors were reviewed by the Chairman of the Board.

### 16. Policy on Nomination and Remuneration and Performance evaluation of Directors, KMP and Senior Management Personnel:

Policy in accordance with the provisions of Section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee of the Company oversees the implementation of the Nomination and Remuneration Policy. The Nomination and Remuneration Policy prescribes for the criteria for determining the qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, Key Managerial Personnel, senior management employees including functional heads and other employees. The Nomination and Remuneration Policy of the Company is available on the website of the Company in the following weblink: [http://www.rubfila.com/img/pdf/ Nomination-Remuneration-Policy.pdf](http://www.rubfila.com/img/pdf/Nomination-Remuneration-Policy.pdf)

### 17. Auditors

#### a) Statutory Auditors

Shareholders in their meeting held on 15-09-2017 appointed M/s. Cyriac & Associates, Chartered Accountants (Firm Registration No. 014033S.) as Statutory Auditors of the Company for a term of 5 years to hold office from the conclusion of 24th Annual General Meeting until the conclusion of 29th Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting.

There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditors' Report.

During the period under review, there were no frauds reported by the auditors under provisions of the Companies Act, 2013

**b) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of the Directors of the Company had appointed M/s. SVJS & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2018. The Secretarial Auditors have submitted their report and the Board took note of the same. The Secretarial Audit Report is annexed herewith.

**c) Cost Audit**

M/s. Ajith Sivasdas & Co. Cost Accountants was appointed as Cost Auditors for the year 2017-18 and a resolution for ratification of the appointment and remuneration payable was approved by the members in their meeting held on 15-09-2017. The remuneration payable for the Financial Year 2018 - 19 will be ratified in the ensuing Annual General Meeting.

**d) Internal Auditors**

The Board has appointed M/s. Pratapkaran Paul & Company, Chartered Accountants, Chennai as the Internal Auditors of the Company pursuant to Section 138 of the Companies Act, 2013 for the period 2017 - 18.

**18. Disclosures :**

**i) Particulars of employees :**

Your Company believes that 'people make the difference' and acts according to this principle. In line with the importance of its human capital, it provides positive work environment which is conducive, flexible and enriched.

No employee of the Company was in receipt of remuneration exceeding the amount prescribed under 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Company is not paying any commission to its Directors.

The details of other employees required to be provided in compliance with the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith.

**ii) Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177 of the Companies Act, 2013 the

rules made thereunder and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism and has adopted a whistle blower policy for the directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct.

The whistle blower policy of the Company is available in the following web link: <http://www.rubfila.com/policies>

**iii) Risk Management Policy :**

The Company has set up a robust risk management framework to identify, monitor and minimize risk and also to identify business opportunities. The Audit Committee also functions as the Risk Management Committee.

The Risk Management policy of the Company is available in the following weblink: [www.rubfila.com/policies](http://www.rubfila.com/policies)

**iv) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The following is the summary of sexual harassment complaints received and disposed off during the period under review :

No. of complaints at the beginning of the year	: Nil.
No. of complaints received during the year	: Nil.
No. of complaints disposed off during the year	: Nil.
No. of complaints at the end of the year	: Nil

**v) Employees Stock Option Scheme (ESOS):**

The Scheme "RUBFILA ESOS-2017" introduced by the Company to reward the eligible employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company was approved by the members in their meeting held on 15-09-2017 in terms of SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI Regulations). No options were granted by the Company under the above scheme as on 31-03-2018.

Company has obtained in-principle approval from BSE vide their letter dt. 03-07-2018 for the Scheme. Accordingly the Nomination and Remuneration Committee has granted 670000 options to the eligible employees of the Company in their meeting held on 01-08-2018.

There has not been any material change in the Employee Stock Option Scheme during the reporting period.

The Scheme is in line with the SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations). The Company has received a certificate from the Auditors of the Company that the scheme is implemented in accordance with the SBEB Regulations and the resolution passed by the shareholders in the Annual General Meeting held on 15-09-2017. The certificate would be available at the Annual General Meeting for inspection by the shareholders. The details as required to be disclosed under SBEB Regulations and certificate from Auditors are available on the Company's website and may be accessed at [www.rubfila.com/investors](http://www.rubfila.com/investors)

**vi) Change in the Nature of Business, if any**

There was no change in the nature of business of the Company during the Financial Year 2017-18.

**vii) Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report.**

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statements relate and the date of report.

**viii) Significant or Material Orders passed by Regulators / Courts / Tribunals**

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**ix) Subsidiaries, Joint Ventures and Associate Companies**

The Company does not have any subsidiaries, Joint Ventures and Associate Companies as on the reporting date. During the year under review, no companies have become or ceased to be Company's subsidiaries, joint ventures or associate companies.

**x) Internal Financial Controls**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitised and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed

effectively and are operating as intended

**xi) Extract of Annual Return**

The Extract of Annual Return in Form No.MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 is available on the website of the Company in the following weblink: [www.rubfila.com/investors](http://www.rubfila.com/investors)

**xii) Cost Records**

The Company has maintained cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, in respect of manufacturing activities of the Company.

**xiii) Secretarial Standards**

The directors state that the applicable Secretarial Standards as prescribed the Institute of Company Secretaries of India i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed by the Company.

**xiv) Management Discussion Analysis Report**

Management Discussion Analysis Report for the year under review as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

**xv) Corporate Governance**

The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Statutory Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

**19. Appreciation and Acknowledgement**

Your Directors acknowledge with gratitude the co-operation and assistance given by M/s. Rubpro Sdn. Bhd., Malaysia, Kerala State Industrial Development Corporation Ltd, M/s. Integrated registry management services Pvt Ltd, Enterprises India Ltd, Banks, and other agencies of the Central and State government.

Your Directors also wish to place on record the sincere appreciation of services rendered by the employees at all the levels towards your company's success during the year under review and shareholders for their active support and co-operation.

For and on behalf of Board of Directors  
Bharat J. Patel

Place : Mumbai  
Date : 01-08-2018

DIN 01100361  
Chairman

# ANNEXURE TO THE DIRECTOR'S REPORT

Details of  
Conservation of  
Energy, technology  
absorption, foreign  
exchange earnings and  
outgo

## A. CONSERVATION OF ENERGY

a) The company continues with its efforts to improve conservation of energy through a series of steps which were implemented over the past years some of which are listed below:

1. Rainwater harvesting system in all plant area.
2. Surplus water collected which cannot be stored is directed back to the aquifers to recharge the water tables.
3. Waste Heat recovery system for heating purposes so as not to waste any energy.
4. Water flow meters installed in various pipe lines to monitor and reduce water consumption.
5. Wet scrubber installed at Thermic Fluid Heater flow gas outlet to control the dust emission.
6. Additional 320 KVR Capacitor Bank incorporated in the main distribution system to improve electrical efficiency.
7. LED light fittings provided at various points to reduce electricity consumption.

b) Additional investment and proposal if any: Nil

c) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production : Above initiatives have resulted in overall reduction in the consumption of power and fuel. Rainwater harvesting has helped the company to limit the usage of underground water during monsoon. Rainwater in excess of storing capacity is directed back to the aquifers to recharge water table.

## B. TECHNOLOGY ABSORPTION

Disclosure of Particulars with respect to Research and Development, Technology Absorption is as follows:

Research and Development :

- 1) Specific areas of Research and Development :  
Activities carried out by the Company : Nil
- 2) Benefits derived as a result of the above Research and Development work : N.A
- 3) Future plan of action : Nil
- 4) Expenditure on Research and Development
  - a) Capital : Nil
  - b) Recurring : Nil
  - c) Total : Nil
- a) Total Research & Development charged to Expenditure as a percentage of total turnover Technology - Absorption, Adaptation & Innovation : Nil
  1. Efforts in brief made towards technology Absorption, adaptation and innovation : Nil
  2. Benefits derived as a result of the above efforts, product improvement, cost reduction, product development, import substitution, etc : Nil
  3. In case of imported technology (imported During the last 5 years reckoned from the beginning of the financial year) the information may be furnished
    - a) Technology imported : Nil
    - b) Year of Import : N.A
    - c) Extent of absorption : N.A

## C. FOREIGN EXCHANGE EARNINGS & OUT GO

(Rs. in lacs)

- 1) FOREIGN EXCHANGE EARNINGS
  - a) Export of HRLRT : 2830.62
- 2) FOREIGN EXCHANGE OUT GO
  - a) Raw materials : 810.22
  - b) Capital Purchase : 55.86
  - c) Sales Commission : 6.13
  - d) Travelling Expenses : 3.86
  - e) Other Expenditure : 8.89

For and on behalf of Board of Directors  
Bharat J. Patel

Mumbai  
01-08-2018

DIN 01100361  
Chairman

# SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
Rubfila International Limited  
New Industrial Development area, Menon Para Road  
Kanjikode, Palakkad, Kerala - 678621

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rubfila International Limited [CIN: L25199KL1993PLC007018] (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (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) The 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;









## ‘Annexure A’

To,  
The Members  
Rubfila International Limited  
New Industrial Development area, Menon Para Road  
Kanjikode, Palakkad, Kerala - 678621

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
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 etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2018 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

Kochi  
01.08.2018

For SVJS & Associates  
Company Secretaries

Sd/-  
P. Sivakumar  
Managing Partner  
FCS: 3050  
CP No:2210



## Annual Report on Corporate Social Responsibility activities :

- 1 a) Brief outline of the Company's CSR Policy : Company believes and act on the philosophy of compassion and giving back to the society, characterized by the willingness to help build a better society. The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized / underprivileged sections of the society.
- b) Overview of project or programmes proposed to be Undertaken : Projects in line with the CSR Policy of the Company
- c) Weblink of CSR Policy : <http://www.rubfila.com/About us/CSR Policy>
2. The Composition of CSR Committee : The Committee consists of three directors out of which two are non-executive directors.  
The details of composition of the committee is mentioned in the Report on Corporate Governance attached to this Annual Report.
3. Average Net profit of the company for the last three financial years : Rs.1137.99 Lacs
4. Prescribed CSR Expenditure (2% of the above) : Rs. 22.76 Lacs
5. a) Details of CSR spent during the financial year : Rs. 22.33 Lacs
- b) Amount unspent, if any : Rs. 0.43 Lacs
- c) Manner in which the amount spent during the financial :

Sl. No.	CSR Project or Activity Identified	Sector in which the project is covered	Projects or Programmes including the state and district where the projects or programmes was undertaken	Amount outlay (Budget) project or programme wise	Amount spent on the projects or programmes, Direct expenditure on projects overheads	Cumulative expenditure up to reporting period	Amount spent direct or through implementing agency
1	Financial assistance given to an under privileged for treatment & incinerator donated for an oldage home	Promoting Health Care including preventive health care and sanitation	Palakkad Kerala	1.08 lacs	1.08 lacs	1.08 lacs	Direct
2	Auditorium for the Govt. Vocational Higher Secondary School, Kanjikode, Palakkad, Kerala	Promoting Education including Special Education among Children, Women, Elderly and the differently abled	Palakkad Kerala	21.25 lacs	21.25 lacs	22.33 lacs	Direct

6. In case the company failed to spend the prescribed amount reason for the same. : Company couldn't identify suitable project to spent an amount of Rs. 0.43 Lacs during the year 2017-18

Implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company

For and on behalf of Board of Directors

**Bharat J Patel**  
DIN 01100361  
Chairman

Mumbai  
01-08-2018

# REPORT ON CORPORATE GOVERNANCE

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Rubfila, as a responsible corporate citizen, is conscious that a business runs on principles of fairness, transparency and accountability and has always been in the forefront in complying with the various sets of Corporate Governance standards for the Listed Companies stipulated by the market regulator, Securities and Exchange Board of India (SEBI). Through this the company reiterates its commitment towards prudent and ethical way of doing business and ensures that the rights and interests of various stakeholders are protected.

Rubfila's Corporate Governance philosophy is built upon the corner stones of ethics, values, commitments and transparency. It is not just about following of regulatory and legal requirements in letter, but also in spirit with the aim of enhancing stakeholder's value to the fullest.

## 2. BOARD OF DIRECTORS

### a) Composition of the Board and category of Directors

As on 31st March, 2018, the Company's Board consists of 11 Directors having considerable professional experience in their respective fields. The Board has been constituted as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013. The Board functions either as a full Board or through various committees constituted to oversee specific areas. Policy formulation, setting up of goals, evaluation of performance and control functions vest with the Board. The composition and category of the directors along with their attendance of Board meetings and shareholdings in the Company as on 31st March, 2018 are given below:

Name	Category of Directors	No. of shares held as on 31st March, 2018	No. of Outside Directorships held in Indian Public Limited Companies	No. of Outside Committee positions held in Audit/Stakeholders Relationship Committees		No. of Board Meetings		Attended last AGM
				Member	Chairman	Held	Attended	
Mr. Bharat J Patel (DIN 001100361)	Chairman Non-Executive Non-Independent (Promoter)	6693906	Nil	Nil	Nil	5	5	No
Mr. G. Krishna Kumar (DIN 01450683)	Managing Director Executive	58571	Nil	Nil	Nil	5	5	Yes
Mr. Thomas Carlton Thompson 3rd (Tommy Thompson) (DIN 01509260)	Non-Executive Non-Independent	Nil	Nil	Nil	Nil	5	2	No
Mr. Bharat J. Dattani (DIN 01462746)	Non-Executive Non-Independent (Promoter)	Nil		Nil	Nil	5	5	No
Mr. Dhiren S Shah (DIN 01149436)	Non-Executive Non-Independent (Promoter)	224755		Nil	Nil	5	5	Yes
Mr. Samir K Shah (DIN 01714717)	Non-Executive & Independent	Nil	Nil	Nil	Nil	5	3	No
Mr. Patrick M Davenport (DIN 00962475)	Non-Executive & Independent	Nil	Nil	Nil	Nil	5	3	Yes
Mr. Hardik B. Patel (DIN 00590663)	Non-Executive Non-Independent	1144268	Nil	Nil	Nil	5	4	Yes

Mr.S.N.Rajan (DIN 00105864)	Non-Executive & Independent	44066	Nil	Nil	Nil	5	4	Yes
Mrs.R.Chitra (DIN 01560585)	Non-Executive & Independent	Nil	Nil	Nil	Nil	5	3	Yes
Mr.S.H.Merchant (DIN 00075865)	Non-Executive & Independent	10500	1	Nil	Nil	5	2	No

Note :- Mr.S.H. Merchant appointed to the Board on 15-09-2017  
None of the above Directors, other than Mr. Bharat J. Patel and Mr. Hardik B. Patel, are related to each other.

