

RIL/SECTL2019/
30-08-2019

The Stock Exchange Mumbai
Corporate Relationship Dept,
Phirozee Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai - 400 001

Scrip Code - 500367

Dear Sir,

Sub :- Annual Report 2018 - 19 – Reg.

We are submitting herewith the Annual Report of the Company along with Notice of AGM for the Financial Year 2018-19.

Kindly acknowledge receipt.

Thanking You,

Yours faithfully,
For **RUBFILA INTERNATIONAL LTD**


N.N.PARAMESWARAN
CFO & Company Secretary

Encl : a/a



RUBFILA
International Limited

26th ANNUAL REPORT
2018-19



RUBFILA

International Limited

CIN : L25199KL1993PLC007018

NIDA Menonpara Road, Kanjikode P.O.

Palakkad, - 678 621, Kerala, India.

Tel : +91 491 2567261-64, Fax : +91 491 2567260

Email : rubfila@vsnl.com, rubfila@gmail.com

Website : www.rubfila.com

TWENTY SIXTH ANNUAL REPORT 2018 – 19

CORPORATE INFORMATION

BOARD OF DIRECTORS

BHARAT J PATEL, Chairman

BHARAT J DATTANI, Director

THOMAS CALTON THOMPSON III, Director

DHIREN S SHAH, 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 FINANCE 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.

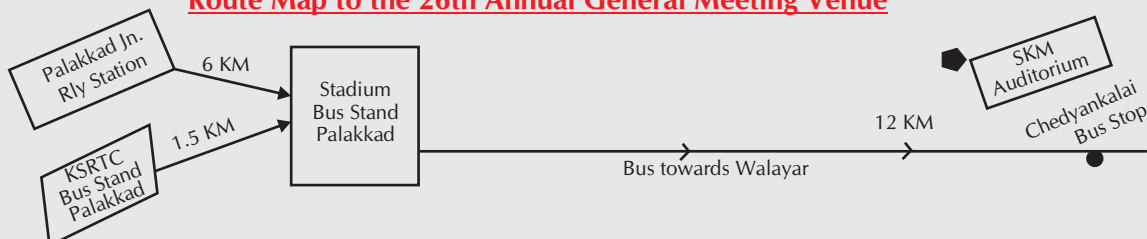
Chartered Accountants, Ahmedabad

Internal Auditors

M/S.PRATAPKARAN PAUL & CO.

Chartered Accountants, Chennai

Route Map to the 26th Annual General Meeting Venue



Notice of AGM

Directors Report

Annexure to Directors Report

Secretarial Audit Report

Report on Corporate Governance

Management Discussion and Analysis

NOTICE OF 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the Members of Rubfila International Limited (CIN: L25199KL1993PLC007018) will be held at SKM Auditorium, Chedyankalai, Kanjikode, Palakkad on Saturday, the 21st Day of September, 2019 at 11.00 a.m. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a) audited Standalone Financial Statements of the Company for the year ended 31st March, 2019 together with the Report of the Board of Directors and Independent Auditors Report thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2019, together with the Report of the Auditors thereon
2. To declare a final dividend of Rs. 1/- per equity share of Rs. 5/- each for the Financial Year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Bharat J Dattani (holding DIN 01462746), 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. Dhiren S Shah (holding DIN 01143496), 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 resolutions 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 224755 Equity Shares aggregating to 0.48% of the paid up capital of the Company, from "Promoter & Promoter Group" shareholding of the Company to the "Public" shareholding of the Company:

Sl. No.	Name of Promoter	Number of shares held in the Company	Percentage of shareholding in the Company
1	DHIREN SHEVANTILAL SHAH	224755	0.48%

"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 2019-20

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) thereto or any substitution(s) or any re-enactments thereof for the time being in force), M/s. Ajith Sivadas & Co, Cost Accountants, Palakkad, who 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, 2020, 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 : 09-08-2019

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 14/09/2019.
7. The Share Transfer Books and the Register of Members shall remain closed from 15th September, 2019 to 21st September, 2019 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 14th September, 2019.
 - 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 14th September, 2019.
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 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 26th 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 cyber security.

"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 14th September, 2019. 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
 - 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 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both de-mat shareholders as well as physical shareholders)</p> <p>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.</p> <p>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.</p>
DOB	<p>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.</p>
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> <p>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.</p>

- 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 de-mat 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 there solutions 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.
- 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 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 18th September, 2019 at 9.00 A.M and ends on 20th September 2019 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 14th September, 2019 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 14th September, 2019. A person who is not a member of the Company as on the aforementioned 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 under help section or write an email to helpdesk.evoting@cdslindia.com or you may contact Help desk: 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, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001. Contact No. 18002005533. Email id - helpdesk.evoting@cdslindia.com.

1. The route map to the venue of the Annual General Meeting also forms part of this notice.

2. 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.
3. 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.
4. 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, its Notice Board and on the website of CDSL and communicated to the stock exchanges where shares of the Company are listed.
5. 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 2018-19 are available on Company's website at 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.

Sl. No.	Name of Promoter to be re-classified as Public Shareholder	No. of Shares held in the Company as on date of notice from members	% of holding in the total capital of the Company as on date of notice from members
1	DHIREN SHEVANTILAL SHAH	224755	0.48%

The afore-mentioned Promoters vide their letters dated 06/08/2019, 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 09th August, 2019 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 Sivadas & Company, Cost Accountants as the Cost Auditors of the Company for the financial year 2019-20 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 2019-20

The resolution as set out in item no. 6 of this Notice is accordingly recommended 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

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

Name of the Director	Bharat J Dattani	Dhiren S Shah
DIN No.	00608198	01143496
Age & Date of Birth	66 yrs; 28/09/1952	62 yrs; 29-04-1956
Type of appointment	Director retiring by rotation	Director retiring by rotation
Date of first Appointment	08/09/2005	28/01/2009
Experience and Areas of Specialization	Finance, Management	Finance, Management
Qualifications	MBA	M.Com; LLB; FCA; CMA
Terms & Conditions of Appointment	Non-executive	Non-executive
Remuneration last drawn	Nil	Nil
No. of Shares Held in the Company	Nil	224755
No. of Board Meetings attended during Financial Year 2018-19	6	2
List of Directorship held in outside Public Limited Companies	Rai Investments Ltd	ZCL Chemicals Ltd
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 Usman Road, T. Nagar, Chennai – 600017. Ph: 044-28140801 – 3. Email :corpserv@integratedindia.in
- Sending notices and documents to shareholders 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 requested to register their email addresses and any changes there in 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.

3. 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
2017-18	20

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). Shareholders who have not encashed their dividend warrants for any of the years 2012-13 to 2017-18 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/investors.

By Order of the Board of Directors
 RUBFILA INTERNATIONAL LTD

N.N. Parameswaran
 CFO & Company Secretary

Place : Mumbai
 Date : 09-08-2019

DIRECTOR'S REPORT

TO THE MEMBERS OF RUBFILA INTERNATIONAL LIMITED

The Directors have pleasure to present their 26th Annual Report and the audited Annual Accounts for the year ended 31st March 2019. The consolidated performance of the Company and its associates has been referred to wherever required.

1. Financial Results

₹ in Lakhs

Particulars	Standalone		Consolidated	
	Year ended 31 st March, 2019	Year ended 31 st March, 2018	Year ended 31 st March, 2019	Year ended 31 st March, 2018
Gross Income	21799.35	22198.83	21799.35	22198.83
Profit before Interest and Depreciation	2647.56	3620.46	2716.5	3620.46
Finance Charges	8.51	11.57	8.51	11.57
Profit before Depreciation	2639.05	3608.89	2707.99	3608.89
Provision for Depreciation	313.47	356.24	313.47	356.24
Net Profit before Tax	2325.58	3252.65	2394.52	3252.65
Provision for Tax	624.41	1145.13	624.41	1145.13
Net Profit after Tax	1653.20	2091.52	1721.44	2091.52
Balance of Profit brought forward	7720.04	6108.03	7720.04	6108.03
Balance available for appropriation	9421.21	8215.55	9490.15	8215.55
Dividend on Equity Shares	452.18	324.13	452.18	324.13
Tax on proposed Dividend	92.96	66.00	92.96	66.00
Transfer to General Reserve	85.06	105.38	85.06	105.38
Surplus carried to Balance Sheet	8791.01	7720.04	8859.95	7720.04

2. Performance Review

Your company achieved a turnover of Rs 21374.21 lakhs for the year 2018- 19. The profit before depreciation and taxes is Rs 2707.99 Lakhs as compared to Rs.3608.89 lakhs posted during the previous year. The earnings per equity share (face value Rs. 5) for the year is Rs.3.73. as against Rs.4.80 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 2018-19 (including Dividend Distribution Tax) of Rs 569.25 Lakhs. (Rs.545.14 Lakhs in 2017-18). An amount of Rs. 85.06. Lakhs, has been

transferred to General Reserve as per the provisions of Companies Act, 2013.

Pursuant to the provisions of Sec 124 (5) of the Companies Act, 2013, no amount on account of the unpaid dividend is due to be transferred to investors Education Protection Fund (IEPF) as on the date of report.

4. Capital Expenditure

As on 31st March 2019, the gross fixed assets of the company stand at Rs.12313.63 Lakhs and net fixed assets Rs. 6792.09 Lakhs. Capital additions during the year amounted to Rs 1830.39 Lakhs, which include addition to Land Rs.1194.76 Lacs, Building Rs.80.55 Lakhs, Plant & Machinery and other assets amounting to Rs.555.09 Lakhs; and Capital Work in Progress of Rs.808.94. Lakhs.

5. Future Prospects

The rubber thread industry in India continues to face challenges in the form of huge imports coming into the country from South East Asian countries, but your company expects to retain its share in the domestic market irrespective of these challenges. As has been the case, the Indian latex prices continue to remain at higher levels compared to highly competitive levels in the South East Asian countries impacting the profitability of the operations. The margins continue to be under pressure due to this and your company has managed to face challenges due to effective management of costs and operations.

Rubfila remains as the undisputed leader of rubber thread industry in India and has built a good reputation internationally too. The industry is growing, though in a muted manner and your company plans to keep the domestic market share and also tap into the larger international market in the coming years. For this purpose, your company is in the process of expanding production capacity by putting up a plant in Tamil Nadu and expects to commission the first line by the fourth quarter of the current financial year. Further addition to capacity will be done subsequently in a progressive manner.

With the brand well known in many countries around the world, your company is confident of finding markets for the product from the expanded capacity.

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 2019.

- 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 BSE Ltd. The Company has paid Listing Fee for the year 2019-20.

8. Declaration by 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 SEBI (Listing Obligations and Disclosure Requirements) 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 immediately preceding financial years or during the current financial year;
 - (e) Who, neither himself/herself/her nor any of his 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 of 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 percent, 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 percent or more of the total voting power of the company; or
 - (e) 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 01-02-2019 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.

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 Form AOC-2 containing the particulars of contracts or arrangements with related parties made during the period under review is annexed herewith as

"Annexure II"

The Members may refer to Note 40 to the Standalone Financial 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 believe in giving back to the society as part of corporate ethos. The team believes that society too is a major stakeholder in the ecosystem and investing in building the society is an important duty of a corporate citizen.

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.

The prime areas which have been identified by the company for investing the CSR funds are health and education. The projects selected are of the nature of infrastructure development, support for needy for healthcare, financial assistance to the needy of the society. During the year Company has contributed Rs.20 lacs to the Chief Ministers Distress Relief Fund (CMDRF) to support the relief activities of the State of Kerala after the devastating kerala floods in August, 2018. Employees of the Company also contributed one day salary to the CMDRF as an empathetic effort towards those who suffered by the floods. In the year under consideration, the company spent Rs.45.53 Lakhs towards various CSR expenditures.

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 10 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 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. Bharat J Dattani (holding DIN 01462746) and Mr. Dhiren S Shah (holding DIN 01143496) retire by rotation and being eligible offer themselves for re-appointment in the ensuing Annual General Meeting.

No directors or Key Managerial Personnel were appointed during the year. Mr. Hardik B Patel (DIN 00590663) have resigned from the Board on 28-05-2019.

During the reporting period your Board met six 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-RemunerationPolicy.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.

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, 2019. The Secretarial Auditors have submitted their report and the Board took note of the same. The Secretarial Audit Report is annexed herewith.

Management reply to Secretarial Audit Report:

On 28.05.2019 one of the promoter non independent director has resigned from the Board of Directors of Company. Since 28.05.2019 half of the Board of Directors of the Company comprises of 50% Independent Directors. Company has remitted the fine imposed by BSE on 29.05.2019.

c) Cost Audit

M/s. Ajith Sivasdas & Co. Cost Accountants was appointed as Cost Auditors for the year 2018-19 and a resolution for ratification of the appointment and remuneration payable was approved by the members in their meeting held on 22-09-2018. The remuneration payable for the Financial Year 2019 - 20 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 2018 - 19.

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

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).

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 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. Disclosure as required under Regulation 14 of SEBI Circular - CIR/CFD/POLICY CELL/2/2015 dated 16 June, 2015 has been made available at the Company website: www.rubfila.com/investors

vi) Change in the Nature of Business

There was no change in the nature of business of the Company during the Financial Year 2018-19.

vii) Material changes and commitments 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, BSE Ltd has imposed a fine of Rs.13.71 Lacs on 11-01-2019 on the Company as there was a delay in submitting Listing Application for the shares issued to Promoters / PAC on a preferential allotment basis. Considering the amount, the matter is not considered as material. Other than the above 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

During the year, your company acquired

5620427 shares amounting to 50% of the Share Capital in M/s. Premier Tissues India Ltd (CIN U85110KA1998PLC023512) which is engaged in the manufacturing of Tissue Paper and other related products. M/s. Premier Tissues India Ltd was a wholly owned subsidiary of M/s. Ballarpur Industries Ltd.

Further, pursuant to the provisions of Sec 136 of the Act, the standalone financial statements (including consolidated) of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries/ associates are available on the website of the Company.

A Report on the salient features of the financial statements of Subsidiaries/ Associate Companies/ Joint Ventures prepared in form AOC-1 is provided as Annexure – A.

There are no companies which have ceased to be its Subsidiaries, joint ventures or associate companies during the year under review

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

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 Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

15. Appreciation and Acknowledgment

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, 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 share holders for their active support and co-operation.

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

Place : Mumbai
 Date : 09-08-2019

DIN 01100361
 Chairman

**ANNEXURE – A
TO THE DIRECTOR'S REPORT**

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/
ASSOCIATE COMPANIES/ JOINT VENTURES**

(Form AOC-1)

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

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in lakhs)

Nil

Part “B”: Associates and Joint Ventures :

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures(Amount in Lakhs)

Sl. No.	Name of Associates/Joint Ventures	Premier Tissues India Ltd
1	Latest audited Balance Sheet Date	31-03-2019
2	Date on which the Associate or Joint Venture was associated or acquired	08-11-2018
3	Shares of Associate/Joint Ventures held by the company on the year end	
	i. No.	5620427
	ii. Amount of Investment in Associates/Joint Venture	Rs.1600 Lacs
	iii. Extend of Holding %	50%
4	Description of how there is significant influence	More than 20% of total share capital held by the Company
5	Reason why the associate/ joint venture is not consolidated	Not applicable
6	Net-worth attributable to Shareholding as per latest audited Balance Sheet	3088..12
7	Profit / Loss for the year	
	i. Considered in Consolidation	136.48
	ii. Not Considered in Consolidation	(210.35)

1.Names of associates or joint ventures which are yet to commence operations: NIL

2.Names of associates or joint ventures which have been liquidated or sold during the year: Nil

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

Bharat J Patel
DIN01100361
Chairman

G.Krishna Kumar
DIN01450683
Managing Director

N.N. Parameswaran
Chief Finance Officer & Company Secretary

Place : Palakkad
Date : 28th May 2019

ANNEXURE - B TO THE DIRECTORS' 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:

- Additional capacitors provided at main panel to improve the power factor
- Replaced high watts lamps with LED and CFL a plant/office areas.
- Transparent sheets provided at plant roof top area to capture maximum sunshine.
- Refurbished the old ETP collection tank to store rainwater more than 25 Lacs liters.
- Thermal insulations done for various Thermic Fluid pipe lines / valves.

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
 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 : 2033.95
- 2) FOREIGN EXCHANGE OUT GO
 - a) Raw materials : 1608.51
 - b) Capital Purchase : 24.04
 - c) Sales Commission : 5.78
 - d) Travelling Expenses : 2.57
 - e) Spares : 23.84
 - e) Other Expenditure : 0.69

For and on behalf of Board of Directors

Bharat J. Patel

DIN 01100361

Chairman

Mumbai

09-08-2019

ANNEXURE - C TO THE DIRECTORS' REPORT

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 / under privileged 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. 2167.56 Lacs
4. Prescribed CSR Expenditure (2% of the above) : Rs. 43.35 Lacs
5. a) Details of CSR spent during the financial year : Rs. 45.53 Lacs
- b) Amount unspent, if any : Rs. Nil

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
01	PROGRAMME/ PROJECT - I	PROMOTING EDUCATION INCLUDING SPECIAL EDUCATION AMONG CHILDREN, WOMEN, ELDERLY AND THE DIFFERENTLY ABLED	PROMOTING EDUCATION INCLUDING SPECIAL EDUCATION AND EMPLOYMENT ENHANCING VOCATION SKILLS ESPECIALLY AMONG CHILDREN, WOMEN, ELDERLY AND THE DIFFERENTLY ABLED AND LIVELIHOOD ENHANCEMENT PROJECTS Palakkad Kerala	1.60	1.60	1.60	Direct
02	PROGRAMME/ PROJECT - II	PROMOTING PUBLIC HEALTH CARE	ERADICATING HUNGER, POVERTY AND MALNUTRITION, PROMOTING HEALTH CARE INCLUDING PREVENTIVE HEALTH CARE AND SANITATION INCLUDING CONTRIBUTION TO THE SWACH BHARAT KOSH SET-UP BY THE CENTRAL GOVERNMENT FOR THE PROMOTION OF SANITATION AND MAKING AVAILABLE SAFE DRINKING WATER Palakkad, Kerala & Maharashtra	23.93	23.93	23.93	Direct

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
03	PROGRAMME/ PROJECT - III	ENSURING ENVIRONMENTAL SUSTAINABILITY, ECOLOGICAL BALANCE, PROTECTION OF FLORA AND FAUNA, ANIMAL WELFARE, AGROFORESTRY, CONSERVATION OF NATURAL RESOURCES AND MAINTAINING QUALITY OF SOIL, AIR AND WATER	ENSURING ENVIRONMENTAL SUSTAINABILITY, ECOLOGICAL BALANCE, PROTECTION OF FLORA AND FAUNA, ANIMAL WELFARE, AGROFORESTRY, CONSERVATION OF NATURAL RESOURCES AND MAINTAINING QUALITY OF SOIL, AIR AND WATER INCLUDING CONTRIBUTION TO CLEAN GANGA FUND SET UP BY THE CENTRAL GOVERNMENT FOR REJUVENATION OF RIVER GANGA Palakkad, Kerala	20.00 Lacs	20.00 Lacs	20.00 Lacs	Direct

6. In case the company failed to spend the prescribed Amount reason for the same

: N. A

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. Dattani

DIN 01462746

Chairman, CSR Committee

Mumbai
09-08-2019

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019

[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, 2019 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, 2019 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Issue Of Capital and Disclosure Requirements) Regulations, 2009;
- (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) As informed to us, the following other laws are specifically applicable to the Company:

1. The Factories Act, 1948;
2. The Air (Prevention and Control of Pollution) Act, 1981;
3. The Water (Prevention and Control of Pollution) Act, 1974;
4. The Environment (Protection) Act, 1986;
5. Battery (Management and Handling) Rules, 2001;
6. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 1989;
7. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards relating to Board (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with BSE Limited;

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

1. The Company has not made the listing application for the allotment of 20,00,000 equity shares on conversion of convertible warrants made on 12.10.2018 within a period of 20 days as per Regulation 108 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that

The Board of directors of the Company comprises of Executive Directors, Non-Executive Directors and Independent Directors. The Chairman of the Company is a promoter and regular non-executive and is related to persons occupying the positions at the level of the Board of directors. As per Regulation 17 (1) (b) of the Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015, atleast half of the Board of Directors of the Company shall consist of Independent Directors. However out of the 11 directors of the Company only 5 are Independent Directors. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

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

We further report that during the audit period:

1. The Company has re-classified Mr. Christopher Chong Meng and Mrs. Barry Christopher Yates forming part of Promoter and Promoter Group shareholding of the Company to Public Shareholding of the Company through ordinary resolution passed in the Annual General Meeting held on 22nd September 2018.
2. The Company has issued 40,00,000 convertible warrants on Preferential Basis to Promoters and Person Acting in Concert (PAC) in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 through Special Resolution passed in the Extra-ordinary General Meeting held on 19th April, 2017. The Board of Directors of the Company in its meeting held on 12th October, 2018 have

converted 20,00,000 convertible warrants into equal number of equity shares of the Company.