The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices.

Further the Board fulfills the key functions as prescribed under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 being part of the new Listing Agreement.

The directorships held by the Directors as mentioned above do not include Alternate Directorships and Directorships in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

As per the declarations received from the Directors, none of the Directors is disqualified under Section 164(2) of the Companies Act, 2013.

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/ Chairmanships of only Audit Committees and Stakeholder Relationship Committees in all public limited companies (excluding Rubfila International Limited) have been included.

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- None of the directors of the Company were members in more than ten committees or act as chairperson of more than five committees across all listed entities in which he is a director.
- None of the Independent Directors of the Company held directorships in more than seven listed companies  
The Companies Act, 2013 read with relevant Rules made thereunder, facilitates the participation of the Director in the Board/ Committee meetings through video conferencing or other audio mode. However none of the Directors have availed such a facility during the period under review. The Senior Management team has confirmed to the Board of Directors that no material and commercial transactions have been entered into between the Company and members of Senior Management team, where they have personal interest.

#### b) Board Meetings :

The Board of Directors meets normally once in a quar-

ter to consider among other business, the quarterly performance of the Company and financial results. 5 (five) Board Meetings were held during the Financial Year 2017-18 on 02/05/2017, 27/05/2017, 28/07/2017, 10/11/2017, 23/01/2018.

The meetings of the Board of directors and committees have been conducted in the manner as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. The maximum interval between any two meetings was not more than 120 days. The Board agenda with proper explanatory notes are prepared and circulated well in advance to all the Board members. All statutory and other matters of significant importance including information as mentioned in Part A of Schedule II to the Listing Regulations are tabled before the Board, to enable it to discharge its responsibility of strategic supervision of the Company. The Board reviews compliances of all laws, rules and regulations on a quarterly basis. At the Board Meeting, members have full freedom to express their opinion, and decisions are taken after detailed deliberations.

#### c) Performance evaluation of Directors :

The Board of directors have approved and laid down the criteria for performance evaluation of all Directors by the Nomination and Remuneration committee. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated at the separate meetings of Independent Directors and Non-Independent Directors held on 23/01/2018. The criteria for performance evaluation are as follows:

- To understand the nature and role of Independent Director's position.
- Understand the risks associated with the business.
- Application of knowledge for rendering advice to the Management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Non-partisan appraisal of issues.
- Give own recommendations professionally without tending to majority or popular views.
- Handling issues as Chairman of Board and other committees.

- Driving any function or initiative based on domain knowledge and experience.
- Level of commitment to roles and fiduciary responsibilities as a Board Member.
- Attendance and active participation.
- Ability to think proactive, strategic and laterally.

**d) Code of Conduct :**

The Board has laid down a Code of Conduct for all Board members and senior management which is posted on the website of the Company. The independent directors are suitably made aware of their duties and responsibilities and their performance is evaluated by the entire Board apart from the director who is subject to evaluation. All Board members have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by one of the Directors, forms part of this Annual report. Code of conduct of Board of Directors and Senior Management Personnel are available in Company's website: [www.rubfila.com/investors](http://www.rubfila.com/investors).

**e) Appointment and Meeting of Independent Directors :**

The Company has five independent directors. The Company has received declarations from the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has conducted familiarization programme for its independent directors to make them aware of the nature of the industry and their roles, rights, responsibilities in the Company. The details of familiarization programme and the terms of appointment of independent directors are available on the Company's website: [www.rubfila.com/investors](http://www.rubfila.com/investors).

During the year under review, the Independent Directors meeting was held on 23/01/2018 has:

- Reviewed the performance of non-independent directors and the Board as a whole.
- Reviewed the performance of the Chairperson of the Company, taking into account the views of the executive and non executive directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- Qualified and Independent Audit Committee :

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit committee interacts with the Internal Auditors, Independent

Auditors, Secretarial Auditors and Cost Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

### 3. COMMITTEES OF BOARD

**a) Audit Committee :**

Audit Committee comprises of 4 Directors viz; Mr. Patrick M. Davenport as Chairman, Mr. Dhiren S. Shah, Mr. Samir K. Shah and Mr. S. N. Rajan.

All members of the Audit Committee have accounting and financial management expertise. 4 Audit Committee Meetings were held during the period under review viz., 27/05/2017, 28/07/2017, 10/11/2017 and 23/01/2018. The Company Secretary acts as the Secretary to the Audit Committee. The attendances of the members of the Committee in the aforementioned meetings are as follows:

Name of Director	Mr. Patrick M. Davenport	Mr. Dhiren S. Shah	Mr. Samir K. Shah	Mr. S.N. Rajan
No. of Meetings attended	3	4	2	3

Name of Director	Attendance of Directors			
	27.05.2017	28.07.2017	10.11.2017	23.01.2018
Mr. Patrick M. Davenport	✗	✓	✓	✓
Mr. Dhiren S. Shah	✓	✓	✓	✓
Mr. Samir K. Shah	✓	✗	✓	✗
Mr. S.N. Rajan	✓	✓	✗	✓

**Terms of reference of Audit Committee**

- The following are the terms of reference of the Audit Committee:
  - Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - Recommendation for appointment, remuneration and terms of appointment of auditors of our Company based on the order of Comptroller & Auditor General of India;
  - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - Reviewing, with the management, the annual finan-

cial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- (a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
- (b) Changes, if any, in accounting policies and practices and reasons for the same;
- (c) Major accounting entries involving estimates based on the exercise of judgment by management;
- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions;
- (g) Modified opinion(s) in the draft audit report;
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (vii) Approval or any subsequent modification of transactions of our Company with related parties;
- (viii) Scrutiny of inter-corporate loans and investments;
- (ix) Valuation of undertakings or assets of our Company, wherever it is necessary;
- (x) Evaluation of internal financial controls and risk management systems;
- (xi) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiii) Discussion with internal auditors of any significant findings and follow up there on;
- (xiv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- (xv) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xvii) To review the functioning of the whistle blower mechanism;
- (xviii) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xix) Review the following information:
  - (a) Management discussion and analysis of financial condition and results of operations;
  - (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (d) Internal audit reports relating to internal control weaknesses; and
  - (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
  - (f) Statement of deviations:
- (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1) of the SEBI Listing Regulations;
- (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of regulation 32(7) of the SEBI Listing Regulations;
- (xx) To review the follow up action on the audit observations of the C&AG audit;
- (xxi) Recommend the appointment, removal and fixing of remuneration of Cost Auditors and Secretarial Auditors; and
- (xxii) Carrying out any other function as specified by the Board from time to time.

#### **b) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee oversees the redressal of Security holder's complaints relating to share transfers / transmission, non-receipt of Annual Reports, non receipt of declared dividend etc.

The Committee comprises of Mr. Patrick M Davenport as Chairman and Mr. Samir K. Shah, and Mr. Dhiren S. Shah as members. Mr. N. N. Parameswaran, being Company Secretary & Compli-

ance Officer acts as Secretary to the Committee to discharge the function of the Committee.

During the year, the committee met on 4 times viz; 27/05/2017, 28/07/2017, 10/11/2017 and 23/01/2018. Attendance of Stakeholder's Relationship Committee meetings is as below:

Name of Director	Mr. Patrick M. Davenport	Mr. Dhiren S. Shah	Mr. Samir K. Shah
No. of Meetings attended	3	4	2

Name of Director	Attendance of Directors			
	27.05.2017	28.07.2017	10.11.2017	23.01.2018
Mr. Patrick M. Davenport	✗	✓	✓	✓
Mr. Dhiren S. Shah	✓	✓	✓	✓
Mr. Samir K. Shah	✓	✗	✓	✗

Composition of the Committee is available on Company's web-

site : [www.rubfila.com/investors](http://www.rubfila.com/investors).

#### REDRESSAL OF INVESTOR GRIEVANCES THROUGH SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES)

SCORES stands for SEBI Complaints and Redress System. It is a centralized web based grievance redressal system launched by SEBI (<http://scores.gov.in>). SCORES provide a platform for aggrieved investors, whose grievances, pertaining to securities market, remain unresolved by the concerned listed company or registered intermediary after a direct approach. All the activities starting from lodging of a complaint till its closure by SEBI would be handled in an automated environment and the complainant can view the status of his complaint online.

An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form at any of the offices of SEBI. Such complaints would be scanned and also uploaded in SCORES for processing.

Pursuant to Regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the status of investor complaints received and redressed during the financial year 2017-18 as follows:

Sl. No.	Particulars	No. of complaints
1.	Number of Investor complaints pending at the beginning of the year	Nil
2.	Number of Investor complaints received during the year	Nil
3.	Number of Investor complaints redressed during the year	Nil
4.	Number of Investor complaints remaining unresolved at the end of the year	Nil

#### c) Corporate Social Responsibility Committee (CSR Committee)

In compliance with the requirements of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee. The Committee evaluates and recommend the CSR proposal to the Board for approval.

The CSR Committee comprises of Mr.Bharat J.Dattani (DIN 01462746) as the Chairman, Mr.S.N.Rajan (DIN 00105864) and Mr.G.Krishna Kumar (DIN 01450683) Directors as members. The Company Secretary acts as a Secretary to the Committee.

##### Key Responsibilities of the CSR Committee :

- Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken.

- Review the Company's performance in the area of CSR.
- Evaluate the social impact of the Company's CSR activities.
- Review the CSR Report, with the management, before submission to the Board for approval.
- Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent for the intended purpose only.

The CSR policy is available on the Company's website : [www.rubfila.com/investors/policies](http://www.rubfila.com/investors/policies)

During the year Committee met two times, viz; 10/11/2017 and 23/01/2018. Attendance of CSR Committee meetings is as below :

Name of Director	Mr.Bharat J. Dattani	Mr. S. N. Rajan	Mr. G. Krishna Kumar
No. of Meetings attended	2	1	2

Name of Director	Attendance of Directors	
	10.11.2017	23.01.2018
Mr. Bharat J. Dattani	✓	✓
Mr. S.N. Rajan	✗	✓
Mr. G. Krishna Kumar	✓	✓

#### d) Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee is in line with new SEBI Listing Regulation and Section 178 of Companies Act, 2013. The Committee comprises of Mr. Patrick M. Davenport as Chairman, Mr. Bharat J. Patel and Mr. S.N. Rajan as Members. Company Secretary acts as the Secretary and Compliance Officer to the Committee.

During the period under review the Committee met once on 23/01/2018 for which all the members were present.

Name of Director	Mr. Patrick M. Davenport	Mr. Bharat J. Patel	Mr. S. N. Rajan
No. of Meetings attended	1	1	1

#### Terms of Reference

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

Details of remuneration paid to the Directors are as follows :

Name of the Director	Business relationship with the Company	Salary, benefits, bonus etc paid during the year 2017-18t	Sitting fess (for Board and its committess)
Mr. Bharat J Patel	Chairman	-	1,00,000.00
Mr. G. Krishna Kumar	Managing Director	74,98,529.00	Nil
Mr. Thomas Carlton Thompson 3rd (Tommy Thompson)	Director	-	60,000.00
Mr. Bharat J. Dattani	Director	-	40,000.00
	Director	-	1,00,000.00

- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

#### Criteria for evaluation of the performance of Non-Executive Directors and Independent Directors (NEDs and IDs)

The Company has in place a Nomination & Remuneration Policy as per Section 178 (3) of the Companies Act, 2013, which covers the criteria for evaluation of the performance of NEDs and IDs.

As per the Policy, the Board while evaluating the performance of NEDs and IDs shall take into consideration the following criteria:

- (i) Understanding and knowledge of the market in which the Company is operating.
- (ii) Ability to appreciate the working of the Company and the challenges it faces.
- (iii) Attendance of meeting.
- (iv) Extend of participation and involvement in the meetings.
- (v) Ability to convey his views and flexibility to work with others.

Marks may be assigned for each of the above criteria and based on the score achieved, the Board may evaluate the performance of each NED and ID.

#### Remuneration of Executive / Non-Executive Directors :

Non-Executive Directors are paid sitting fees for attending the meetings of the Board / Committee within the limits as prescribed under the Companies Act, 2013. The sitting fees are fixed from time to time by the Board on the recommendation of Nomination and Remuneration Committee. These Directors are also reimbursed of any out of pocket expenses incurred by them for the purpose of the Company.

Non- Executive Directors do not have any pecuniary relationship or transactions with the Company.



Mr. Dhiren S Shah	Director	-	1,20,000.00
Mr. Samir K Shah	Independent Director	-	70,000.00
Mr. Patrick M Davenport	Independent Director	-	75,000.00
Mr. Hardik B. Patel	Director	-	80,000.00
Mr. S.N. Rajan	Independent Director	-	95,000.00
Mrs. R. Chitra	Women Director (Independent Director)	-	60,000.00
Mr. S. H. Merchant	Independent Director	-	40,000.00

#### 4. GENERAL BODY MEETINGS :

The General Meetings for the last four years were held as follows:

Year	AGM	Venue	Date	Time	No. of Special Resolutions
2013 - 14	AGM	SKM Auditorium, Kanjikode	12/08/2014	11.00 a.m	Nil
2014 - 15	AGM	SKM Auditorium, Kanjikode	26/09/2015	11.00 a.m	Nil
2015 - 16	AGM	SKM Auditorium, Kanjikode	30/09/2016	11.00 a.m	Nil
2016 - 17	AGM	R.B.Auditorium, Kanjikode	15/09/2017	11.00 a.m	Nil

No postal Ballot was conducted during the last Four years.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

#### Details of Special resolutions passed in the previous three Annual General meetings and Extra Ordinary General Meetings

Date of General Meeting	Details of Special Resolutions passed
15-09-2017	Approval of Employee Stock Option Scheme 2017 (RUBFILA ESOS 2017)
19-04-2017	Alteration of Articles of Association of the Company.
19-04-2017	Issue of Warrants on Preferential Allotment Basis to Promoters and PAC

#### MEANS OF COMMUNICATION

- Quarterly unaudited and annual audited financial results of the Company were published in "Business Line" (English Language National Daily) and "Kerala Kaumudi" (Vernacular Language)
- The results were displayed on the website of BSE Limited and also on the Company's website at [www.rubfila.com](http://www.rubfila.com)
- The Company issues press releases after quarterly and annual financial results were announced.