We further report that during the audit period there were no instances of:

- (i) Public / Right / issue of debentures / sweat equity etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

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

For SVJS & Associates
Company Secretaries
Sd/-
Vincent P. D.
Managing Partner

'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 2019 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.

For SVJS & Associates
Company Secretaries
Sd/-

Vincent P. D.
Managing Partner
FCS: 3067
CP No: 7940

Kochi
09.08.2018

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, 2019, 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, 2019 are given below:

Name	Category of Directors	No. of shares held as on 31st March, 2019	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)	6694406	Nil	Nil	Nil	6	5	No
Mr. G. Krishna Kumar (DIN 01450683)	Managing Director Executive	58571	Nil	Nil	Nil	6	5	Yes
Mr. Thomas Carlton Thompson 3rd (Tommy Thompson) (DIN 01509260)	Non-Executive Non-Independent	Nil	Nil	Nil	Nil	6	1	No
Mr. Bharat J. Dattani (DIN 01462746)	Non-Executive Non-Independent (Promoter)	Nil	Nil	Nil	Nil	6	6	No
Mr. Dhiren S Shah (DIN 01149436)	Non-Executive Non-Independent (Promoter)	224755	Nil	Nil	Nil	6	2	Yes
Mr. Samir K Shah (DIN 01714717)	Non-Executive & Independent	Nil	Nil	Nil	Nil	6	4	No
Mr. Patrick M Davenport (DIN 00962475)	Non-Executive & Independent	Nil	Nil	Nil	Nil	6	3	Yes
Mr. Hardik B. Patel (DIN 00590663)	Non-Executive Non-Independent	2276768	Nil	Nil	Nil	6	3	No
Mr. S.N. Rajan (DIN 00105864)	Non-Executive & Independent	44066	Nil	Nil	Nil	6	5	Yes
Mrs. R. Chitra (DIN 01560585)	Non-Executive & Independent	Nil	Nil	Nil	Nil	6	2	No
Mr. S.H. Merchant (DIN 00075865)	Non-Executive & Independent	11500	1	Nil	Nil	5	2	No

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.

a) Board Meetings :

The Board of Directors meets normally once in a quarter to consider among other business, the quarterly performance of the Company and financial results. 6 (six) Board Meetings were held during the Financial Year 2018-19 on 10/05/2018, 14/06/2018, 01/08/2018, 12/10/2018, 13/11/2018 & 01/02/2019.

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.

b) 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 01/02/2019. 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.

b1) Chart setting out the skills/ expertise/ competence of Board of Director

The Board of Directors along with Nomination & Remuneration Committee (NRC), identifies the right candidate with right qualities, skills and practical expertise/ competencies required for the effective functioning of individual member to possess and also the Board as a whole. The Committee focuses on the qualification and expertise of the person, the positive attributes, standard of integrity, ethical behavior, independent judgement of the person in selecting a new Board member. In addition to the above, in case of independent directors, the Committee shall satisfy itself with regard to the independence of the directors to enable the Board to discharge its functions and duties effectively.

- a. Finance & Accounting Competence
- b. Leadership quality in running large enterprise
- c. Understanding use of latest technology in Rubber Thread
- d. Expertise in understanding of changing regulatory framework
- e. Exposure in setting the Business Strategies

c) 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. Code of conduct of Board of Directors and Senior Management Personnel are available in Company's website: www.rubfila.com/investors.

d) 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.

During the year under review, the Independent Directors meeting was held on 01/02/2019 has:

- a) Reviewed the performance of non-independent directors and the Board as a whole.
- b) Reviewed the performance of the Chairperson of the Company, taking into account the views of the executive and non executive directors.
- c) 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.
- e) 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., 10/05/2018, 01/08/2018, 13/11/2018 and 01/02/2019. 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	2	2	4

Name of Director	Attendance of Directors			
	10.05.2018	01.08.2017	13.11.2018	01.02.2019
Mr. Patrick M. Davenport	✓	✗	✓	✓
Mr. Dhiren S. Shah	✗	✓	✓	✗
Mr. Samir K. Shah	✓	✓	✗	✗
Mr. S.N. Rajan	✓	✓	✓	✓

Terms of reference of Audit Committee

1. The following are the terms of reference of the Audit Committee:
 - (i) 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;
 - (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of our Company based on the order of Comptroller & Auditor General of India;
 - (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - (iv) Reviewing, with the management, the annual financial 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) Recommend the appointment, removal and fixing of remuneration of Cost Auditors and Secretarial Auditors; and

(xxi) 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 & Compliance Officer acts as Secretary to the Committee to discharge the function of the Committee.

During the year, the committee met on 4 times viz; 10/05/2018, 01/08/2018, 13/11/2018 and 01/02/2019. 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	2	2

Name of Director	Attendance of Directors			
	10.05.2018	01.08.2018	13.11.2018	01.02.2019
Mr. Patrick M. Davenport	✓	✗	✓	✓
Mr. Dhiren S. Shah	✗	✓	✓	✗
Mr. Samir K. Shah	✓	✓	✗	✓

Composition of the Committee is available on Company's website : 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 2018-19 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

During the year Committee met two times, viz; 13/11/2018 and 01/02/2019. 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	2	2

Name of Director	Attendance of Directors	
	13.11.2018	01.02.2019
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.
- (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.

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 2018-19	Sitting fess (for Board and its committess)
Mr.Bharat J Patel	Chairman	-	1,20,000
Mr. G.Krishna Kumar	Managing Director	78,37,717	-
Mr.Thomas Carlton Thompson 3rd (Tommy Thompson)	Director	-	20,000
Mr.Bharat J. Dattani	Director	-	1,20,000
Mr.Dhiren S Shah	Director	-	50,000
Mr.Samir K Shah	Independent Director	-	90,000
Mr.Patrick M Davenport	Independent Director	-	75,000
Mr.Hardik B. Patel	Director	-	60,000
Mr.S.N.Rajan	Independent Director	-	1,20,000
Mrs.R.Chitra	Women Director (Independent Director)	-	40,000
Mr.S.H.Merchant	Independent Director	-	1,00,000

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
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	SKM Auditorium, Kanjikode.	15.09.2017	11.00 a.m	Nil
2017 - 18	AGM	R.B.Auditorium, Kanjikode	22.09.2018	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

- a) Quarterly unaudited and annual audited financial results of the Company were published in "Business Line" (English Language National Daily) and "Kerala Kaumudi" (Vernacular Language)
- b) The results were displayed on the website of BSE Limited and also on the Company's website at www.rubfila.com
- c) 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

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

BSE Ltd has imposed a fine of Rs.13.71 Lacs on 11-01-2019 on the Company as there was a delay in submitting Listing Application for the shares issued to Promoters / PAC on a preferential allotment basis. Other than the above, 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 Company Secretary in Practice 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 :

- a) Annual General Meeting Date : 21st September, 2019
- b) Venue of meeting : SKM Auditorium, Kanjikode
- c) Time of meeting : 11.00 A.M.
- d) Financial Year : 2018 - 19
- e) Book closure date : 15th September, 2019 to 21st September, 2019
(both days inclusive)
- f) Dividend recommended for the year : 20%
- g) Dividend Payment date : Dividend shall be paid within 30 days of AGM
- h) Listing on stock exchange : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001 (The listing fees for the financial year
2018-19 were duly paid to BSE Limited within time.
- i) Stock Code : 500367
- j) Market price Data (Face value of Rs.5)

Month	Month's High Price	Month's Low Price
April - 2018	90.00	71.20
May - 2018	81.35	65.50
June - 2018	70.30	61.50
July - 2018	71.75	57.00
August -2018	71.90	80.70
September -2018	62.35	44.10
October - 2018	52.70	41.50
November -2018	50.95	43.50
December - 2018	48.50	44.10
January - 2019	46.75	37.15
February - 2019	41.85	36.00
March - 2018	46.00	39.25

k) Distribution of shareholding:

Sl No	Category of shares	No.of Holders	% to Holders	No.of Shares	% to Shares
1	Upto - 500	37498	92.44	4583611	9.71
2	501 - 1000	1530	3.77	1226124	2.60
3	1001 - 2000	670	1.65	1019514	2.16
4	2001 - 3000	241	0.59	616401	1.31
5	3001 - 4000	127	0.31	462073	0.98
6	4001 - 5000	126	0.31	595122	1.26
7	5001 - 10000	175	0.43	1282456	2.72
8	10001 and Above	198	0.49	37432228	79.28
	Total	40565	100.00	47217529	100.00

l) 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 Registry Management Services Private Limited. The Shareholding Pattern as on 31/03/2018 is as follows:

Category	No. of Shares held	% of Shareholding
Promoters	26979083	57.14
Mutual Funds/ UTI/ Fin. Institutions / Banks	63760	0.14
Bodies Corporate	Nil	Nil
Public Individuals	20174686	42.73
Total	47217529	100.00

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

m) 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

n) 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.

o) Auditors' Remuneration

The total fees for all services paid by Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditor is a part of are as follows:

	(Rs. in Lacs)
Payment to Statutory Auditors	3.00
Payment to all the entities in the Statutory Auditors network firms	-
Total	3.00

p) Certificate of Non-disqualification of Directors

A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed herewith

q) Utilization of funds raised through preferential allotment

Funds raised through preferential allotment of convertible warrants are utilized for general business operations/ projects.

r) 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
2017 - 18	20

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 2013-14 to 2017-18 are requested to get the warrants revalidated by the Bank, since the outstanding dividend will be transferred to Investor Education and Protection Fund.

s) 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.