#### 5. DISCLOSURES :

##### a) Related Party Transactions :

All transactions with related parties were in the ordinary

course of business and at arm's length. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

The Company has framed a policy on materiality of related party transactions and on dealing with related party transactions. The policy as approved by the Board is uploaded on the Company's website: <http://www.rubfila.com/policies>.

The details of related party transactions are disclosed in Note No.31 attached to and forming part of the accounts.

##### b) Vigil Policy (Whistle Blower Policy)

The Board of Directors has adopted a Whistle Blower

Policy to enable the Stakeholders (including Directors, employees and their representative bodies) to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Governance and Ethics and also provide for direct access to the Chairman of Audit Committee in exceptional cases. The policy provides adequate safeguard against victimization of directors (s) / employee (s). Your company hereby affirms that no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Vigil Policy has been disclosed on the Company's website [www.rubfila.com/investors/policies](http://www.rubfila.com/investors/policies)

**c) Policy for determining Material Subsidiaries**

As the Company doesn't have any subsidiaries under the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the requirements for adopting the policy for determining 'material' subsidiaries is not applicable in the case of the Company. Hence we have not shown the web link of the policy in this report.

**d) Disclosure of Accounting Treatment**

Financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

**e) Review of compliance reports pertaining to all laws applicable to the Company**

A comprehensive report on the status of compliance with all the applicable laws to the Company is placed before the Board on a quarterly basis for their review and knowledge.

**f) Code of Conduct for prohibition of Insider Trading**

The Company has in place a Code of Conduct for Prevention of Insider Trading for its Designated Persons, in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations.

The Code of Conduct for Prevention of Insider trading is hosted on the website of the Company and can be accessed at: <http://www.rubfila.com/investors>

**g) Details of compliance with mandatory requirements**

The Company has complied with all mandatory requirements laid down under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**h) The Company has complied with all applicable requirements of Regulations 17 to 27 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.**

**i) The Company is maintaining a functional website where all material information about the Company is shared. All information as specified in the clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 is available in the Company's website at <http://www.rubfila.com/>.**

**j) Compliance certificate on Corporate Governance provided by the Statutory Auditors of the Company confirming the compliance with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015, is annexed herewith**

**6. GENERAL SHAREHOLDER INFORMATION :**

k) Annual General Meeting Date	: 22nd September, 2018
l) Venue of meeting	: RB Auditorium, Kanjikode
m) Time of meeting	: 11.00 A.M.
n) Financial Year	: 2017 - 18
o) Book closure date	: 16th September, 2018 to 22nd September, 2018 (both days inclusive)
p) Dividend recommended for the year	: 20%
q) Dividend Payment date	: Dividend shall be paid within 30 days of AGM
r) Listing on stock exchange	: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 (The listing fees for the financial year 2017-18 were duly paid to BSE Limited within time.
s) Stock Code	: 500367
t) Market price Data (Face value of Rs.5)	

Month	Month's High Price	Month's Low Price
April - 2017	55.75	50.00
May - 2017	59.75	50.00
June - 2017	79.05	58.00
July - 2017	100.00	67.10
August -2017	96.45	80.70
September -2017	95.90	81.00
October - 2017	96.10	83.60
November -2017	99.85	78.90
December - 2017	90.80	75.15
January - 2018	98.95	76.10
February - 2018	81.50	63.50
March - 2018	79.65	67.15

**u) Distribution of shareholding:**

Sl No	Category of shares	No.of Holders	% to Holders	No.of Shares	% to Shares
1	Upto - 500	38079	93.65	4612532	10.67
1	Upto - 500	38557	92.63	4723747	10.45
2	501 - 1000	1554	3.73	1247932	2.76
3	1001 - 2000	683	1.64	1035491	2.29
4	2001 - 3000	219	0.53	558342	1.23
5	3001 - 4000	124	0.30	452131	1.00
6	4001 - 5000	129	0.31	613251	1.36
7	5001 - 10000	163	0.39	1198583	2.65
8	10001 and Above	196	0.47	35388052	78.26
	<b>Total</b>	<b>41625</b>	<b>100.00</b>	<b>45217529</b>	<b>100.00</b>

**v) Dematerialisation of shares and liquidity :**

The company has arranged agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialisation of shares through Integrated Enterprises (India) Limited. The Shareholding Pattern as on 31/03/2017 is as follows :

Category	No. of Shares held	% of Shareholding
Promoters	28134898	65.10
Mutual Funds/ UTI / Fin. Institutions / Banks	63760	0.15
Bodies Corporate	1525961	3.53
Public Individuals	13492910	31.22
<b>Total</b>	<b>43217529</b>	<b>100.00</b>

The Company has received certificate from a Company Secretary in Practice on a quarterly basis for timely dematerialization of the Company's shares and for reconciliation of the total equity capital with both the depositories and in physical mode with the total paid up capital as per books

**v) Registrar / Transfer Agents / Depository Registrars :**

(Share Transfer / Dematerialisation and communication regarding Share Certificates and Change of Address)  
M/s.Integrated Registry Management Services P Ltd  
2nd Floor, "Kences Towers",  
1, Ramakrishna St., North Usman Road,  
T. Nagar, Chennai - 600 017  
Tel : (044) 28140801 - 03  
Fax : (044) 28142479  
E-mail : kalyan@integratedindia.com

**w) Share Transfer System :**

The Company has appointed M/s.Integrated Registry Management Services Private Limited as its Share Transfer Agents and the share transfer/ transmission, dividend payments and all other investor related matters are attended to and processed at the office of the share transfer agents of the Company. The share transfer agents after processing the requests of investors, put up the same to the Stakeholder relationship committee of the Board of the Company for its information and confirmation.

**UNCLAIMED/ UNPAID DIVIDENDS**

The company has so far declared dividends and issued warrants to the shareholders as below:

Year	% of share Paid up value
2013 - 14	12
2014 - 15	15
2015 - 16	10
2016 - 17	15

Members wishing to claim unclaimed dividends are requested to correspond with the Company Secretary at the registered office. Members are requested to note that dividends which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 124 of the Companies Act, 2013 and Rules made thereunder, be transferred to the Investor Education and Protection Fund. Further, pursuant to the provisions of section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividend remain unpaid / unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. The Company has uploaded the

details of unpaid and unclaimed amounts on the website of the Company (www.rubfila.com). Shareholders who have not encashed their dividend warrants for any of the years 2009-10 to 2016-17 are requested to get the warrants revalidated by the Bank, since the outstanding dividend will be transferred to Investor Education and Protection Fund.

**x) Disclosure of commodity price risks and commodity hedging activities:**

The Company follows prudent Board approved Risk Management Policy for minimizing threats or losses, and identifying and maximizing opportunities and thereby to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. Please refer the Management Discussion and Analysis forming part of this Annual Report.

**y) There were no outstanding GDR/ADR/warrants or any convertible instruments as at and for the year ended March 31, 2018**

**aa) Plant Locations**

RUBFILA INTERNATIONAL LTD  
NIDA, Kanjikode,  
Palakkad, Kerala - 678 621

**bb) Any query on Annual Report**

Secretarial Department  
RUBFILA INTERNATIONAL LTD  
NIDA, Kanjikode,  
Palakkad, Kerala - 678 621  
Tel : (0491) 2567261 - 05  
Fax : (0491) 2567260  
E-mail : rubfila@vsnl.com

**7. CODE OF CONDUCT AND CEO/CFO CERTIFICATION**

The Board has adopted a code of conduct for all Board members and senior management of the company. The term senior management means personnel of the company who are members of its core management team excluding Board of Directors. Normally this would comprise all members of management one level below the executive directors, including all functional heads.

The code has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them.

Mr.G.Krishna Kumar, Managing Director and Mr. N.N.Parameswaran, CFO of the Company have certified to the Board that:

- They have reviewed the Financial Statements and the Cash Flow statement for the year and that to the best of their knowledge and belief:
  - these statements do not contain any materially untrue

- statement or omit any material facts or contain statements that might be misleading; and
- ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company pertaining to the financial report and they have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit Committee:
- i) significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**We hereby declare that:**

"The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2017-18 in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015"

G.Krishna Kumar  
Managing Director

N.N.Parameswaran  
CFO

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE.**

To the members of Rubfila International Limited:

We have examined the compliance of the conditions of Corporate Governance by **RUBFILA INTERNATIONAL LIMITED** ('the Company') for the year ended 31st March 2018, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the 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 based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 CYRIAC & ASSOCIATES**  
Chartered Accountants

Thiruvananthapuram  
10th May 2018

**JIM CYRIAC**  
(Partner)  
Membership No.230039  
Firm No.0140335

# MANAGEMENT DISCUSSION & ANALYSIS

Rubfila caters primarily to the needs of the inner wear industry in general and elastic industry in particular. During the year under review Company could post a gross sales turnover of Rs. 21773.10 Lakhs, an all-time high since its inception.

## A) INDUSTRY STRUCTURE AND DEVELOPMENT :

In line with the past few years, the hosiery industry witnessed growth during the year under review also. Then there are minor segments like medical nettings, furniture webbings, bunjee chords etc, market for which remained flat during this period.

### Market Scenario

The financial year under review started when the country was still under the shadow of the effects of demonetisation. During the period after the demonetisation, the retail trade had suffered which affected most of the manufacturing industry in the country. Rubber thread industry too was affected as a result of the slowdown in the sales of inner wear at the retail shops. But as the year progressed, the effect of the demonetisation tapered off.

On 1st July, 2017, the country witnessed the implementation of GST, considered to be the biggest reform in the post-independence era. It is an accepted fact that a sizeable portion of the Indian business has been outside the organised platforms with alleged evasions of direct and indirect taxes. With the implementation of GST, the government hopes to bring majority of this sector under the tax regime. But this major reform led to a complete slowdown in the country with various industries up in arms against the rates applicable, procedures etc. Textile sector which for long had enjoyed the 'zero tax' regime faced constraints in adjusting to the GST regime and this led to shut-downs in major textile centres like Gujarat. The hitches in the GST administration also led to many constraints in invoicing, filing of returns, refund of claims etc which added to confusion. But things have cooled down to normalcy and it has to be accepted that this could be a game changer reform for the country.

As far as Rubfila was concerned, the company managed to sail through the tough times by shifting its focus to exports during this period. When the demand from the domestic market slowed down due to the twin effect of demonetisation and GST,

it made an all out effort to woo more orders from the overseas customers. By the end of the third quarter of the year, normalcy had returned to domestic market and the company could get back the momentum of growth.

The company commissioned its sixth line of production during this year after having commissioned its fifth line towards the end of the previous financial year. It is to be mentioned that even during this turbulent period, the two new lines were successfully integrated with the market dynamics which helped the company to scale newer heights in sales.

One of the major threats faced by the rubber thread industry today is from spandex, considered to be an alternate material used in making elastics. Even as the elastic market has grown over a period of time, it was seen that the consumption of spandex also has risen. Over the period of many years, the price of spandex also has fallen with increase in the manufacturing capacities around the world, particularly in China.

## OPPORTUNITIES AND THREATS :

Strengths of the Company are:

1. Largest manufacturing capacity for rubber threads in the country.
2. Reputed brand name.
3. Caters to majority of the Indian customers spread over the hosiery clusters of Delhi, Kolkata, Ahmedabad, Surat, Tiruppur and other parts of country. The company maintains regional marketing offices in all the above regions so as to have a close contact with the customers.
4. Has strong presence in the international market with repeat orders from customers.
5. Close proximity to Tiruppur, India's largest textile cluster acts as a major boon..

The major threats being faced by the Company are :-

1. Cheaper imports of rubber threads from Malaysia and Thailand.
2. Large un utilised capacities in the South East Asian countries.
3. Higher import duties for Centrifuged Latex, the major raw material.
4. Policy constraints on imports of natural latex.
5. Highly volatility in the domestic latex prices.
6. Liquidity constraints in the domestic markets.
7. Inverted duty structure in imports.
8. Increase in the usage of spandex as a replacement for rubber threads.

## OUTLOOK :

The company is optimistic about the prospects of the

company in the coming years. The consumption growth in various sectors in India is sure to reflect in the rubber thread segment too. The textile segment after the hitches it faced during the year is expected to grow at a healthy rate and the inner wear market, a sub-set of the textile segment, is bound to get traction from this overall growth. The usage of rubber threads is directly linked to growth in the inner wear market and hence the company expects to grow its sales in the coming years too.

The company plans to leverage its well known brand in the international market to attract more customers to its fold. There are challenges in this regards with major competition coming from companies in Malaysia and Thailand. These companies have access to raw materials at much lower prices than in India which help them to sell at a lower price. It also doesn't help that there are un-utilised capacities with some of the bigger players forcing them to dump material in the market.

China is the largest rubber thread market in the world, but a company from India will face obstacles to tap into that market due to the customs duty structure. Imports into China from countries like Malaysia and Thailand have 'zero' customs duty where as Indian product is subjected to higher levels of customs duty. This is a definitely a deterrent to tap into such a big market. The company is focusing on markets in other countries and hopes to garner more orders as it moves ahead.

#### **B) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY :**

The Company has proper and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

#### **C) FINANCIAL AND OPERATIONAL PERFORMANCE :**

Please refer Board Report on performance review.

#### **D) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:**

The company maintains a cordial relationship with all the employees. Company entered into a long term wage settlement with recognised Trade unions for period upto 31.03.2020





# INDEPENDENT AUDITORS' REPORT

To the members of Rubfila International Limited

## Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of Rubfila International Limited (hereinafter referred to as "the Company"), comprising the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31.03.2018 and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in eq-

uity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

## Auditor's Responsibility

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



We conducted our audit of the standalone Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

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

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

### Opinion

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

### Other Matters

The comparative financial information of the Company for the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2016 dated 13.05.2016 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

### Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (hereinafter referred to as "the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account..
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls system with reference to financial statements reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - I. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note No 42 to the Ind AS financial statements.
    - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Thiruvananthapuram

Date: 10th May 2018

# ANNEXURE A TO AUDITORS' REPORT

**REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING  
“REPORT ON OTHER LEGAL AND REGULATORY RE-  
QUIREMENTS” OF OUR INDEPENDENT AUDITOR’S RE-  
PORT OF EVEN DATE ON THE IND AS FINANCIAL STATE-  
MENTS OF RUBFILA INTERNATIONAL LIMITED FOR THE  
YEAR ENDED 31st MARCH 2018**

- (i)
  - a. The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.
  - b. We are informed that fixed assets have been physically verified by the management at reasonable intervals and that no material discrepancies were noticed on such verification.
  - c. According to the information and explanation given to us, the records of the company examined by us the title deeds of immovable properties of the Company are held in the name of the Company.
- ii. We are informed that the physical verification of inventory has been conducted at reasonable intervals by the management and that no material discrepancies were noticed on such verification..
- iii. According to the information and explanations given to us and the records of the company examined by us, 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 reporting requirements under clauses (iii) (a) to (c) of paragraph 3 of the Order are not applicable.
- iv. According to the information and explanations given to us and the records of the company examined by us, the company has not granted any loans or given any guarantee or security for which the provisions of sections 185 and 186 of the Act are applicable and the company has complied with the provisions of section 186 of the Act in respect of investments made by it.