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

Plant Locations

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

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:

- (a) They have reviewed the Financial Statements and the Cash Flow statement for the year and that to the best of their knowledge and belief:
 - i. 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 2018-19 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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rubfila International Limited [CIN: L25199KL1993PLC007018] and having its registered office at New Industrial Development Area, Menon Para Road, Kanjikode, Palakkad, Kerala - 678621 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	SHAUKAT HASANALI MERCHANT	00075865	15/09/2017
2	NATA RAJAN SUBRAMANIAN	00105864	12/08/2014
3	BHARAT JAMNADAS DATTANI	00608198	08/09/2005
4	PATRICK MICHAEL DAVENPORT	00962475	26/09/2015
5	BHARAT JAYANTILAL PATEL	01100361	08/09/2005
6	DHIREN SHAH SHEVANTILAL	01149436	28/01/2009
7	GOPINATHAN PILLAI KRISHNA KUMAR	01450683	27/10/2007
8	THOMAS CARLTON THOMPSON III	01509260	08/09/2005
9	CHITRA RAMAKRISHNAN	01560585	13/02/2015
10	SAMIR KIRITKUAMR SHAH	01714717	26/09/2015
11	HARDIK BHARAT PATEL	00590663	05/07/2012

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

Kochi

09th August 2019

For SVJS & Associates, Company Secretaries

Sd/-

Vincent P. D., Managing Partner, FCS: 3067

CERTIFICATE ON CORPORATE GOVERNANCE

To the members of RUBFILA INTERNATIONAL LIMITED

1. We have examined the compliance of conditions of Corporate Governance by RUBFILA INTERNATIONAL LIMITED for the year ended 31st March, 2019 as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of 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 compliance with the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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 state that in accordance with Regulation 17 (1) (b), out of the 11 directors of the Company only 5 are Independent Directors hence half of the Board of Directors of the Company does not consist of Independent Directors. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except Regulation 17 (1) (b) as stated above.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates

Company Secretaries

Sd/-

Vincent P. D., Managing Partner

FCS: 3067, CP No: 7940

Kochi

09th August 2019

MANAGEMENT DISCUSSION AND ANALYSIS

Rubfila operates mainly in the elastic market which is a critical segment in the supply chain eco system catering to the inner wear industry. During the year under review Company posted a gross sales turnover of Rs. 21,374.21 Lakhs.

A) INDUSTRY STRUCTURE AND DEVELOPMENT:

Market Scenario

After a few years of witnessing growth, headwinds were visible in the hosiery industry in the last year, in line with the general economic scenario prevalent in the country. Irrespective of this, the industry is believed to be growing though at a lower rate.

The textile industry which used to operate under the zero tax regime went through teething troubles when GST was implemented in 2017. This pain continued in the past year due to liquidity issues which existed in the market. Even during the festival seasons, economic activities did not pick up as was seen in the past. It was in this adverse environment that the company managed to grow its sales in volume though there was a dip in the sales value. This was due to the dip in the unit sales value realisation since the company was compelled to benchmark its price against the landed cost of imported rubber threads. This had led to a reduction in the imports by 600 MT over the Year on Year basis. While there are negative signs on economy all around, the company looks forward to positive changes in the overall economy as well as in the textile sector towards the end of the current financial year. The fact that the product caters to the basic needs of consumers ensures that there could be traction in demand even in a sluggish market. Also, the Central as well as various state governments are in the process of revising minimum wages for workers which will lead to more money in the hands of the consumers. With

the higher income levels, the consumption for these basic needs is expected to go up which is a positive for the industry.

The company continued to be the largest player of rubber threads in India and doesn't foresee any change in the status in the coming year too. The size of the world market for rubber threads is small when compared to many industries, but inside this, there are a few larger markets in China, Brazil, Turkey etc where large customers exist. Since the company had decided to proceed with expansion of production capacity, conscious efforts are taken targeting new overseas markets. The results have been encouraging with the company adding new customers from many countries. The company foresees itself as a dominant player in the international market in the near term.

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, and Tirupur and other parts of the 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. Experienced and committed employees with in depth knowledge of the industry.

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. High volatility in the domestic latex prices.
6. Liquidity constraints in the domestic markets.
7. Inverted duty structure in imports.
8. Usage of spandex in the market.

OUTLOOK:

The company has undertaken a major expansion plan by putting up a new factory in Tamil Nadu. With additional capacity, it is optimistic in making inroads further into the domestic and international markets. If the US-China trade war can lead more opportunities for the Indian industry in the textile sector, it would be a boon to the rubber threads industry too. Any turnaround in the textile segment will percolate down to the undergarments sector too benefitting the rubber thread industry.

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 has a committed team of employees

working at various levels, which has been the differentiating factor when compared to other players in the industry. Without their support, the company could not have achieved this levels of performance and the management is thankful to them for that.

The company maintains a cordial relationship with all the employees. As part of the compensation plans, it had entered into a Long Term Wage settlement with recognised Trade Unions for a 3-year period ending on 31-03-2020.

Standalone Financial Statement

Independent Auditors Report

Balance Sheet

Statement of Profit & Loss

Statement of changes in Equity

Cash flow Statement

Notes forming part of the Financial Statement

INDEPENDENT AUDITORS' REPORT

To the members of Rubfila International Limited

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of Rubfila International Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Considering the materiality of the amounts involved, the significant management judgement required in estimating the quantum of diminution in the value of investment and such estimates and judgements being inherently subjective, this matter has been identified as a key audit matter for the current year audit.

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of Intercompany deposits The company has made inter corporate deposits to unrelated companies based on factors such as track record, size of organisation, market reputation and value of the security. As at 31 March 2019 the company has intercompany advances to the tune of Rs 1,735 Lakhs (previous year Rs. 3099 Lakhs) of which interest is not being serviced by one of the companies named M/s Raveena Hotels Private Limited to whom Rs.50 Lakhs is advanced.	Our procedures included, but were not limited to the following: Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification of loanee companies and the amount of loan to be sanctioned; Obtained and verified the financial due diligence report to understand the financial stability of the unrelated companies and the ability of the company to repay the deposits

<p>As per the assessment done by the management the amount is fully recoverable and the company has approached the National Company Law Tribunal for legal action.</p>	<p>Obtained and verified the promissory notes furnished to the company.</p> <p>Obtained an opinion from expert on the possible outcome of the pending litigation in respect of the financial impact of the various outcomes.</p> <p>Assessed the professional competence, objectivity and capabilities of the expert engaged by the management;</p>
<p>Duty Draw Back</p> <p>The assessment of the duty drawback claimed for the financial year 2001-2002 and 2002-2003 by the Commissioner of Customs has issued an order for recovery of Duty Drawback awarded amounting to Rs. 391.73 Lakhs (previous year Rs. 391.73 Lakhs) in 2008-09 and the case is pending before the Tribunal.</p> <p>As per the assessment done by the management no provisioning is required for year considering the merits of the case and the legal stand taken by the company</p> <p>Considering the materiality of the amounts involved, the significant management judgement required in estimating the quantum of diminution in the value of investment and such estimates and judgements being inherently subjective, this matter has been identified as a key audit matter for the current year audit.</p>	<p>Our procedures included, but were not limited to the following:</p> <p>Obtained an understanding of management's stand on the submissions filed with various appellate authorities and has considered the rulings of various courts in similar cases to determine the possible result of the case.</p> <p>Obtained an opinion from expert on the possible outcome of the pending litigation in respect of the financial impact of the various outcomes.</p> <p>Assessed the professional competence, objectivity and capabilities of the expert engaged by the management;</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion there on. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income),

changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in Annexure A, 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the

Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;

- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- I. the Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements;
 - II. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - III. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;
 - IV. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

Jim Cyriac

(Partner)

Mem No. 230039.

Firm No.014033 S

Place: Thiruvananthapuram

Date: 28-05-2019

Annexure A to the Independent Auditor's Report of even date to the members of Rubfila International Limited, on the standalone financial statements for the year ended 31 March 2019

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- I.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties (which are included under the Note 2 - 'Property, plant and equipment') are held in the name of the Company except for the land pending transfer (refer note 2.1).
- II. In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year.
- III. The Company has not granted any loans to companies covered in the register maintained under Section 189 of the Act;
- IV. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- V. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- VI. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- VII. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- VIII. The Company has no loans or borrowings to any financial institution or a bank or any dues to debenture-holders during the year. The Company did not have any outstanding loans or borrowings from government during the year.
- IX. The Company the company has made preferential issue of 40 Lakhs number of share warrants in the year 2017-2018 out of which 20 Lakhs number of shares of face value Rs. 5/- at a premium of Rs. 42.50/- has been allotted during the year thereby raising Rs.950 Lakhs. Other than this the company did not raise moneys by way of initial public offer or further public offer (including debt instruments).
- X. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- XI. Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- XII. In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- XIII. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- XIV. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures other than as disclosed in clause IX above. In our opinion the company has complied with the company has complied with the requirement of section 42 of the Companies Act 2013.
- XV. In our opinion, the Company has not entered into any noncash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- XVI. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Cyriac & Associates
Chartered Accountants

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

Place: Thiruvananthapuram
Date: 28-05-2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF RUBFILA INTERNATIONAL LIMITED, ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the standalone financial statements of Rubfila International Limited (the "Company") as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 the Company's 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A Company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR 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, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Cyriac & Associates**
Chartered Accountants

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

Place: Thiruvananthapuram
Date: 28-05-2019

Standalone Balance Sheet as at 31st March, 2019

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
1. Non-current Assets			
Property, plant and equipment	2	6,017.27	4,519.15
Capital work-in-progress	2	771.54	319.42
Other Intangible Asset	2	3.28	2.09
Investment Property	3	128.15	128.15
Financial assets			
Investments	4	1,600.14	-
Loans, Non - current	5	51.98	875.42
Other financial assets	6	127.20	96.62
Other non-Current Asset	7	603.28	389.83
		9,302.84	6,330.68
2. Current assets			
Inventories	8	904.26	1,042.50
Financial assets			
Trade receivables	9	3,228.51	3084.00
Cash and cash equivalents	10	325.67	336.28
Bank balance other than cash and cash equivalents	11	38.08	21.43
Loans, Current	12	1,735.00	3,099.00
Other financial assets	13	35.42	85.72
Current Tax assets (Net)	14	21.16	(9.83)
Other current assets	15	93.47	13.26
		6,381.57	7,672.36
TOTAL		15,684.41	14,003.04
EQUITY AND LIABILITIES			
1. Equity			
Equity attributable to owners of Parent			
Equity Share Capital	SOCE	2,360.88	2,260.88
Other equity	SOCE	10,845.67	9,125.11
		13,206.55	11,385.99
2. Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings, non- current			
Provisions (non Current)	16	649.14	519.31
Deferred Tax Liabilities (Net)	30	335.90	337.80
Other non-Current Liabilities	17	0.35	110.51
		985.39	967.62
Current liabilities			
Financial liabilities			
Trade Payable	18	954.29	1,188.97
Other Financial liabilities	19	132.16	85.21
Other Current liabilities	20	274.73	218.92
Provisions	21	131.30	156.34
		1,492.48	1,649.44
TOTAL		15,684.41	14,003.04

As per our reports attached.

CYRIAC & ASSOCIATES

Chartered Accountants

Jim Cyriac

(Partner)

Membership No : 230039

Firm No : 0140335

Place : Thiruvananthapuram

Date : 28th May 2019

For and on behalf of the Board of Directors

RUBFILA INTERNATIONAL LTD

Bharat J Patel

DIN01100361

Chairman

N.N. Parameswaran

Chief Finance Officer & Company Secretary

Place : Palakkad

Date : 28th May 2019

G.Krishna Kumar

DIN01450683

Managing Director

Standalone Statement of Profit and Loss for the year ended 31st March, 2019

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue from operation			
I Revenue from Operations	22	21,374.21	21,779.83
II Other Income	23	425.13	419.00
III Total Revenue (I + II)		21,799.35	22,198.83
IV Expenses			
a. Cost of materials consumed	24	15,363.10	15,281.96
c. Changes in inventories of Finished Goods Work-in-Progress and Stock in Trade	25	128.72	(182.59)
d. Excise duty on sales		-	303.44
e. Employee Benefit Expense	26	998.65	944.13
f. Finance Costs	27	8.51	11.57
g. Depreciation and Amortisation Expense	2	313.47	356.24
h. Other Expenses	28	2,467.88	2,231.44
Total Expense		19,280.33	18,946.18
V Profit before exceptional Items & Tax (III-IV)		2,519.02	3,252.65
VI Exceptional Items	29	193.44	-
VII Profit before Tax (V-VI)		2,325.58	3,252.65
VIII Tax Expense			
(1) Current Tax		637.83	1,062.54
(2) Prior years excess provision		(11.52)	(4.18)
(3) Deferred Tax	30	(1.90)	86.77
Total Tax Expenses		624.41	1,145.13
IX Profit / (Loss) for the period from Continuing operations (VII-VIII)		1,701.17	2,107.52
X Other Comprehensive Income			
(a) (i) Items that will not be reclassified to profit or loss (net)	31	-47.97	-16.00
(ii) Income tax relating to items that will not be reclassified to Profit and 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 and Loss		-	-
XI Total Comprehensive Income for the period (IX + X) Comprising Profit (Loss) and other comprehensive Income for the Period		1,653.20	2,091.52
XII Paid-Up Equity Share Capital (Face Value of Rs.5/-)		2,360.88	2,260.88
XIII Reserve Excluding Revaluation Reserves		10,845.67	9,125.11
XIV Earnings per share (of Rs. 5/- each):			
Basic In Rs, Ps	32	3.58	4.80
Diluted In Rs, Ps	32	3.56	4.79
XV Net Worth		13,206.55	11,385.99

As per our reports attached.

CYRIAC & ASSOCIATES

Chartered Accountants

Jim Cyriac

(Partner)

Membership No : 230039

Firm No : 0140335

Place : Thiruvananthapuram

Date : 28th May 2019

For and on behalf of the Board of Directors

RUBFILA INTERNATIONAL LTD

Bharat J Patel

DIN01100361

Chairman

N.N. Parameswaran

Chief Finance Officer & Company Secretary

Place : Palakkad

Date : 28th May 2019

G.Krishna Kumar

DIN01450683

Managing Director

Standalone Statement of changes in equity for the year ended 31st March, 2019

A. EQUITY

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Balance as at 31st March 2018	70000000	3,500.00	70000000	3,500.00
Changes in Authorised Equity Share Capital during the year				
Balance as at 31st March 2019	70000000	3,500.00	70000000	3,500.00
Issued Share Capital				
Balance as at 31st March 2018	45217529	2,260.88	43217529	2,160.88
Changes in Equity share capital during the year	2000000	100.00	2000000	100.00
Balance as at 31st March 2019	47217529	2,360.88	45217529	2,260.88

Rights, preferences and restrictions attaching to each class of shares restrictions on the distribution of dividends and the repayment of capital.

The company has one class of equity shares having a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding..

Shares in the Company held by each shareholder holding more than five percent shares	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% holding	No. of Shares	% holding
Minal Bharat Patel	8849096	18.74%	8849096	19.57%
Annie Guat Khuan Chew	30,59,556	6.48%	30,59,556	6.77%
Bharat Jayantilal Patel	66,93,906	14.18%	66,93,906	14.80%
Christopher Chong Meng Tak	1424315	3.02%	26,44,918	5.85%
Ruchit Bharat Patel	2442411	5.17%	1575911	3.33%
Kerala State Industrial Development Corporation Ltd	27,36,000	5.79%	27,36,000	6.05%

B. OTHER EQUITY

Attributable to owners of Rubfila international Limited

Particulars	Share Application Money	Reserves & Surplus			Other Comprehensive income	Total
		Securities Premium	General Reserves	Retained earnings	Remeasurements of defined Benefit Plans	
Balance at the beginning of the year	237.50	850.00	332.55	7,720.04	(14.98)	9,125.11
Profit/ (Loss) for the year	-	-	-	1,701.17	-	1,701.17
Dividends paid including taxes	-	-	-	(545.14)	-	(545.14)
Transfer to general reserve	-	-	85.06	(85.06)	-	-
Preferential issue of shares	237.50	850.00	-	-	-	612.50
Other Comprehensive Income	-	-	-	-	(47.97)	(47.97)
Balance as at 31st of March 2019	-	1,700.00	417.61	8,791.01	(62.95)	10,845.67

Securities Premium represents amounts received in excess of par value on issue of shares.

General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss.

Remeasurements of Defined Benefit Plans Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

As per our reports attached.

CYRIAC & ASSOCIATES

Chartered Accountants

Jim Cyriac

(Partner)

Membership No : 230039

Firm No : 014033S

Place : Thiruvananthapuram

Date : 28th May 2019

For and on behalf of the Board of Directors
RUBILA INTERNATIONAL LTD
Bharat J Patel

DIN01100361

Chairman

G.Krishna Kumar

DIN01450683

Managing Director

N.N. Parameswaran

Chief Finance Officer & Company Secretary

Place : Palakkad

Date : 28th May 2019

Standalone Cash Flow Statement for the period ended 31st March, 2019

Particulars	For the Period ended 31st March, 2019	For the Period ended 31st March, 2018
	<i>In ₹ Lakhs</i>	<i>In ₹ Lakhs</i>
A. Cash flow from operating activities		
Net Profit before tax	2,325.58	3,252.64
<u>Adjustments for:</u>		
Depreciation and amortisation expenses	313.47	356.24
Finance costs	-	2.49
Provision for doubtful debts/advances (net)	7.04	3.29
Loss on sale of fixed assets	103.66	
Loss on settlement of deposit	88.74	
Interest income	(398.88)	(392.61)
	114.03	(30.59)
Operating profit before working capital changes	2,439.61	3,222.05
Changes in working capital:		
<u>Adjustments for:</u>		
Trade and other receivables	1,895.94	(2,014.56)
Inventories	138.24	(358.66)
Trade, other payables and provisions	(206.40)	635.01
Cash generated from operations	4,267.39	1,483.83
Income tax paid (net of refunds)	(662.07)	(1,056.75)
Cash from operating activities (A)	3,605.32	427.08
B. Cash flow from investing activities		
Purchase of fixed assets and other machinery	(2,657.33)	(1,488.73)
Proceeds from sale of fixed assets and other machinery	75.30	-
Purchase of investment property	-	-
Investment in unquoted shares	(1,600.14)	-
Interest received	398.88	392.61
Cash flow from investing activities (B)	(3,783.29)	(1,096.12)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	712.50	950.00
Proceeds from (Repayment of) borrowing	-	-36.86
Share Application Money received	-	237.50
Dividend paid on Equity shares	(545.14)	(390.13)
Finance cost	-	(2.49)
Net cash flow from / (used in) financing activities (C)	167.36	758.02
Net increase / (decrease) in Cash and cash equivalents (A + B + C)	(10.61)	88.98
Cash and cash equivalents at the beginning of the year	336.28	247.30
Cash and cash equivalents at the end of the year	325.67	336.28

As per our reports attached.