- v. The Company has not accepted any deposits from the public during the year 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 rules framed thereunder are not applicable.
- vi. According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- vii.
  - a. As per the information and explanations given to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable to the Company to the appropriate authorities during the year.  
  
There are no arrears of undisputed statutory dues outstanding as on the last day of the financial year for a period of more than six months from the date on which they became payable.
  - b. According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts due to be deposited under Sales Tax, Service Tax, Duty of Excise and Value Added Tax and the following disputed demands of Income Tax and Duty of Customs have not been deposited with the authorities as at 31st March 2018
- viii. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company does not have any loans and borrowings to the banks. The company has not taken any loans or borrowing from Financial Institutions and Government or raised any money by way of issue of debentures.
- ix. According to the information and explanations given to us and the records of the Company examined by us, the company has made preferential issue of 20 Lakhs number of shares of face value Rs. 5/- at a premium of Rs. 42.50/- thereby raising Rs.950 Lakhs during the year. Other than this no money has been raised by way of initial public offer or further public offer (including debt instruments).
- x. During the course of our examination of the books and

records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

- xi. According to the information and explanations given to us and the records of the Company examined by us, The Company has made preferential issue of 40 lakhs number of share warrants out of which 20 lakhs no. of shares of face value Rs. 5/- at a premium of Rs.42.50/- has been allotted during the year. There by raising Rs. 950 lakhs. Other than this no money has been raised by way of initial public offer or further public offer (including debt instruments) and term loans availed by the Company.
- xii. The Company is not a Nidhi company. Accordingly, the reporting requirements under clause (xii) of paragraph 3 of the Order are not applicable.
- xiii. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in Note No 40 to the Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on the examination of the records of the Company, the Company has made any preferential allotment of 40 Lakhs number of share warrant of which 20 lakhs shares of face value Rs. 5/- at a premium of Rs. 42.50 per shares has been allotted during the year and share application money of Rs.237.50 lakhs is outstanding in the books
- xv. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of paragraph 3 of the Order is not applicable.
- xvi. According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.

Place: Thiruvananthapuram

Date: 10th May 2018

# ANNEXURE B TO AUDITORS' REPORT

## **REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIRE- MENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF RUBFILA INTERNATIONAL LIMITED FOR THE YEAR END- ED 31st MARCH 2018**

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 RUBFILA INTERNATIONAL LIMITED (“the Company”) as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

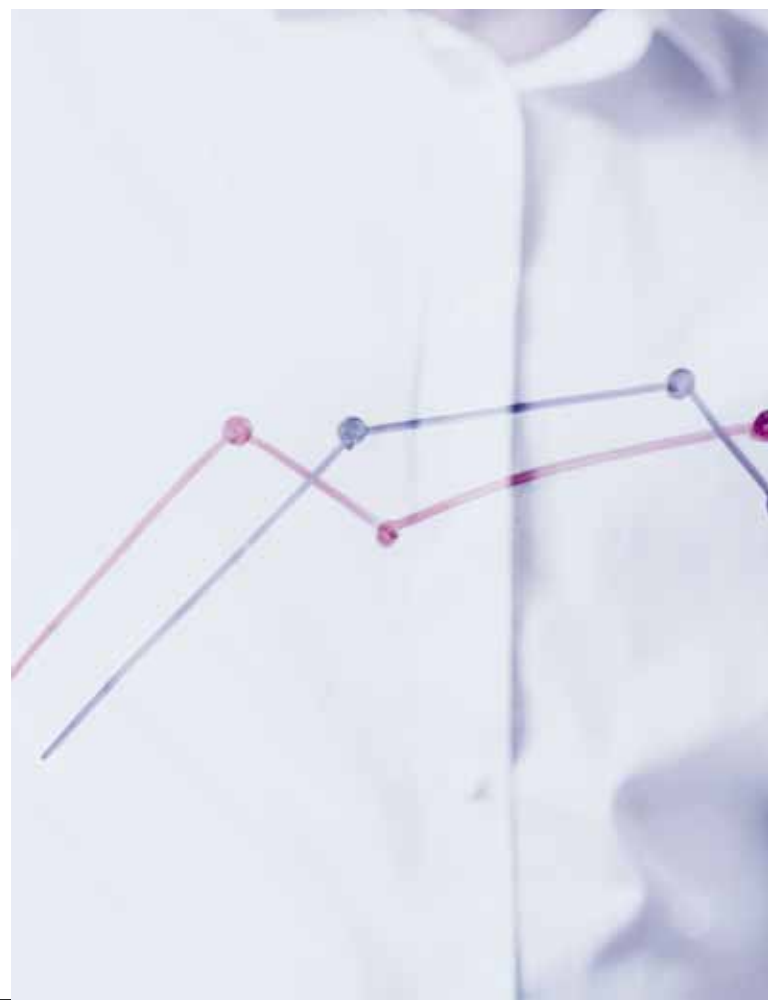
### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FI- NANCIAL CONTROLS**

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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.

### **AUDITOR’S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company’s

internal financial controls system with reference to financial statements 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 deemed to be 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 Institute of Chartered Accountants of India. 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 system with ref-





erence to financial statements 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 with reference to financial statements reporting and their operating effectiveness. Our audit of internal financial controls system with reference to financial statements reporting included obtaining an understanding of internal financial controls system with reference to financial statements 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 judgement, 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 with reference to financial statements reporting.

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial controls system with reference to financial statements 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 with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements 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.

For Cyriac & Associates  
Chartered Accountants

Place: Thiruvananthapuram  
Date: 10th May 2018

Jim Cyriac  
(Partner)  
Mem No. 230039.  
Firm No.014033 S





## Balance Sheet as at 31st March, 2018

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>ASSETS</b>				
<b>1. Non-current Assets</b>				
Property, plant and equipment	2	4,519.15	3,456.66	2,649.26
Capital work-in-progress		319.42	32.55	-
Other Intangible Asset		2.09	0.20	1.51
Investment Property	3	128.15	128.15	128.15
Financial assets				
Trade Receivable	4	9.33	8.75	14.34
Loans	5	885.15	860.78	838.79
Other financial assets	6	86.87	77.23	79.29
Other non-Current Asset	7	389.86	608.62	269.43
		<b>6,340.02</b>	<b>5,172.94</b>	<b>3,980.77</b>
<b>2. Current assets</b>				
Inventories	8	1,042.50	683.84	719.69
Financial assets				
Trade and other receivables	9	3076.74	2,061.50	2,740.07
Cash and cash equivalents	10	217.71	257.35	450.71
Bank balance other than above	11	140.00	10.00	50.00
Loans, Current	12	3,099.00	2,143.00	1,300.00
Other current financial assets	13	85.72	37.08	9.36
Other current assets	14	11.20	52.50	25.95
		<b>7,672.86</b>	<b>5,245.27</b>	<b>5,295.78</b>
		<b>14,012.88</b>	<b>10,418.21</b>	<b>9,276.55</b>
<b>TOTAL ASSETS</b>				
<b>EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
Equity attributable to owners of Parent				
Equity Share Capital	15	2,260.88	2,160.88	2,160.88
Other equity	16	9,125.10	6,336.21	5,343.01
		<b>11,385.98</b>	<b>8,497.09</b>	<b>7,503.89</b>

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>2. Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	17	-	29.18	3.43
Trade Payable	18	6.57	2.72	0.46
Provisions (non Current)	19	519.32	389.66	392.02
Deferred Tax Liabilities (Net)	35	337.80	251.03	234.11
Other non-Current Liabilities	20	110.51	110.51	91.01
		<b>974.20</b>	<b>783.10</b>	<b>721.03</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Trade Payable	21	1,182.40	827.76	698.12
Other Financial liabilities	22	85.21	71.88	57.55
Other Current liabilities	23	218.92	167.83	202.73
Provisions	24	156.34	27.16	28.49
Current Tax Liabilities	25	9.83	43.39	64.74
		<b>1,652.70</b>	<b>1,138.02</b>	<b>1,051.63</b>
<b>TOTAL</b>		<b>14,012.88</b>	<b>10,418.21</b>	<b>9,276.55</b>

As per our reports attached.

**For CYRIAC & ASSOCIATES**  
Chartered Accountants

**Jim Cyriac** Partner  
Membership No : 230039; Firm No : 014033S  
Place : Thiruvananthapuram  
Date : 10th May 2018

For and on behalf of the Board of Directors  
**RUBFILA INTERNATIONAL LTD**

**Bharat J Patel**  
DIN01100361  
Chairman

**G.Krishna Kumar**  
DIN01450683  
Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary  
Place : Palakkad  
Date : 10th May 2018

## Statement of Profit and Loss for the year ended 31st March, 2018

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
<b>Revenue from operation</b>			
I <b>Revenue from Operations</b>	26	21,773.10	18,513.09
II Other Income	27	400.62	27 2.66
III <b>Total Revenue (I+II)</b>		<b>22,173.72</b>	<b>18,785.75</b>
<b>IV Expenses</b>			
a. Cost of materials consumed	28	15,281.96	12,861.04
c. Changes in inventories of Finished Goods Work-in-Progress and Stock in Trade	29	(182.59)	76.12
d. Excise duty on sales		303.44	901.92
e. Employee Benefit Expense	30	944.13	896.59
f. Finance Costs	31	(2.64)	6.48
g. Depreciation and Amortisation Expense	2	356.24	299.60
h. Other Expenses	32	2,220.54	1,894.06
<b>Total Expense</b>		<b>18,921.08</b>	<b>16,935.81</b>
<b>V Profit before Exceptional Items &amp; Tax (III-IV)</b>		<b>3,252.64</b>	<b>1,849.94</b>
VI Exceptional Items	34	-	(82.26)
VII Profit before Tax (V-VI)		3,252.64	1,932.20
VIII Tax Expense			
(1) Current Tax		1,062.54	663.01
(2) Income tax for earlier years		(4.18)	-
(3) Deferred Tax	35	86.77	16.92
Total Tax Expenses		<b>1,145.13</b>	<b>679.93</b>
IX Profit / (Loss) for the period from Continuing operations (VII-VIII)		<b>2,107.51</b>	<b>1,252.27</b>
<b>X Other Comprehensive Income</b>			
(a) (i) Items that will not be reclassified to profit or loss (net)	36	-16.00	1.02
(ii) Income tax relating to items that will not be reclassified to Profit and Loss	-	-	-
XI <b>Total Comprehensive Income for the period (IX+X) Comprising Profit (Loss) and other comprehensive Income for the Period</b>		<b>2,091.51</b>	<b>1,253.29</b>
XII Paid-UP Equity Share Capital (Face Value of Rs.5/-)		2,260.88	2,160.88
XIII Reserve Excluding Revaluation Reserves		9,125.10	6,336.21
<b>XIV Earnings per share (of Rs. 5/- each):</b>			
Basic	37	4.80	2.90
Diluted		4.79	2.90
XV Net Worth		<b>11,385.98</b>	<b>8,497.09</b>

As per our reports attached.

**For CYRIAC & ASSOCIATES**  
Chartered Accountants

**Jim Cyriac** Partner  
Membership No : 230039; Firm No : 014033S  
Place : Thiruvananthapuram  
Date : 10th May 2018

For and on behalf of the Board of Directors  
**RUBFILA INTERNATIONAL LTD**

**Bharat J Patel**  
DIN01100361  
Chairman

**G.Krishna Kumar**  
DIN01450683  
Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary  
Place : Palakkad  
Date : 10th May 2018

## Statement of Changes in Equity for the year ended 31st March 2018

### A. EQUITY SHARE CAPITAL

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Year ended 31 March, 2018 in ₹ Lakhs	Year ended 31 March, 2017 in ₹ Lakhs
Balance as at 1st April 2016	43217529	2160.88
Changes in Equity Share Capital during the year	-	-
Balance as at 31st March 2017	43217529	2160.88
Changes in Equity share capital during the year (preferential Issue of shares)	2000000	100.00
Balance as at 31st March 2018	45217529	2260.88

### B. OTHER EQUITY

Attributable to owners of Rubfila international Limited

Particulars	Share Application Money Pending for Allotment	Reserves & Surplus			Other Items Of other Compre-hensive income	Total
		Securities Premium Reserves	Retained earnings	General Reserves		
Balance as at 1st of April 2016	-	-	5,178.45	164.56	-	5,343.01
Profit/ (Loss) for the year	-	-	1,252.27	-	-	1,252.27
Transfer to general reserve	-	-	(62.61)	62.61	-	-
Dividends paid including taxes	-	-	(260.09)	-	-	(260.09)
Other Comprehensive Income	-	-	-	-	1.02	1.02
Balance as at 31st of March 2017	-	-	6,108.02	227.17	1.02	6,336.21
Profit/ (Loss) for the year	-	-	2,107.51	-	(16.00)	2,091.51
Transfer to general reserve	-	-	(390.13)	-	-	(390.13)
Dividends paid including taxes	-	-	(105.38)	105.38	-	-
Preferential issue of shares	237.50	850.00	-	-	-	1,087.50
Other Comprehensive Income	-	-	-	-	-	-
Balance as at 31st of March 2018	237.50	850.00	7,720.02	332.55	(14.98)	9,125.10

As per our reports attached.

**For CYRIAC & ASSOCIATES**  
Chartered Accountants

**Jim Cyriac** Partner  
Membership No : 230039; Firm No : 014033S  
Place : Thiruvananthapuram  
Date : 10th May 2018

For and on behalf of the Board of Directors  
**RUBFILA INTERNATIONAL LTD**

**Bharat J Patel**  
DIN01100361  
Chairman

**G.Krishna Kumar**  
DIN01450683  
Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary  
Place : Palakkad  
Date : 10th May 2018

## Cash Flow Statement for the period ended 31st March, 2018

in ₹ Lakhs

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	3,252.64	1,932.20
<i>Adjustments for:</i>		
Depreciation and amortisation expenses	356.24	299.60
Finance costs	2.49	2.67
Provision for doubtful debts/advances (net)	3.29	(7.13)
Interest income	(392.60)	(272.34)
	(30.58)	22.79
Operating profit before working capital changes	3,222.06	1,954.99
Changes in working capital:		
<i>Adjustments for:</i>		
Trade and other receivables	(2,154.56)	(301.74)
Inventories	(358.66)	35.85
Trade, other payables and provisions	635.01	57.53
Cash generated from operations	1,343.84	1,746.62
Income tax paid (net of refunds)	(1,056.75)	(612.95)
Cash from operating activities (A)	287.09	1,133.67
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(1,488.73)	(1,357.19)
Interest received	392.60	272.34
<b>Net cash generated / (used) in investing activities (B)</b>	<b>(1,096.13)</b>	<b>(1,084.85)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	950.00	
Proceeds from (Repayment of) borrowing	(36.86)	32.09
Share Application Money received	237.50	
Dividend paid on Equity shares	(390.13)	(260.09)
Interest Paid	(2.49)	(2.67)
	758.01	(230.67)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>758.01</b>	<b>(230.67)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(51.03)</b>	<b>(181.85)</b>
Cash and cash equivalents at the beginning of the year	247.30	429.15
<b>Cash and cash equivalents at the end of the year</b>	<b>196.28</b>	<b>247.30</b>

As per our reports attached.

**For CYRIAC & ASSOCIATES**  
Chartered Accountants

**Jim Cyriac** Partner  
Membership No : 230039; Firm No : 014033S  
Place : Thiruvananthapuram  
Date : 10th May 2018

For and on behalf of the Board of Directors  
**RUBFILA INTERNATIONAL LTD**

**Bharat J Patel**  
DIN01100361  
Chairman

**G.Krishna Kumar**  
DIN01450683  
Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary  
Place : Palakkad  
Date : 10th May 2018

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## Corporate Information

Rubfila International Limited (RIL) is a Public Listed Company promoted by Rubpro Sdn. Bhd., Malaysia along with Kerala State Industrial Development Corporation (KSIDC) and has been in operation since 1994. The company is listed in Bombay Stock Exchange (BSE)

Rubfila is the only Indian manufacturer to manufacture both Talcum Coated and Silicon Coated Rubber threads. The company has adopted internationally accepted quality standards and its products are well received among customers both in India as well as around the world. RIL also produces premium products catering to highly niche' areas like toys, fishing, catheters, meat packing, medical webbing, bungee jumping cords etc.

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Statement of Compliance

Financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 10th May 2018

For all periods up to and including the period ended 31 March 2017, the Company prepared its financial state-

ments in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS financial statements of the Company. The date of transition to Ind AS is 1 April 2016. Refer note no. 48 for the details of first-time adoption exemptions availed by the Company, reconciliations and descriptions of the effect of the transition.

### 1.2 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2017. Accordingly, the Company has prepared these financial statements which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the period ended 31 March 2018, and accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

The financial statements have been prepared on a historical cost basis on the accrual basis of accounting, except for the following -

- a. Financial assets and liabilities that is measured at fair value;
- b. defined benefit plans - plan assets measured at fair value;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts are in Indian Rupees rounded off to lakhs, except share data and per share data, unless otherwise stated

### 1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- “ It is expected to be settled in normal operating cycle
- “ It is held primarily for the purpose of trading
- “ It is due to be settled within twelve months after the reporting period, or
- “ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current - noncurrent classification of assets and liabilities.

### 1.4 Use of Estimates

In the preparation of financial statements, the management makes estimates and assumptions in conformity with the Generally Accepted Accounting Principles in India. Such estimates and assumptions are made on reasonable and prudent basis taking into account all available information. However actual results could differ from these estimates and assumptions and such differences are recognized in the period in which results are ascertained. The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 47.

### 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value item wise. Cost includes indirect cost also. Costs incurred in bringing the inventory to its present location and condition are accounted for as follows:

- (i) Raw materials: Cost includes cost of purchase net of duties, taxes that are recoverable from the Government and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis using weighted average rate.
- (ii) Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 1.5 Plant Property & Equipment

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, with corresponding adjustments to recognize the amount of unamortised deferred grant income as at the date of the transition.

Property, plant and equipment (except freehold land) are stated at cost of acquisition less accumulated depreciation and impairment if any. Freehold land is carried at historical cost. The company is adopting the cost model for determining gross carrying amount. Cost comprises of purchase price, inward freight, duties, taxes and any attributable cost of bringing the assets to its working



condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by the management at each financial year and adjusted prospectively, if appropriate.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue gen-

erated If any, from production during the trial period is credited to capital work in progress.

Depreciation on fixed assets is calculated on a straight line basis using the rates arrived at based on the useful lives prescribed under the schedule II to the Companies Act, 2013 except for plant and machinery and servers where useful life is estimated by the management, which is different as compared to those prescribed under the Schedule II to the Companies Act, 2013.

The Company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act, except for the following assets, which are being depreciated based on the managements estimate of the useful life of tangible fixed assets. In the case of buildings useful lives are lower than the lives as per Schedule II of the Act:

Block of Assets	Estimated life considered for depreciation	Estimated life as per Schedule 2 of Companies Act, 2013
<b>Building</b>		
• Office	58	60
• Factory	28	30
<b>Plant and Machinery</b>		
• Production Line	18	8
• Factory Equipment	9	8
• Lab Equipment	10	8

Loss arising from the retirement of, and gains and losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are classified under other current assets in financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

### 1.6 Intangible Assets

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

Cost of software is capitalised as intangible asset and amortised on a straight-line basis over the economic useful life of three years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of intangible assets are reviewed by the management at each financial year and adjusted prospectively, if appropriate.

### 1.7 Impairment of non - Financial Asset

The carrying amounts of assets are reviewed at each balance sheet date for if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

### 1.8 Financial assets

All financial assets are initially measured at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Financial assets are classified using the following measurement categories:

- To be measured subsequently at fair value (either through other comprehensive income or through profit and loss), and;
- To be measured at amortised cost.

#### a. Trade Receivable

- Trade receivables are recognized initially at fair value and subsequently measured at amortised cost, less provision for impairment.
- For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and IndAS 18, provision for bad and doubtful debts is based on the simplified approach of impairment of trade receivables permitted by Ind AS 109: Financial instruments which requires lifetime expected credit losses to be recognized excepting those which are

contractually not due as per the terms of the contract or those which are considered realizable based on a case to case review. The expected credit loss is computed based on historical credit loss experience and is adjusted for forward looking information and also takes into account available external and internal credit risk factors.

**b. Other loans and receivables**

Other loans and receivables are measured at amortised cost, using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

**c. Derecognition of financial asset**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

## 1.9 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the amortisation of effective interest.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 1.10 Revenue Recognition

Revenue from operations comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the company's activities. The Company recognises revenue when the amount of revenue and related cost can be reliably measured, when it is probable that the collectability of the related receivable is reasonably as-

sured and when the specific criteria for each of the company's activities are met as follows -

**a. Sale of Goods:**

Sales are recognised when significant risks and rewards of ownership of goods have been passed to the buyer.

**b. Export benefits/incentives:**

Export incentives under various schemes notified by the Government are recognized when confirmation of the right to receive the income is established. Receipts from government by way of Duty Draw Back is recognized on receipt basis.

**c. Other incomes:**

Other incomes are recognised on accrual basis except when there are significant uncertainties.

Interest income is recognised on accrual basis using effective interest rate method.

## 1.11 Foreign Currency Transactions and Translations

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined. A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences: Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they occur. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

## 1.12 Government Grants, Subsidies and Export incentives

Government Grants and subsidies are recognized when there is reasonable assurance that the company will

comply with the conditions attached to them and the grants / subsidy will be received. Export benefits are accounted on receipt basis only.

#### Advance License

The Company had obtained 2 advance licenses (Previous year 12 Licenses) for duty free import of Raw Materials. Company has met the export obligation in full against the 2 Licences (Previous year 11 Licenses).

### 1.13 Employee Benefits

The Company makes defined contribution to Government Employee Provident Fund, Employee Deposit Linked Insurance, Employee state insurance and labour welfare funds which are recognised in the Statement of Profit and Loss on accrual basis. The Company has no further obligations under these plans beyond its monthly contributions.

#### a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and recognized in the period in which the employee renders the related service.

#### b) Defined Contribution Plans

The company has defined contribution plans for em-

ployees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are recognised as employee benefit expense in the Statement of Profit and Loss for the year.

#### c) Defined Benefit Plans: Gratuity

The net present value of the obligation for gratuity benefits are determined by independent actuarial valuation, conducted annually using the projected unit credit method.



The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefits are recognised immediately in Statement of Profit and Loss as past service cost, if any, and net interest on the defined benefit liability/(asset) are recognised in the Statement of Profit and Loss.

Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets(excluding amounts included in net interest), are recognised in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

**d) Long Term Employee Benefits: Compensated absences**

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

#### **1.14 Cash Flows and Cash and Cash Equivalents**

Statement of cash flows is prepared in accordance with the indirect method prescribed in the Ind AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **1.15 Inter Corporate Deposits**

Company had advanced Inter Corporate loans to companies on short term basis at a specific rate of interest against security. The amount yet to receive is shown as Inter Corporate Deposits in the Balance Sheet. Interest received from above is recognized in the Statement of Profit and Loss.

#### **1.16 Segment Reporting**

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The company has only one primary segment namely Manufacture and sale of Heat Resistant Latex Rubber Thread. Hence segment reporting for primary segment is not applicable. Secondary Segment is on the basis of Geographical revenues, allocated based

on the location of the customer. Geographic segments of the company are disclosed as follows: Revenue outside India, i.e., Sales in Export Market, and Revenue within India, i.e., Sales in Domestic Market.

#### **1.17 Earnings per Share**

Basic earnings per share is computed by dividing the profit after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax (including post tax effects of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Since the company doesn't have any potential Equity shares, Dilute & Basic EPS are the same.

#### **1.18 Taxation Income Tax**

Current tax is determined as the amount of tax payable in respect of taxable income for the year computed in accordance with the provisions of the Income Tax Act, 1961. Taxable income differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.



The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or items related to equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 1.19 Provisions and Contingencies

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that an outflow of resources will not be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability. Contingent assets are not recognized in the books of account. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, an entity discloses the contingent asset

### 1.20 Corporate social responsibility

All expenditure are recognized in Statement of profit on loss on accrual basis and hence no provision is made

against unspent amount, if any.

### 1.21 Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers:

The Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers on 28th March 2018. The standard replaces existing revenue recognition standards Ind AS 11 Construction Contracts and Ind AS 18 Revenue. An entity should recognize revenue in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

#### The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018. The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. The Company is still in the process of evaluating the impact on application of Ind AS 115. The Company has evaluated the disclosure requirements of the amendment and the effect on the financial statements is not expected to be material.

## NOTE 2 A : PROPERTY PLANT & EQUIPMENT

Description of Assets	Land	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer & Accessories	Total	Intangible Assets	Capital Work in Progress
<b>Gross block</b>										
Deemed cost of asset at 1 April, 2016	7.30	911.67	6,264.38	30.80	32.66	26.78	55.40	7,328.99	8.00	-
Additions	-	251.16	806.81	0.94	49.34	2.38	3.00	1,113.63	-	32.55
Disposals/ Transfers	-	-	-	-	15.91	-	-	15.91	-	-
As at 31st March, 2017	7.30	1,162.83	7,071.19	31.74	66.09	29.16	58.40	8,426.71	8.00	32.55
<b>Depreciation Block</b>										
Accumulated Depreciation as at 1 April, 2016	-	233.12	4,346.25	22.54	15.27	13.15	49.40	4,679.73	6.49	-
Depreciation for the year	-	31.33	251.39	1.02	5.82	5.49	3.22	298.27	1.31	-
Eliminated on disposal of Assets	-	-	-	-	7.95	-	-	7.95	-	-
Accumulated Depreciation / Amortisation as at 31st March, 2017	-	264.45	4,597.64	23.56	13.14	18.64	52.62	4,970.05	7.80	-
<b>Net Block</b>										
As at 31st March, 2017	7.30	898.38	2,473.55	8.18	52.95	10.52	5.78	3,456.66	0.20	32.55
As at 31st March, 2016	7.30	678.55	1,918.13	8.26	17.39	13.63	6.00	2,649.26	1.51	-



## NOTE 2 B : PROPERTY PLANT & EQUIPMENT

Description of Assets	Land	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer & Accessories	Total	Intangible Assets	Capital Work in Progress
<b>Gross block</b>										
Deemed cost of asset at 1 April, 2017	7.30	1,162.84	7,071.20	31.74	66.09	29.16	58.40	8,426.73	8.00	32.55
Additions	-	341.51	1,070.47	2.59	-	0.88	2.93	1,418.38	2.25	319.42
Disposals/ Transfers	-	-	-	-	-	-	-	-	-	32.55
As at 31st March, 2018	7.30	1,504.35	8,141.67	34.33	66.09	30.04	61.33	9,845.11	10.25	319.42
<b>Depreciation Block</b>										
Accumulated Depreciation as at 1 April, 2017	-	264.46	4,597.65	23.56	13.14	18.64	52.62	4,970.07	7.80	-
Depreciation for the year	-	44.63	296.18	1.15	7.87	2.72	3.33	355.88	0.36	-
Eliminated on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation / Amortisation as at 31st March, 2018	-	309.09	4,893.83	24.71	21.01	21.37	55.95	5,325.96	8.16	-
<b>Net Block</b>										
As at 31st March, 2018	7.30	1,195.26	3,247.84	9.62	45.08	8.68	5.37	4,519.15	2.09	319.42
As at 31st March, 2017	7.30	898.38	2,473.55	8.18	52.95	10.52	5.78	3,456.66	0.20	32.55

As stated in Note No 1.5, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, the net block as on 01.04.2016 aggregating to Rs 2,649.26 Lakhs comprising of carrying value of various assets as follows, is considered as the deemed cost of the respective property, plant and equipment:

As stated in Note No 1.6, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, the net block as on 01.04.2016 aggregating to Rs 1.51 Lakhs, comprising of carrying value of various assets as follows, is considered as the deemed cost of the respective intangible assets:

Capital of other commitments:

There are no material commitments at the end of the year other than the construction of new ETP Plant of which the budgeted commitments are almost net and pending for capitalisation.