CYRIAC & ASSOCIATES

Chartered Accountants

Jim Cyriac

(Partner)

Membership No : 230039

Firm No : 014033S

Place : Thiruvananthapuram

Date : 28th May 2019

For and on behalf of the Board of Directors

RUBFILA INTERNATIONAL LTD

Bharat J Patel

DIN01100361

Chairman

N.N. Parameswaran

Chief Finance Officer & Company Secretary

Place : Palakkad

Date : 28th May 2019

G.Krishna Kumar

DIN01450683

Managing Director

Notes to Standalone Financial Statements for the year ended March 31, 2019

A) General Information

Rubfila International Limited (RIL) is a Public Listed Company incorporated on March 5, 1993 whose shares are publicly traded.

The company is the largest manufacturer of both Talcum Coated and Silicon Coated Rubber threads in India. It has adopted internationally accepted quality standards and its products are well received among customers both in India as well as around the world.

B) Basis of preparation of financial statements

(i) Statement of Compliance

The financial statements have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

(ii) Basis of preparation and presentation

The principal accounting policies applied in the preparation of these financial statements are set out in Para C below. These policies have been consistently applied to all the years presented.

The financial statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant INDAS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- a) Certain financial assets/liabilities measured at fair value and
- b) Any other item as specifically stated in the accounting policy.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

The Financial Statement are presented in INR and all values are rounded off to Rupees Lakhs except share data and per share data unless otherwise stated.

The company reclassifies comparative amounts, unless impracticable and whenever the company changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

The financial statements of the Company for the year ended 31st March, 2019 were authorised for issue in accordance with a resolution of the directors on 28 May, 2019.

(iii) Use of Estimate and judgment

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if there vision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment:

Useful life of Property Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset,

expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support.

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward looking information relating to not only the counter party but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

Defined Benefit Plans:

The cost of the defined benefit plan and other post employment benefits and the present value of such obligations are determined using actuarial

valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (refer Note 34)

C) Summary of Significant Accounting Policies

1. Property, Plant and Equipment (PPE)

For transition to IND AS, the Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of the transition date (1 April 2016), measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount /rebate, import duties, non-refundable taxes, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management, and the initial estimates of the cost of dismantling /removing the item and restoring the site on which it is located.

Spare parts procured along with the Plant and Equipment or subsequently which has a useful life of more than 1 year and considering the concept of materiality evaluated by management are capitalised and added to the carrying amount of such items. The carrying amount of items of PPE and spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores and spares' forming part of the inventory. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the

existing part was when the item was acquired.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when asset is derecognised.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

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 the list of assets mentioned in the following table, 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.

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

Depreciation on fixed assets added/disposed off during the year is provided on pro rata basis with reference to the date of addition/disposal.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate

2. Intangible Assets

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognized 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 capitalized as intangible asset and amortized 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 recognized in the Statement of Profit and Loss when the asset is derecognized.

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.

3. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

4. Impairment

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.

Impairment of Financial Assets:

The company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward looking information relating to not only the counter party but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

5. 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.
- (ii) (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 if any. Work in progress are valued considering the cost of direct materials only.

Net realizable 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.

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow moving items are subjected to continuous technical monitoring and are valued at lower of cost and estimated net realisable value. When Inventories are sold, the carrying amount of those items are recognized as expenses in the period in which the related revenue is recognised.

6. 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 5 advance licenses (Previous year 2 Licenses) for duty free import of Raw Materials. Company has met the export obligation in full against the 2 Licences (Previous year 2 Licenses).

7. Provisions, Contingent Liabilities and Contingent Assets

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, it's 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.

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

8. 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.

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.

9. Share Capital and Share Premium:

Ordinary shares are classified as equity, Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

10. Dividend Distribution to equity shareholders:

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in other equity along with any tax thereon.

11. 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.

12. Revenue Recognition

The company derives revenues primarily from sale of manufactured goods, traded goods and

related services. Effective 01 April 2018, the Group has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The company has a very low sales ratio to sales and hence no provision for sales return or refund liability is recognized in the accounts for the products expected to be returned. The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

a. Sale of Goods:

Revenue from sale of goods is recognised, when Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer

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 only 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.

13. Employee Benefits

a. Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognised during the period in which the employee renders related services and are measured at un-discounted amount expected to be paid when the liabilities are settled.

b. Long Term Employee Benefits:

The cost of providing long term employee benefit such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. The expected costs of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit or Loss in which they arise except those included in cost of assets as permitted. The benefit is valued annually by independent actuary.

c. Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund for certain eligible employees, Pension Fund and Superannuation benefits are recognised as an expense when employees have rendered the service entitling them to the contribution.

d. Defined Benefit Plans: Gratuity

The net present value of the obligation for

gratuity benefits are determined by 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.

14. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current year is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

Deferred tax

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.

15. Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

16. 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 realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Fair value measurement:

17. Fair Value measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these financial statements is determined in such basis except for transactions in the scope of IND AS 2 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

18. Financial assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

Investments in joint ventures

Investments in equity shares of subsidiaries are carried at cost less impairment. Impairment is provided for on the basis explained in Paragraph (3) of Note C above.

Financial assets other than above

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, loans/advances to employee / others, security deposit, claims recoverable etc.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the

acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are

Amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial assets at fair value through OCI (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognised in the other comprehensive income (OCI).

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Company derecognises a financial asset only 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 entity.

19. Financial liabilities

The Company's financial liabilities include trade payable, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Financial Liabilities at Fair value through profit and loss (FVTPL)

FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities have not been designated upon initial recognition at FVTPL.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled/expired..

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 there cognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

20. Inter Corporate Deposits

Company had advanced Inter Corporate loans to companies on short term basis at a specific rate of interest against security. The inter corporate deposit are advanced to the unrelated companies after considering factors such as track record, size of organisation, market reputation and value of the security.

21. Employee Stock option scheme

Rubfila International Limited - Employee Stock Option Scheme 2017 (RUBFILA ESOS 2017) was approved by the members in their meeting held on 15th September, 2017 for granting 1500000 options to the eligible employees of the Company in one or more tranches. The company has received in-principle approval from BSE for the allotment of 1500000 equity shares of Rs.5/- under the above scheme vide its letter dt.03-07-2018. The list of eligible employees has been approved by the company and the total options to be granted as per the list is 670000 Nos. The date of grant of options is August 1, 2018 which needs to be exercised within one year. Option granted under this RUBFILA ESOS 2017 would vest after One Year but not later than Four Years from the date of grant of such Options

22. Recent accounting pronouncements

Ind AS 116- LEASES:

On 30th March 2019, the Ministry of Corporate

Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right to use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company is not having any leasing arrangements as on the date of the balance sheet hence there is no impact on application of Ind AS 116 in the current year.

2. Property Plant & Equipment

Particulars	Gross block			Accumulated Depreciation				Net Block	
	As at 1st April, 2018	Additions	Disposals	As at 31st March, 2019	As at 1st April, 2018	Depreciation for the year	Eliminated on disposal of Assets	As at 31st March, 2019	As at 31st March, 2018
	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs
Tangible Assets									
Land	7.30	1,194.76	-	1,202.06	-	-	-	1,202.06	7.30
Building	1,504.35	80.55	-	1,584.90	309.09	52.15	-	1,223.66	1,195.26
Plant & Equipment	8,141.67	542.24	143.67	8,540.24	4,893.83	245.55	126.06	3,526.92	3,247.84
Furniture & Fixtures	34.33	0.39	-	34.72	24.71	1.38	-	8.63	9.62
Vehicles	66.09	-	-	66.09	21.01	6.98	-	38.10	45.08
Office Equipment	30.04	6.28	-	36.32	21.37	3.41	-	11.54	8.67
Computer & Accessories	61.33	3.82	-	65.15	55.95	2.83	-	6.37	5.38
Total	9,845.11	1,828.03	143.67	11,529.47	5,325.96	312.30	126.06	6,017.27	4,519.15
	8,426.73	1,418.38	-	9,845.11	4,970.07	355.88	-	4,519.15	3,456.66
Capital Work in Progress	319.42	808.94	356.82	771.54	-	-	-	771.54	319.42
	32.55	319.42	32.55	319.42	-	-	-	319.42	32.55
Intangible Assets									
Computer Software	10.25	2.36	-	12.61	8.16	1.17	-	9.33	2.09
Total	10.25	2.36	-	12.61	8.16	1.17	-	9.33	2.09
	8.00	2.25	-	10.25	7.80	0.36	-	8.16	0.20

2.1 18.76 acres of land lying contiguously with total extent of 87.40 Acres of land acquired in Udumelpet is not registered in the name of the company due to delay in submission of exemption certificate issued under The Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961 by the transferor before the revenue authorities. The possession and ownership of the property has already been transferred to the company from the date of execution of the sale certificate under The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI Act).

3. INVESTMENT PROPERTY

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Free hold Land 11.87 Acres in Coimbatore District, Pollachi Taluk, Tamilnadu	128.15	128.15
Total	128.15	128.15

4. INVESTMENT

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
M/s Premier Issues Pvt. Ltd. Investment in Equity of Premier Issues India Ltd. (56,20,427 unquoted and non traded Equity Shares of Premier Issues India Ltd. of face value Rs. 10/- each fully paid up at a premium of Rs.18.47/- being 50% of the total equity)	1600.14	-
Total	1600.14	-

5. LOANS (Non Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Unsecured, considered Good Security Deposits with various authorities Abhisar Buildwell Pvt Limited	51.98 -	55.43 820.00
Total	51.98	875.42

6. OTHER FINANCIAL ASSETS (Non Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Earmarked Balance with Banks Bank Guarantee Unpaid Dividend Accounts	33.12 94.08	32.84 63.78
Total	127.20	96.62

7. OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Capital advance to suppliers Vat Credit Receivable* Income Tax refund receivable	215.13 386.07 2.08	1.67 386.08 2.08
Total	603.28	389.83

*Rs. 173.42 Lakhs in VAT credit receivable pertains to the credit receivable from Tripura which is fully provided for in the books.

8. INVENTORIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(a) Raw Materials	482.09	501.55
(b) Work in Progress	146.61	167.47
(c) Stores & Spares	146.12	115.32
(d) Finished Goods (other than those acquired for trading)	129.44	258.16
Total	904.26	1,042.50

9. TRADE RECEIVABLES (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Trade receivables outstanding more than one year		
Unsecured, Considered Good	3,228.51	3,084.00
Unsecured, Considered Doubtful	27.03	22.68
	3,255.54	3,106.68
Less Impairment Provision on Expected Credit Loss Model	27.03	22.68
Total	3,228.51	3,084.00

10. CASH & CASH EQUIVALENTS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(a) Cash on hand	1.13	1.58
(b) Balances with banks		
- In Current Accounts	284.43	194.70
- In short term deposits	40.11	140.00
Total	325.67	336.28

11. BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(b) Balances with banks		
- Deposit Accounts - Unpaid Dividend - F.Y.17-18	38.08	21.43
Total	38.08	21.43

12. LOANS (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Inter Corporate Deposits		
Unsecured, Considered Good	1,685.00	3,099.00
Unsecured, Considered Doubtful	50.00	-
Total	1,735.00	3,099.00

13. OTHER FINANCIAL ASSETS (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Interest Accrued on inter Corporate Deposits	35.42	85.44
Insurance claim Receivable	-	0.28
Total	35.42	85.72

14. CURRENT TAX ASSETS (Net)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Provision for Taxation	21.16	(9.83)
Total	21.16	(9.83)

15. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
GST Tax Credit Receivable	10.81	2.11
Advance to Creditors	2.50	2.07
Advances to Employees	0.09	0.31
Prepaid Expense (Unsecured , Considered good)	19.97	8.64
Other Deposit	0.10	0.13
Other Current Asset - Udumelpet Equipments	60.00	-
Total	93.47	13.26

16. PROVISIONS (Non Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Provision for Contingent Liabilities		
Provision for Tripura VAT	173.42	173.42
Provision for unknown liabilities	404.00	284.00
	577.42	457.42
Other Provisions :		
Sales Tax Differential Payable	2.69	1.67
Leave Encashment Liability	69.04	60.23
Total	649.14	519.31

*Provision is created against any liabilities arising out of pending litigations

17. OTHER NON CURRENT LIABILITIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Abhisar Build well Pvt Ltd	-	110.26
Other advances received	0.35	0.25
Total	0.35	110.51

18. TRADE PAYABLE (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Trade Payables	954.29	1,188.97
Total	954.29	1,188.97

19. OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Unpaid Dividend	132.16	85.21
Total	132.16	85.21

20. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Statutory Dues Payable	137.12	85.85
Advances received from customers	40.34	46.19
Provision for Expenses	91.12	82.19
Other payables	6.15	4.69
Total	274.73	218.92

21. PROVISIONS (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Provisions for Employee Benefits		
Provision for salary Arrears, Bonus & Production Incentive	49.23	126.54
Provision for Leave encashment	19.12	14.82
Terminal benefit Liability (Gratuity Benefit)	62.95	14.98
Total	131.30	156.34

22. REVENUE FROM OPERATIONS

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
(a) Sale of Products	21,201.12	21,637.55
(b) Other Operating Revenues	173.09	142.28
Total	21,374.21	21,779.83

23. OTHER INCOME

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Interest Income		
On deposits with banks and other balances	20.98	19.34
On Intercompany Deposits	377.90	373.27
(b) Net (gain)/ loss on foreign currency transactions and translations (Considered as Finance Cost)	23.53	25.11
Miscellaneous Income	2.72	1.28
Total	425.13	419.00

24. COST OF MATERIALS CONSUMED

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Opening Stock	632.41	490.56
Add Purchases	15,326.38	15,423.81
Less: closing Stock	595.69	632.41
Cost of materials consumed	15,363.10	15,281.96
Material consumed comprises :		
Latex/ Chemicals/ Packing Materials	15,363.10	15,281.96
Total	15,363.10	15,281.96

25. CHANGES IN INVENTORIES IN FINISHED GOODS

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Closing Stock		
Finished Goods	129.44	258.16
Opening Stock		
Finished Goods	258.16	75.57
Total (ii) - (i)	128.72	(182.59)

26. EMPLOYEE BENEFIT EXPENSE

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Salaries & Wages	858.38	810.96
Contributions to Provident and other funds	99.99	93.87
Staff Welfare Expense	40.28	39.30
Total	998.65	944.13

27. FINANCE COST

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
(a) Interest Expense on		
- Bank charges & Commission	8.51	11.57
Total	8.51	11.57

28. OTHER EXPENSES

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Packing Material	371.69	377.86
Power & Fuel	1,080.96	976.61
Effluent Treatment Expense	203.98	103.98
Repairs & Maintenance		
Building	67.01	23.50
Machinery	44.50	17.01
others	122.64	177.15
Insurance	19.06	8.29
Rent, Rates & Taxes	39.43	39.85
Communication	9.24	17.00
Travelling & Conveyance	50.84	41.43
Printing & Stationery	5.09	6.85
Freight & Forwarding	82.31	136.09
Sales Commission	4.18	8.54
Sales Discount	14.41	18.14
Business Promotions	1.80	0.73
Donations & Contributions	3.35	3.81
CSR Expenses	45.53	22.33
Legal & Professional	59.32	34.25
Payment to Auditors	-	-
For Statutory audit	3.00	2.75
For Cost Audit	0.50	0.50
Reimbursement of Expenses	0.11	0.13
Secretarial Expense	-	-
AGM & EGM Expense	0.57	2.99
List up Fee	6.00	4.51
Share Transfer Charges	6.06	3.60
Directors Sitting Fee	7.95	7.80
Dividend Distribution	2.90	2.83
Security Charges	27.09	14.61
Provision for Bad and Doubtful Debts	7.04	14.02
Less: Bad Debts provided in the Previous year recovered	(5.57)	(10.73)
Provision for unknown Liabilities	120.00	120.00
Miscellaneous Expenses	56.73	55.01
Loss on derecognition of PPE	10.16	-
Total	2,467.88	2,231.44

29. EXCEPTIONAL ITEMS

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Loss on Contract (Abhisar Buildwell Pvt Ltd)*	88.74	
Loss on Sale of Old Machineries**	104.70	
Total	193.44	

*The pending litigation with M/s Abhisar Buildwell Pvt Limited (ABPL) on the job work arrangement has been settled before the arbitral authority on November 1, 2018 and according to consent award the deposit has been repaid by ABPL after deducting claims allowed by the authority.

** Unusable old Plant in Udumelpet is sold incurring a loss of Rs. 104.70 lakhs. The assets are recognized in the books on the basis of acquisition agreement executed between the company and M/s Asset Care and Reconstruction enterprise Limited being the legal assignee appointed by the banks SARFAEST Act 2002.

30. DEFERRED TAX LIABILITY (Net)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Deferred Tax Liability		
Arising on account of difference in carrying amount and tax base of PPE and intangibles	538.31	536.73
	538.31	536.73
Deferred Tax Asset		
Leave Encashment Liability	25.67	25.97
Provision for Gratuity	-	6.23
Provision for Doubtful debts	7.81	7.85
Sales Tax Liability	0.78	0.58
Provision for Contingent Liability	168.15	158.30
	202.41	198.93
Net deferred tax (liability)/ Asset	(335.90)	(337.80)
Deferred tax expense/ (Income)	(1.90)	86.77

31. OTHER COMPREHENSIVE INCOME

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
(a) (i) Items that will not be reclassified to profit or loss (net)		
Actuarial Gain/ Loss of defined Employee benefit plan	(47.97)	(16.00)
Share of OCI of joint venture accounted for using the equity method	-	-
(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	-	-
Total	(47.97)	(16.00)

32. EARNING PER SHARE

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Earnings per Share of ₹ 5 each		
Net Profit for the year ₹ in Lakhs	1,653.20	2,091.52
Basic Earning per share		
Weighted Average No. of Equity shares	4,61,49,036	4,35,90,132
Basic EPS in Rs. Ps.	3.58	4.80
Diluted Earning per share		
Weighted Average No. of Equity shares	4,64,73,693	4,36,26,825
Diluted EPS in Rs. Ps.	3.56	4.79

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 share warrants for the respective period.

33. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) Activities. A CSR Committee has been formed by the Company as per the Act. The funds were primarily allocated to the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Gross amount required to be spent	43.35	35.28
Amount spend during the year	45.53	22.33

The company has calculated the CSR threshold on the basis of net profit after taxes until 31.03.2018 instead of net profit before taxes. The threshold recalculated for the previous year is Rs. 35.28/- lakhs instead of Rs. 20.60 as reported in the previous year.

34. DISCLOSURES REQUIRED UNDER IND AS 19 - "EMPLOYEE BENEFITS PLAN"

The company has contributed for Provident fund and superannuation fund as defined contribution plans. The actuary has provided a valuation of Gratuity liability and leave encashment liability in terms of the definition mentioned in para 7 of IND AS - 19 the accounting based on the assumptions listed below and determined that there is no shortfall as at 31st March, 2019 and for the year ended 31st March 2018.

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are: Projection is restricted to five years or earlier, if retirement occurs.