**NOTE 3. INVESTMENT PROPERTY**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Free hold Land to the extent of 11.87 Acres in Coimbatore District, Pollachi Taluk, Tamilnadu	128.15	128.15	128.15
<b>Total</b>	<b>128.15</b>	<b>128.15</b>	<b>128.15</b>

**NOTE 4. TRADE RECEIVABLES (NON CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Trade receivables outstanding more than one year			
Unsecured, Considered Good	9.33	8.75	14.34
Doubtful	9.33	8.65	10.65
	<b>18.66</b>	<b>17.40</b>	<b>24.99</b>
Less Provision for doubtful Trade receivables	9.33	8.65	10.65
<b>Total</b>	<b>9.33</b>	<b>8.75</b>	<b>14.34</b>

**NOTE 5. LOANS (NON CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
<b>Unsecured, Considered Good</b>			
Deposit with Bank	9.75	9.05	8.28
Security Deposits with various authorities	55.40	31.73	30.51
Abhisar Buildwell Pvt Limited	820.00	820.00	800.00
<b>Total</b>	<b>885.15</b>	<b>860.78</b>	<b>838.79</b>

The company has discontinued the job work arrangement with Abhisar Buildwell Pvt. Limited due to the lack of operational feasibility in Agartala in the year 2015-2016. The company has claimed for the refundable deposit paid to M/s Abhisar Buildwell Pvt. Limited as per the terms of the agreement. The issue is pending before the Arbitral Authority and no provision has been made in the books of accounts of the company considering the merits of the case and agreement.

**NOTE 6. OTHER FINANCIAL ASSETS (NON CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
<b>Unsecured, Considered Good</b>			
Bank Guarantee	23.09	23.09	23.09
Deposit Account - Unpaid Dividend	63.78	54.15	56.20
<b>Total</b>	<b>86.87</b>	<b>77.23</b>	<b>79.29</b>

**NOTE 7. OTHER NON CURRENT ASSETS**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
<b>Unsecured, Considered Good</b>			
Capital Advance to Suppliers	1.67	220.43	1.46
Telephone Deposit	0.03	0.03	0.03
VAT Credit Receivable	386.08	386.08	265.86
Income Tax Paid/ Deducted	2.08	2.08	2.08
<b>Total</b>	<b>389.86</b>	<b>608.62</b>	<b>269.43</b>

**NOTE 8. INVENTORIES**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
(a) Raw Materials	501.55	383.67	381.12
(b) Work in Progress	167.47	139.19	90.14
(c) Stores & Spares	115.32	85.41	96.74
d) Finished Goods (other than those acquired for trading)	258.16	75.57	151.69
<b>Total</b>	<b>1, 042.50</b>	<b>683.84</b>	<b>719.69</b>

**NOTE 9. TRADE RECEIVABLES (CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Trade receivables outstanding Less than one year			
Unsecured, Considered Good	3,074.67	2,056.04	2,658.07
Doubtful	13.35	2.48	7.62
	<b>3,088.02</b>	<b>2,058.52</b>	<b>2,665.69</b>
Less Provision for doubtful Trade receivables	13.35	2.48	7.62
	3,074.67	2,056.04	2,658.07
Advance to Suppliers	2.07	5.46	82.00
<b>Total</b>	<b>3,076.74</b>	<b>2,061.50</b>	<b>2,740.07</b>

**NOTE 10. CASH & CASH EQUIVALENTS**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
(a) Cash on hand	1.58	1.96	2.90
(b) Balances with Banks - In Current Accounts	216.13	255.39	447.81
<b>Total</b>	<b>217.71</b>	<b>257.35</b>	<b>450.71</b>

**FOR THE PURPOSE OF THE STATEMENT OF CASHFLOWS, CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING :**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Balances with Banks			
On Current accounts	194.70	245.34	426.25
Deposits with original maturity of less than three month	-	-	-
Cheques / drafts on hand	-	-	-
Cash on Hand	1.58	1.96	2.90
<b>Total</b>	<b>196.28</b>	<b>247.30</b>	<b>429.15</b>

Unpaid dividend amount of the previous year marked in current accounts are not considered as cash and cash equivalents for cash flow purpose being the balance is considered as restricted fund.

**NOTE 11. BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
(b) Balances with Banks			
Fixed Deposit	140.00	10.00	50.00
<b>Total</b>	<b>140.00</b>	<b>10.00</b>	<b>50.00</b>

**NOTE 12. LOANS (CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Inter Corporate Deposits			
Unsecured, Considered Good	3,099.00	2,143.00	1,300.00
<b>Total</b>	<b>3,099.00</b>	<b>2,143.00</b>	<b>1,300.00</b>

**NOTE 13. OTHER CURRENT FINANCIAL ASSETS**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Interest Accrued on inter corporate Deposits	85.44	33.18	7.92
Insurance claim Receivable	0.28	3.90	1.44
<b>Total</b>	<b>85.72</b>	<b>37.08</b>	<b>9.36</b>

**NOTE 14. OTHER CURRENT ASSETS**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
GST Tax Credit Receivable	2.11	-	-
CENVAT Credit Receivable	-	36.21	12.71
Service Tax Credit Receivable	-	6.28	5.03
Advances to Employees	0.31	0.39	0.50
Prepaid Expense (Unsecured, Considered good)	8.64	8.41	7.47
Other Deposit	0.13	1.21	0.24
<b>Total</b>	<b>11.20</b>	<b>52.50</b>	<b>25.95</b>

**NOTE 15. SHARE CAPITAL**

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	in ₹ Lakhs	No. of Shares	in ₹ Lakhs
<b>Authorised Capital</b>				
Equity Shares of ₹ 5 each with voting rights	70000000	3,500.00	70000000	3,500.00
<b>Issued, Subscribed and Paid up Capital</b>				
Equity shares of Rs. 5 each with voting rights	45217529	2,260.88	43217529	2,160.88
<b>Total</b>	<b>45217529</b>	<b>2,260.88</b>	<b>43217529</b>	<b>2,160.88</b>

**Rights, Preference and restrictions attached to equity shares.**

The company has only one class of equity shares having par value of Rs. 5 per share. Each holder of equity share is entitled to vote per share. The dividend proposed is as recommended by the Board of Directors and subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2018, the amount of dividend per share recognised as distributions to equity shareholders is Rs.1.00 (31st March, 2017 - Rs. 0.75)

**Reconciliation of shares at the beginning and at the end of the financial year**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period (Equity shares with voting rights):

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	in ₹ Lakhs	No. of Shares	in ₹ Lakhs
Shares outstanding at the beginning of the year	43217529	2,160.88	43217529	2,260.88
Add: Shares issued during the year	2000000	100.00	Nil	Nil
Less: Shares bought back during the year	Nil	Nil	Nil	Nil
<b>Shares outstanding at the end of the year</b>	<b>45217529</b>	<b>2,260.88</b>	<b>43217529</b>	<b>2,160.88</b>

#### DETAILS OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of total shares of the company	No. of Shares held	% of total shares of the company
Minal Bharat Patel	88,49,096	19.57%	88,49,096	20.48%
Annie Guat Khuan Chew	30,59,556	6.77%	48,72,932	11.28%
Bharat Jayantilal Patel	66,93,906	14.80%	66,93,906	15.49%
Christopher Chong Meng Tak	26,44,918	5.85%	26,44,918	6.12%
Kerala State Industrial Development Corporation Ltd	27,36,000	6.05%	27,36,000	6.33%

As per records of the Company. Including its Register of Members and other declarations received from them regarding beneficial interest. The above shareholding represents both legal and beneficial ownership of shares

#### NOTE 16. OTHER EQUITY

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Share Application Money pending For Allotment	237.50	-	-
Reserve & Surplus			
Securities Premium Reserves	850.00	-	-
Retained Earnings	7,720.04	6,108.02	5,178.45
General Reserves	332.55	227.17	164.56
Other Items of Other Comprehensive Income	(14.98)	1.02	-
<b>Total</b>	<b>9,125.11</b>	<b>6,336.21</b>	<b>5,343.01</b>

General Reserve : General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of comprehensive income.

Securities Premium : Preferential issue of 2000000 shares has been made at in the year at a premium of Rs. 47.50 per share as approved in the Extra Ordinary General Meeting held on 19 April 2017.

**NOTE 17. BORROWINGS (NON CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Secured Loans			
Auto Loan from HDFC Bank Ltd	-	2.30	3.43
Auto Premium Loan from HDFC Bank Ltd	-	26.88	-
<b>Total</b>	<b>-</b>	<b>29.18</b>	<b>3.43</b>

**NOTE 18. TRADE PAYABLE (NON CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Trade Payables	6.57	2.72	0.46
<b>Total</b>	<b>6.57</b>	<b>2.72</b>	<b>0.46</b>

**NOTE 19. PROVISIONS (NON CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
<b>Provision for Contingent Liabilities</b>			
Sales Tax Liability - CST Dispute pending	-	-	91.42
Financial Charges on disputed liabilities	-	-	31.33
Provision for Tripura VAT	173.42	173.42	124.86
Provision for unknown liabilities	284.00	164.00	104.00
	<b>457.42</b>	<b>337.42</b>	<b>351.61</b>
<b>Other Provisions :</b>			
Sales Tax Differential Payable	1.67	1.56	0.94
Leave Encashment Liability	60.23	50.67	39.47
<b>Total</b>	<b>519.32</b>	<b>389.66</b>	<b>392.02</b>

**NOTE 20. OTHER NON CURRENT LIABILITIES**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Abhisar Build well Pvt Ltd	110.26	110.26	91.01
Advances received	0.25	0.25	-
<b>Total</b>	<b>110.51</b>	<b>110.51</b>	<b>91.01</b>



**NOTE 21. TRADE PAYABLES (CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Trade Payables	1,182.40	827.76	698.12
<b>Total</b>	<b>1,182.40</b>	<b>827.76</b>	<b>698.12</b>

**NOTE 22. OTHER FINANCIAL LIABILITIES**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Current Maturities of long term Debt	-	7.68	1.35
Unpaid Dividend	85.21	64.20	56.20
<b>Total</b>	<b>85.21</b>	<b>71.88</b>	<b>57.55</b>

**NOTE 23. OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Statutory Dues Payable	85.85	29.59	42.72
Advances received from customers	46.19	67.97	91.23
Provision for Expenses	82.19	67.16	67.22
Other payables	4.31	2.89	1.50
Other Liability - Staff Advance	0.38	0.22	0.06
<b>Total</b>	<b>218.92</b>	<b>167.83</b>	<b>202.73</b>

**NOTE 24. PROVISIONS (CURRENT)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Provisions for Employee Benefits			
Provision for salary Arrears, Bonus & Production Incentives	126.54	17.30	14.97
Provision for Leave encashment	14.82	10.88	13.52
Terminal benefit Liability (Gratuity Benefit)	14.98	(1.02)	
<b>Total</b>	<b>156.34</b>	<b>27.16</b>	<b>28.49</b>

**NOTE 25. OTHER CURRENT TAX LIABILITIES**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
Provision for Taxation	9.83	43.39	64.74
<b>Total</b>	<b>9.83</b>	<b>43.39</b>	<b>64.74</b>

**NOTE 26. REVENUE FROM OPERATIONS**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
(a) Sale of Products	21,637.55	18,327.22
(b) Other Operating Revenues	135.55	185.87
<b>Total</b>	<b>21,773.10</b>	<b>18,513.09</b>

**NOTE 27. OTHER INCOME**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Interest Income		
On deposits with banks and other balances	17.52	10.39
On Intercompany Deposits	373.27	259.21
On others	1.82	2.75
Miscellaneous Income	8.01	0.32
<b>Total</b>	<b>400.62</b>	<b>272.66</b>

**NOTE 28. COST OF MATERIALS CONSUMED**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Opening Stock	490.56	459.95
Add Purchases	15,423.81	12,909.21
	<b>15,914.37</b>	<b>13,369.16</b>
Less: closing Stock	632.41	508.12
<b>Cost of materials consumed</b>	<b>15,281.96</b>	<b>12,861.04</b>
Material consumed comprises :		
Latex/ Chemicals/ Packing Materials	15,281.96	12,861.04
<b>Total</b>	<b>15,281.96</b>	<b>12,861.04</b>

**NOTE 29. CHANGES IN INVENTORIES OF FINISHED GOODS**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Finished goods at the end of the year (i)	258.16	75.57
Finished goods at the beginning of the year (ii)	75.57	151.69
<b>Total (ii-i)</b>	<b>(182.59)</b>	<b>76.12</b>

**NOTE 30. EMPLOYEE BENEFIT EXPENSE**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Salaries & Wages	810.96	743.96
Contributions to Provident and other funds	93.87	105.99
Staff Welfare Expense	39.30	46.64
<b>Total</b>	<b>944.13</b>	<b>896.59</b>

**NOTE 31. FINANCE COST**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
(a) Interest Expense on		
- Interest on delayed payment of tax	10.90	9.99
- Bank charges & Commission	11.57	8.65
(b) Net (gain)/ loss on Foreign currency transactions and translations (Considered as Finance Cost)	(25.11)	(12.16)
<b>Total</b>	<b>(2.64)</b>	<b>6.48</b>

**NOTE 32. OTHER EXPENSES**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Packing Material	377.86	318.61
Power & Fuel	976.61	813.04
Effluent Treatment Expense	103.98	90.10
Rent including Lease Rentals	8.56	10.81
Repairs & Maintenance		
Building	23.50	9.53
Machinery	17.01	2.37
others	177.15	106.19

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Insurance	8.29	1.25
Rates & Taxes	20.39	42.90
Communication	17.00	35.20
Travelling & Conveyance	41.43	57.58
Printing & Stationery	6.85	15.02
Freight & Forwarding	136.09	60.17
Sales Commission	8.54	2.97
Sales Discount	18.14	22.73
Business Promotions	0.73	5.72
Donations & Contributions	3.81	2.05
CSR Expenses	22.33	22.30
Legal & Professional	34.25	32.98
Payment to Auditors	-	-
For Statutory audit	2.75	2.75
For Cost Audit	0.50	0.50
Reimbursement of Expenses	2.03	2.38
Secretarial Expense	-	-
AGM & EGM Expense	2.99	8.22
List up Fee	4.51	4.32
Share Transfer Charges	3.60	3.21
Directors Sitting Fee	7.80	7.25
Dividend Distribution	2.83	2.78
Job Work Charges	-	75.00
Security Charges	14.61	24.94
Provision for Bad and Doubtful Debts	14.02	2.01
Less: Bad Debts provided in the Previous year recovered	(10.73)	(9.14)
Prior Period Items	0.37	(9.99)
Loss on Sale of fixed Asset	-	3.16
Provision for unknown Liabilities	120.00	60.00
Miscellaneous Expenses	52.74	65.15
<b>Total</b>	<b>2,220.54</b>	<b>1,894.06</b>

**NOTE 33. DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Gross amount required to be spent	22.76	20.60
Amount spent during the year	22.33	22.30
Total Corporate Social Responsibility	22.76	20.60

**NOTE 34. EXCEPTIONAL ITEMS**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
Provision No Longer Required (Contingent Liability)	-	82.26
<b>Total</b>	<b>-</b>	<b>82.26</b>

**NOTE 35. DEFERRED TAX CALCULATION**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
<b>Deferred Tax Liability</b>		
Fixed Asset	536.73	393.50
	<b>536.73</b>	<b>393.50</b>
<b>Deferred Tax Asset</b>		
Leave Encashment Liability	25.97	21.30
Provision for Gratuity	6.23	-
Provision for Doubtful debts	7.85	3.85
Sales Tax Liability	0.58	0.54
Provision for Contingent Liability	158.30	116.78
	198.93	142.47
<b>Net deferred tax (liability)/ Asset</b>	<b>(337.80)</b>	<b>(251.03)</b>
<b>Deferred tax expense/ (Income)</b>	<b>86.77</b>	<b>16.92</b>

**NOTE 36. OTHER COMPREHENSIVE INCOME**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
(a) (i) Items that will not be reclassified to profit or loss (net) Actual Gain/ Loss of defined Employee benefit	(16.00)	1.02
(ii) Income tax relating to items that will not be reclassified to Profit & Loss	-	-
(b) (i) Items that will be reclassified to profit or loss (net)	-	-
(ii) Income tax relating to items that will be reclassified to Profit & Loss	-	-
<b>Total</b>	<b>(16.00)</b>	<b>1.02</b>

**NOTE 37. EARNING PER SHARE**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
<b>Earnings per Share of ₹ 5 each</b>		
Weighted Average No. of Equity shares	4,52,17,529	4,32,17,529
Weighted Average No. of Equity Shares including Warrants	4,72,17,529	4,32,17,529
Net Profit for the year ₹ in Lakhs	2,091.52	1,253.28
<b>Basic &amp; Diluted</b>		
Basic EPS (after extra ordinary items)	4.80	2.90
Diluted EPS (after extra ordinary items)	4.79	2.90

The Diluted EPS is computed by dividing the Net profit after Tax available for Equity shareholders by the weighted average number of Equity shares, after giving dilutive effect of the outstanding Warrants for the respective period.

**NOTE 38. DISCLOSURES REQUIRED UNDER IND AS - 19 - “EMPLOYEE BENEFITS”**

The Company makes Provident Fund and Super Annuation Fund contributions to defined Contribution plans for qualifying employees. Under the Schemes, the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 46.17 Lakhs (Year ended 31 st March, 2017 Rs. 54.03 Lakhs) for Provident Fund contributions and Rs.5.89 Lakhs (Year ended 31st March 2017 Rs. 5.01 Lakhs) for Super Annuation Fund Contributions in the Statement of Profit and Loss. The Contributions payable to these plans by the company are at rates specified in the rules of the schemes.

**GRATUITY REPORT UNDER IND AS 19 - “ EMPLOYEE BENEFITS”**

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
<b>1. Assumption</b>		
Discount Rate	8%	8%
Salary Escalation	7%	7%
<b>2. Table showing changes in the present value of Obligation</b>		
Present value of Obligation as at the beginning of the year	229.87	206.86
Interest Cost	18.39	16.55
Current Service Cost	11.92	11.05
Benefits paid	-	(3.57)
Actuarial (gain) / Loss on obligation	16.00	(1.02)
Present value of Obligation as at the end of the year	276.18	229.87

Particulars	Year ended 31st March, 2018 in ₹ Lakhs	Year ended 31st March, 2017 in ₹ Lakhs
<b>3. Table showing changes in Fair value of Plan Assets</b>		
Fair value of Plan Assets at the beginning of the year	230.33	180.19
expected return of Plan assets	18.88	16.07
Contributions	10.16	37.64
Benefits paid	-	(3.57)
Actuarial (gain) / Loss on Plan assets	-	-
Fair value of Plan assets at the end of the year	259.37	230.33
<b>4. Table showing Fair value of Plan Assets</b>	-	
Fair value of Plan Assets at the beginning of the year	230.33	180.19
Actual return on Plan Assets	18.88	16.07
Contributions	10.16	37.64
Benefits paid	-	(3.57)
Fair value of Plan assets at the end of the year	259.37	230.33
Funded Status	(16.81)	0.46
Excess of Actual over estimated return on plan assets	-	-
(Actual rate of return = Estimated rate of return as ARD falls on 31st March	-	
<b>5. Acturial (Gain) Loss recognised</b>	-	
Acturial (gain) loss on obligations	16.00	(1.02)
Acturial (gain) / Loss on Plan assets	-	-
Total Acturial (gain) / loss for the year	16.00	(1.02)
<b>6. The amounts to be recognised in the Balance Sheet and Statements of Profit /Loss</b>		
Present value of Obligation at the end of the year	276.18	229.87
Fair value of Plan assets at the end of the year	259.37	230.33
Funded Status	(16.81)	0.46
Net Asset / (Liability) recognised in the Balance Sheet	(16.81)	0.46
<b>7. Expenses recognised in the statement of Profit &amp; Loss</b>	-	-
Current Service Cost	11.92	11.05
Interest Cost	18.39	16.55
Expected return on Plan assets	18.88	16.07
Net Acturial (gain)/ Loss recognised in the year	16.00	(1.02)
Expenses recognised in the Statement of Profit & Loss	27.43	10.51



### NOTE 39. SEGMENT INFORMATION

The Companies engaged in the manufacture and the sale of products which form part of one product group which represents one operating segment, as the Chief Operating Decision Maker (CODM), reviews business performance at an overall company level. Entity - wide disclosure as required by Ind AS 108 "Operating Segment" are as follows:

The Company has only primary segment namely Manufacture and sale of Latex Rubber Thread. On the basis of Geographical revenues, allocated based on the location of the customer. Geographic segment of the Company is disclosed as follows: Revenue outside India, i.e. Sales in Export Market and Revenue with in India i.e. Sales in Domestic Market.

The Geographic segment individually contributing to the company's revenue and segment assets are as follows:

Particulars	Year ended 31st March, 2018 in ₹ Lakhs		Year ended 31st March, 2017 in ₹ Lakhs	
	Assets	Revenues	Assets	Revenues
<b>Outside India</b>				
Asia	166.12	2,374.94	149.37	1,806.10
Europe	4.47	221.20	2.77	190.09
Africa	-	72.67	12.08	70.41
America	-	25.00	-	48.92
<b>Within India</b>	2,913.41	18,943.73	1,900.56	16,211.71
<b>Total</b>	<b>3,084.00</b>	<b>21,637.55</b>	<b>2,064.78</b>	<b>18,327.23</b>

### NOTE 40. RELATED PARTY DISCLOSURES

In accordance with the requirement of Accounting Standard (AS) - 24 on "Related Party Disclosures" the names of the related parties where control exists/able to exercise significant influence along with the aggregate transactions/ year end balance with them as identified and certified by the management are given below:

Details of Related Party Transactions during the year ended 31st March 2018

Particulars	Year ended 31st March, 2018		Year ended 31st March, 2017	
	Paid during the Year	Outstanding	Paid during the Year	Outstanding
<b>Directors Sitting Fee</b>				
Mr. Bharat Jayantilal Patel	1.00	-	1.20	-
Mr. Bharat Jamnadas Dattani	1.00	-	1.00	-
Mr. Hardik Patel	0.80	-	-	-
Mr. Dhiren S Shah	1.20	-	1.15	-
Mr. Patrick Davenport	0.75	-	0.95	-
Mr. Tommy Thompson	0.40	-	0.60	-
Mr. S.N. Rajan	0.95	-	1.05	-
Mr. Samir K. Shan	0.70	-	0.50	-
Mrs. R. Chitra	0.60	-	0.80	-
Mr. S.H. Merchant	0.40	-	-	-
<b>Total</b>	<b>7.80</b>		<b>7.25</b>	-
<b>Remuneration</b>				
Mr. G. Krishna Kumar (Managing Director)	74.99	-	56.59	-
Mr. N.N. Parameswaran (CFO & CS)	49.23	-	39.78	-
<b>Total</b>	<b>124.22</b>		<b>96.37</b>	-

**NOTE 41. DETAILS OF PROVISIONS FOR CONTINGENT LIABILITY**

Particulars	As at 1st April, 2017	Additions	Reversal	As at 31st March, 2017
	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs
Sales Tax	91.42	-	91.42	-
Financial Charges on Disputed Liabilities	-	-	-	-
	31.33		31.33	
Provision for Expenses - Tripura VAT	173.42	-	-	173.42
	124.86	48.56		173.42
Provision for Unforeseen Liabilities	164.00	120.00	-	284.00
	104.00	60.00		164.00
<b>Total</b>	<b>337.42</b>	<b>120.00</b>	<b>-</b>	<b>457.42</b>
	351.61	108.56	122.75	337.42

Note :- Figures in Italics relates to Previous year

**NOTE 42. CONTINGENT LIABILITY & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

Particulars	As at 31st March, 2018 in ₹ Lakhs	As at 31st March, 2017 in ₹ Lakhs	As at 1st April, 2016 in ₹ Lakhs
(a) Claim against the Company not Acknowledgment as debt:			
Duty Draw back	391.73	391.73	391.73
<b>Total</b>	<b>391.73</b>	<b>391.73</b>	<b>391.73</b>

The details of Provisions, Contingent Liabilities and Contingent Assets are as required under Ind AS-37 Provisions, Contingent Liabilities and Contingent Assets for the year ended 31st March 2018.

The company has pending the following pending litigations with various courts and which in its opinion has no impact on its financial position in the financial statements as on 31 March 2018.

SL No.	Claimant & Respondent	Date of admission	Status
1	Rubfila International Ltd. Vs Abhisar Buildwell Pvt. Ltd. before the sole arbitrator Justice Mohit S Shah	2017 - 18	Posted for Claimant's Evidence
2	Rubfila International Ltd. Vs Commissioner of Customs Coimbatore (Financial Impact is Rs. 391.73 Lakhs)	2008-09	Tribunal issued Orders remanding the case back to the original authority, and to await the Supreme Court decision in a similar case.

**NOTE 43. FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

#### A. Credit Risk Analysis

Credit risk refers to the risk that counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk for receivables, cash and cash equivalents, short term loans.

#### Cash and cash equivalents and short term investments (Loans current)

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Company has been transacting for years.

The Company has made several Inter corporate loans and security with unrelated Companies considering factors Such as track record, size of organisation, market reputation and value of the security. The risk is mitigated by the security provided by the Companies. There for the Company does not expect any material risk on account of non performance by any of the Companies to which the loans are given.

#### Trade receivables

The Company is exposed to credit risk from its operating activities primarily from trade receivables amounting to ₹ 3084.00 Lakhs and ₹ 2,064.78 Lakhs as of 31 March 2018 and 31 March 2017 respectively. The Company has standard operating procedure for obtaining sufficient security where appropriate, as a means of mitigating the risk of financial loss from defaults. No customers accounted for 10% or more of revenue during the reporting periods covered.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The history of trade receivables shows a negligible provision for bad and doubtful debts. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counter parties. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce the compliance with credit terms.

#### B. Liquidity Risk

The Company requires funds both for short-term operational needs as well as for long-term growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents provide liquidity both in the short-term as well as in the long-term. The company has adequate reserves and in the form of intercorporate deposits to mitigate the liquidity risk. As on 31 March 2018 the company has no financial liabilities over and above the cash and cash equivalents. Hence the liquidity risk is minimal.

#### C. Interest Rate Risk

The Company is a zero debt company as on 31 March 2018 (Previous year auto loans to the extent of Rs. 29.18 Lakhs) and is not exposed to any interest rate risk of short-term or long-term borrowings. All the vehicle loans of the company are closed in the financial year 2017-2018. The borrowings of the Company are principally denominated in Indian Rupees. There are no foreign currency borrowings made by the company during the reporting periods. The impact on the Companies profit before tax due to change in interest rate is Nil at the close of this financial year.

#### D. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the purchase of materials from abroad and realisation on export sales:

The impact on the Companies profit before tax due to change in interest rate is given below:

Particulars	Impact in Statement of Profit and Loss for 2% change As at 31 March 2018	Impact in Statement of Profit and Loss for 2% change As at 31 March 2017
	in ₹ Lakhs	in ₹ Lakhs
INR - USD	3.40	2.55
INR - GBP	(0.00)	0.06
INR - EURO	(0.09)	0.50

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 2% change in foreign currency rates, with all other variables held constant.

The particulars of un hedged items as at Balance Sheet date is as under :

Particulars	As at 31 March 2018		As at 31 March 2017	
	Foreign Currency	in ₹ Lakhs	Foreign Currency	in ₹ Lakhs
<b>Assets</b>				
USD	3,17,790	206.31	2,74,281	178.27
GBP	-	-	3,898	3.14
EURO	140	0.11	37,507	26.71
<b>Liabilities</b>				
USD	56,149	36.45	78,450	50.79
GBP	73	0.07	446	0.36
EURO	5,834	4.67	2,484	1.73

The company has not entered into any forward contracts or foreign currency hedges to mitigate the risk. As the amount involved is not material the foreign currency risk involved is minimal.

#### NOTE 44. EVENTS AFTER THE REPORTING PERIOD

There are no material events to be disclosed subsequent to the end of the reporting period.

#### NOTE 45. CAPITAL AND OTHER COMMITMENTS

There are no material capital and other commitments to be disclosed subsequent to the end of the reporting period.

#### NOTE 46. CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long term operating plans.

#### NOTE 47. FAIR VALUE MEASUREMENTS

##### (i) Financial Instruments by Category

The carrying value and fair value of financial instruments by categories are as follows:

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of this instruments.

##### (ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

The management assessed that the fair value of investment property and carrying amount of the property has not varied materially during the period.

#### NOTE 48. FIRST TIME ADOPTION OF IND AS

These are the Company's first financial statements for the year ended 31 March 2018 prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in IndAS 101 - First Time adoption of Indian Accounting Standard, with 1 April 2016 as the transition date to the Ind AS. An explanation of the transition from previous GAAP to Ind AS and

the Company's financial position, financial performance and cash flows is set out in the following tables and notes. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition).

#### A. Ind AS Optional Exemptions

##### Deemed Cost for Property, Plant and Equipment and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

#### B. Ind AS Mandatory Exemptions

##### Estimates

In accordance with Ind AS, as at the date of transition to Ind AS an entity's estimates shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP except impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition this was not required under the previous GAAP.

##### Classification and Measurement of Financial Assets and Liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 Financial Instruments are met based on facts and circumstances existing at the date of transition. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- The effects of the retrospective application or retrospective restatement are not determinable; or
- The retrospective application or restatement requires assumptions about what management's intent would have been in that period; or
- The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

#### Reconciliations between Previous GAAP and Ind AS

Ind AS 101 First-time Adoption of Indian Accounting Standards, requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS as at the periods specified below.

##### Reconciliation of Total Equity as at 31 March 2017 and 1 April 2016

Particulars	As at 31 March 2017 in ₹ Lakhs	As at 1 April 2016 in ₹ Lakhs
Total equity as per previous GAAP	8,105.94	7,243.80
Adjustments:		
i) Measurement of financial assets and liabilities at amortised cost		
ii) Reversal of proposed dividend	390.13	260.09
iii) Defined benefit obligation	1.02	
<b>Total Equity as per Ind AS</b>	<b>8,497.09</b>	<b>7,503.89</b>

**Reconciliation of Balance Sheet as at 1 April 2016 (date transition to Ind AS)**

Particulars	Previous GAAP	Adjustment	Ins as
	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs
<b>ASSETS</b>			
<b>Non- current Assets</b>			
Property, Plant and Equipment	2,777.41	128.15	2,649.26
Capital work - in-progress	-	-	-
Other Intangible Asset	1.51	-	1.51
Investment property	-	(128.15)	128.15
Financial Assets			
Trade receivable	14.34	-	14.34
Loans	838.79	-	838.79
Other financial assets	79.29	-	79.29
Other non- Current Asset	269.43	-	269.43
<b>Current assets</b>			
Inventories	719.69	-	719.69
Financial Assets			
Trade and other receivables	2,658.07	(82.00)	2,740.07
Cash and Cash Equivalents	565.19	114.48	450.71
Bank Balance other than above	-	(50.00)	50.00
Loans	1,758.46	458.46	1,300.00
Other current financial assets	(55.12)	(64.48)	9.36
Other current assets	107.95	82.00	25.95
<b>TOTAL ASSETS</b>	<b>9,735.01</b>		<b>9,276.55</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Equity attributable to owners of Parent</b>			
Equity share capital	2,160.88		2,160.88
Other equity	5,082.92	(260.09)	5,343.01
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Financial liabilities			
Borrowings	-	(3.43)	3.43
Trade payables	0.46	-	0.46
Provisions (non Current)	352.55	(39.47)	392.02
Deferred tax liabilities (Net)	234.11	-	234.11
Other non - Current Liabilities	-	(91.01)	91.01
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	789.13	91.01	698.12
other financial liabilities	57.55	-	57.55
other financial liabilities	206.16	3.43	202.73
Provisions	851.25	822.76	28.49
Current Tax Liabilities	-	(64.74)	64.74
<b>TOTAL</b>	<b>9,735.01</b>		<b>9,276.55</b>

**Reconciliation of Balance Sheet as at 31 March 2017**

Particulars	Previous GAAP	Adjustment	Ins as
	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs
<b>ASSETS</b>			
<b>Non- current Assets</b>			
Property, Plant and equipment	3,617.35	160.69	3,456.66
Capital work - in-progress	-	(32.55)	32.55
Other Intangible Asset	0.20	-	0.20
Investment property	-	(128.15)	128.15
Financial Assets			
Trade receivable	8.75	-	8.75
Loans	860.78	-	860.78
Other financial assets	14.03	(63.20)	77.23
Other non- Current Asset	608.61	(0.00)	608.62
<b>Current assets</b>			
Inventories	683.84	-	683.84
Financial Assets			
Trade and other receivables	2,056.03	(5.47)	2,061.50
Cash and Cash Equivalents	330.55	73.20	257.35
Bank Balance other than above	-	(10.00)	10.00
Loans	2,768.05	625.05	2,143.00
Other current financial assets	37.08	-	37.08
Other current assets	57.72	5.22	52.50
<b>TOTAL ASSETS</b>	<b>11,043.01</b>		<b>10,418.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Equity attributable to owners of Parent</b>			
Equity share capital	2,160.88		2,160.88
Other equity	5,945.06	(391.15)	6,336.21
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Financial liabilities			
Borrowings	29.18	-	29.18
Trade payables	2.72	-	2.72
Provisions (non Current)	338.98	(50.68)	389.66
Deferred tax liabilities (Net)	251.03	-	251.03
Other non - Current Liabilities	-	(110.51)	110.51
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	938.02	110.26	827.76
other financial liabilities	71.88	-	71.88
other current liabilities	167.83	-	167.83
Provisions	1,137.43	1,110.27	27.16
Current Tax Liabilities	-	(43.39)	43.39
<b>TOTAL</b>	<b>11,043.01</b>	<b>624.81</b>	<b>10,418.20</b>



**Reconciliation of Consolated statement of cash flows for the year ended 31st March 2017**

Particulars	Previous GAAP	Adjustment	Ins as
	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs
Net Cash from/(used) in operating Activities	1,027.83	(105.84)	1,133.67
Net Cash from/(used) in Investing Activities	(865.88)	218.97	(1,084.85)
Net Cash from/(used) in Financing Activities	(396.60)	(165.93)	(230.67)
Net Increase/ (decrease) in cash and cash equivalents	(234.65)	(52.80)	(181.85)
Cash and cash equivalents at the beginning of the year	565.19	136.04	429.15
Cash and cash equivalents at the end of the year	330.55	83.25	247.30

**NOTES****1. Financial Assets and Liabilities**

Under Previous GAAP the financial assets and liabilities were carried at cost. However under Ind AS, all financial assets and liabilities are required to be recognised at fair value. Accordingly, the Company has recognised all financial assets and liabilities initially at fair value and measured them subsequently at amortised cost using the effective interest method.

**2. Defined benefit obligation**

Both under the Previous GAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced by such amount with a corresponding adjustment on defined benefit plans has been recognized in the OCI.

**3. Adjustment for Proposed Dividend**

Under the Previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend included under provisions has been reversed with corresponding adjustment to retained earnings.

**4. Excise Duty**

Under the Previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS the revenue from sale of goods is presented inclusive of excise duty. Accordingly, the excise duty has been included in revenue and expenses respectively.

**5. Deferred Tax**

Under the Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS 12, Income Tax, deferred taxes are recognised following the balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In the year ended 31st march 2017 there has been no material variance in deferred tax from Ind AS and previous GAAP and hence the amount as per previous GAAP remains unchanged.

**6. Other Comprehensive Income**

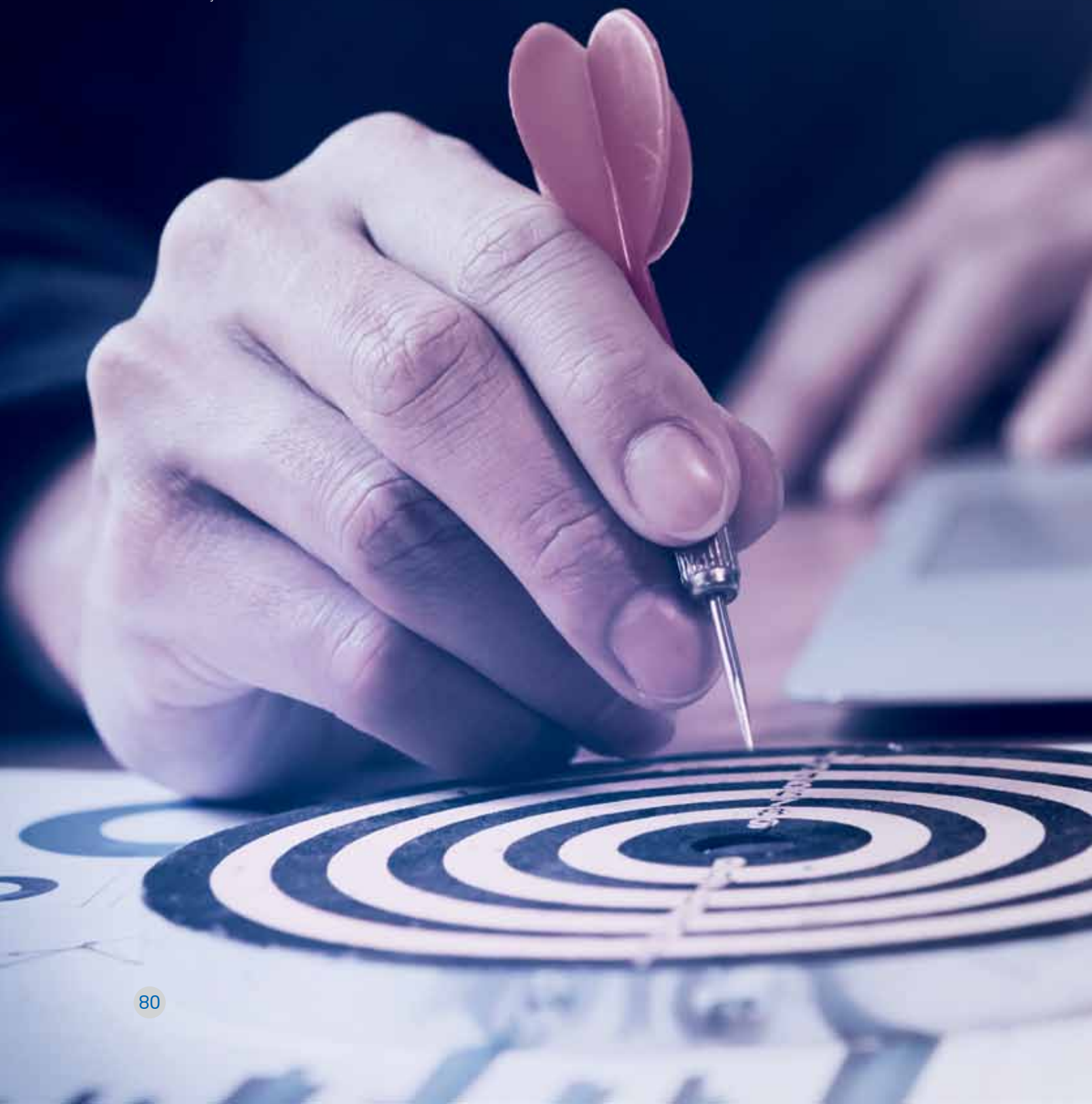
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under the Previous GAAP.

#### 7. Statement of Cash Flows

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value as described in note 1.14 and the other bank balances are shown separately as Other bank balances. Further the capital advances made for purchase of fixed assets has been wrongly considered under the working capital changes in the previous years. In the Ind AS compliant financial this has been grouped under investing activities.

#### 8. Other Equity

Adjustments to retained earnings as at 31 March 2017 and 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.



CIN : L25199KL1993PLC007018 Regd. Office : NIDA, Menonpara Road, Kanjikode P.O.  
Palakkad, Kerala - 678 621 Phone : +91 491 2567261- 64 Fax +91 491 2567260  
Email : rubfila@vsnl.com, rubfila@gamil.com www.rubfila.com



**RUBFILA**  
**International Limited**

**ATTENDANCE SLIP FOR 25TH ANNUAL GENERAL MEETING**

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF AGM HALL. i.e. 'RB Auditorium', Opp. Instrumentation Ltd, Kanjikode, Palakkad - 678 623

Name & Address of the Shareholder

SEQUENCE No :

FOLIO No./ DP/ID/Client ID :

I here by record my presence at the 25th ANNUAL GENERAL MEETING at 'RB Auditorium', Opp. Instrumentation Ltd, Kanjikode, Palakkad - 678 623 on Saturday, the 22nd September, 2018 at 11.00 AM.

Signature of the Member of Proxy	No. of Shares held
----------------------------------	--------------------

**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)

	CIN L25199KL1993PLC007018
Name of the company	Rubfila International Limited
Registered Office	NIDA, Menonpara Road, Kanjikode PO, Palakkad - 678621
Name of the shareholder	
Registered Address	
E- mail ID	
Folio No ID	

I/ we, being the shareholder(s) of ..... shares of the above named company, hereby appoint:	
1. Name	
Address	
Email - ID	
Signature	
or failing him	
2. Name	
Address	
Email - ID	
Signature	
or failing him	
3. Name	
Address	
Email - ID	
Signature	

As my/our proxy to attend and (vote on a poll) for me/ us and on mu / our behalf at the 25th Annual General meeting of our company, to be held on Saturday, the 22nd September, 2018 at 11.00 AM at "RB Auditorium", Opp. Instrumentation Ltd, Kanjikode, Palakkad - 678 623 and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No (.....)

All ( )

S.No.	Subject		S.No.	Subject	
1.	Adoption of Audited Financial Statements		1.	Re-appointment of Mr. Hardik. B., Director, retiring by rotation	
2.	Declaration of dividend		2.	Reclassification of status of Promoters shareholding into public shareholding	
3.	Re-appointment of Mr. Thomas Calton Thompson III, Director, retiring by		3.	Ratification of the remuneration Payable to the Cost Auditor	

Signed this.....

day of ..... 2018.

Signature of shareholder : .....

Signature of Proxy holder(s) : .....

Affix  
Re. 1/-  
Revenue  
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.



**RUBFILA**  
International Limited

NIDA Menonpara Road Kanjikode P.O. Palakkad Kerala 678 621 India  
Tel +91 491 2567261/62/63/34 Fax +91 491 2567260  
email [rubfila@vsnl.com](mailto:rubfila@vsnl.com) [www.rubfila.com](http://www.rubfila.com)