Expected guaranteed interest rate - 8.65% (Previous Year - 8.65%)

Discount rate - 8.00% (Previous Year - 7.50%)

34. 1. During the year, the company has recognised the following amounts in the statement of Profit and Loss

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Employer's contribution to Provident Fund and family Pension Fund	53.77	46.17
Employer's contribution to Superannuation Fund	3.94	5.89
Gratuity - funded	29.70	30.17
Leave Encashment - Unfunded	19.12	14.82

34.2 The valuation result for the defined benefit gratuity plan as at 31-03-2019 are produced in the tables below :

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
1. Assumption		
Discount Rate	8%	8%
Salary Escalation	7%	7%
2. Table showing changes in the present value of Obligation		
Present value of Obligation as at the beginning of the year	276.18	229.87
Interest Cost	21.96	18.39
Current Service Cost	20.12	11.92
Benefits paid	(3.31)	-
Actuarial (gain) / Loss on obligation	47.97	16.00
Present value of Obligation as at the end of the year	362.92	276.18
3. Table showing changes in Fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	259.37	230.33
expected return of Plan assets	22.43	18.88
Contributions	45.35	10.16
Benefits paid	(3.31)	-
Actuarial (gain) / Loss on Plan assets	(0.42)	-
Fair value of Plan assets at the end of the year	323.42	259.37
4. Table showing Fair value of Plan Assets	-	-
Fair value of Plan Assets at the beginning of the year	259.37	230.33
Actual return on Plan Assets	22.43	18.88
Contributions	45.35	10.16
Benefits paid	(3.31)	-
Actuarial (gain) / Loss on Plan assets	(0.42)	-
Fair value of Plan assets at the end of the year	323.42	259.37
Funded Status	0.46	(16.81)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March	-	-
5. Acturial (Gain) Loss recognised		
Acturial (gain) loss on obligations	47.97	16.00
Acturial (gain) / Loss on Plan assets	0.42	-
Total Acturial (gain) / loss for the year	48.39	16.00
6. The amounts to be recognised in the Balance Sheet and Statements of Profit /Loss	-	-
Present value of Obligation at the end of the year	362.92	276.18
Fair value of Plan assets at the end of the year	323.42	259.37
Funded Status	0.46	(16.81)
Net Asset / (Liability) recognised in the Balance Sheet	0.46	(16.81)
7. Expenses recognised in the statement of Profit & Loss	-	-
Current Service Cost	20.12	11.92
Interest Cost	21.96	18.39
Expected return on Plan assets	22.43	18.88
Net Actuarial (gain)/ Loss recognised in the year	48.39	16.00
Expenses recognised in the Statement of Profit & Loss	68.04	27.43

35. SEGMENT INFORMATION

The Company is 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 in the current year. With the venture of the Company into paper manufacturing the value of assets amounting to Rs. 1030 Lakhs recorded in land and capital working progress amounts pertains to the paper manufacturing segment. 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 within India, i.e. Sales in Domestic Market.

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Assets	Revenues	Assets	Revenues
Outside India				
Asia	228.46	1,766.10	166.12	2,374.94
Europe	-	96.17	4.47	221.20
Africa	-	22.60	-	72.67
America	30.99	76.11	-	25.00
Within India	2,969.06	19,240.14	2,913.41	18,943.73
Total	3,228.51	21,201.12	3,084.00	21,637.55

36. RELATED PARTY DISCLOSURE

In accordance with the requirement of Ind 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

- a Names of related parties and nature of relationship where control exists are as under :

Joint Venture Companies

M/s Premier Tissues India Limited

- b Names of other related parties and nature of relationship

Key Management Personnels

Mr. Gopinathan Pillai Krishnakumar Managing Director

Mr. Nurani Neelakantan Parameswaran CFO & CS

Other Related Parties

Mr. Bharat Jayantilal Patel Chairman

Mr. Bharat Jamnadas Dattani Director

Mr. Hardik Bharat Patel Director

Mr. Thomas Carlton Thompson III Director

Mr. Patrick Michael Davenport Director

Mr. Dhiren Shah Shevantilal Director

Companies in which Directors are interested:

M/s Moneybee Securities Pvt Limited

36.1 Transactions with related parties

Related Party

Nature of Transaction 2018-2019 2017-2018

M/s Premier Tissues India Limited

Sale of Materials 2.39 -

Purchase of Materials 0.88 -

Mr. Gopinathan Pillai Krishnakumar

Compensation for services 78.38 74.99

Mr. Nurani Neelakantan Parameswaran

Compensation for services 53.49 49.23

36.2 Outstanding Balances

M/s Premier Tissues India Private Limited

As at 31 March, 2019

1.51

As at 31 March, 2018

Nil

36.3 Directors Sitting Fee

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Paid during the Year	Outstanding	Paid during the Year	Outstanding
Directors Sitting Fee				
Mr. Bharat Jayantilal Patel	1.20	0.18	1.00	-
Mr. Bharat Jamnadas Dattani	1.20	-	1.00	-
Mr. Hardik Bharat Patel	0.60	-	0.80	-
Mr. Dhiren S Shah	0.50	-	1.20	-
Mr. Patrick Michael Davenport	0.75	0.45	0.75	-
Mr. Thomas Carlton Thompson III	0.20	-	0.40	-
Mr. S.N. Rajan	1.20	-	0.95	-
Mr. Samir K. Shah	0.90	0.23	0.70	-
Mrs. R. Chitra	0.40	-	0.60	-
Mr. S.H. Merchant	1.00	-	0.40	-
Total	7.95	0.86	7.80	-

37. DETAILS OF PROVISION FOR CONTINGENT LIABILITY

Movement in provisions as required by IND AS - 37 - "Provisions, Contingent Liabilities and Contingent Asset".

Particulars	As at 31st March, 2018	Additions	Reversal	As at 31st March, 2019
	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs
Provision for Expenses - Tripura VAT	173.42	-	-	173.42
	<i>173.42</i>	-	-	<i>173.42</i>
Provision for Unforeseen Liabilities	284.00	120.00	-	404.00
	<i>164.00</i>	<i>120.00</i>		<i>284.00</i>
Total	457.42	120.00	-	577.42
	<i>337.42</i>	<i>120.00</i>	-	<i>457.42</i>

Note :- Figures in Italics relates to Previous year

38. CONTINGENT LIABILITY & COMMITMENTS (to the extent not provided for)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(a) Claim against the Company not Acknowledgment as debt:		
Duty Draw back	391.73	391.73
(b) Intercompany deposits pending settlement		
Raveena Hotels Private Limited	50.00	-
Total	441.73	391.73

38.1 The company has the following pending litigations in various courts and which in its opinion has no impact on its financial position in the financial statements as on 31 March 2019

No	For / Against the company	Date of admission	Status
For the company			
1	Kerala State Electricity Board Ltd (Financial impact-Rs.65.57 Lacs)	2018-2019	Appeal decided in favour of the company by Hnbl High Court of Kerala
2	Raveena Hotels Private Limited (Financial impact - Rs. 50 Lacs)	2018-2019	Pending for hearing in NCLT
Against the company			
1	Commissioner of Customs, Coimbatore (Financial Impact - Rs. 391.73 Lacs)	2008-09	Tribunal issued orders remanding the case back to the original authority, and to await the Supreme Court decision in a similar case.
2	Bank of Tokyo, Mumbai (Financial Impact - Rs. 9.67 Lacs)	2004-2005	Pending for hearing in Hnbl High Court of Kerala

39 CAPITAL MANAGEMENT

The Company's objective 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 share holders through continuing growth and maximise the share holders' value. The Company's overall strategy remains unchanged from previous year. The Company sets the amounts of capital required on the basis of annual business and long term operating plans.

40 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 purpose nor does it write options. The most significant financial risk to which the company is exposed are described below:-

The Company has assessed market risk, credit risk and liquidity risk to its financial instruments.

1. Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, Primarily include Loans & borrowings, Investments and foreign currency receivables, Payables and borrowings.

1a Interest Rate Risk

The company has not availed any loans hence it is not exposed to any interest rate risk.

1b 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 realization on export sales: The impact on the companies profit before tax due to change in interest rate is given below:

Unhedged short term exposures

	As at 31st March, 2019 In ₹ Lakhs	As at 31st March, 2018 In ₹ Lakhs
Financial assets	244.99	170.59
Financial Liabilities	(2.28)	(5.35)

The Company is mainly exposed to changes in US Dollar. The sensitivity to a 2% increase or decrease in US Dollar against INR with all other variables held constant will be + / (-) Rs. 4.85 Lakhs (Previous year Rs. 3.30 Lakhs) The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date. 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.

1c. Price Risk

The Company is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities like latex, acetic acid and other chemicals, the Company closely monitors the price fluctuations to reap the price advantages.

2. Credit Risk

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 receivable, cash and cash equivalents and short term loans.

Cash and cash equivalents and short-term Loans (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 intercorporate loans on 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 securities and guarantees provided by the companies. Therefore, the company does not expect any material risk except for the ones mentioned in Note 38.1 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 receivable amounting to Rs. 3255.54 Lakhs and Rs. 3106.68 Lakhs as of 31 March 2019 and 31 March 2018 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 on going 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.

	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Balance at the beginning of the year	22.68	11.13
Impairment loss recognised	7.04	14.02
Impairment loss reversed	2.68	2.47
Balance at the end of the year	27.03	22.68

3 Liquidity Risk

The Company required 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 2019 the company has no financial liabilities over and above the cash and cash equivalents. The company has a current ratio of 4.48 as on 31 March 2019 (Previous year 4.65). The capital requirements for the expansion plans in Udumelpet for the year is Rs. 3300 Lakhs (Rs. 2300 Lakhs for the Rubber division and even with that the company expects a minimal liquidity risk.

4 Interest Rate Risk

The Company is a zero-debt company as on 31st March 2019 (Previous year Rs. Nil) and is not exposed to any interest rate risk of short-term or long-term borrowings. 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.

41 EVENTS AFTER THE REPORTING PERIOD

The proposed final dividend for Financial Year 2018-19 amounting to Rs. 472.19 Lakhs will be recognised as distribution to owners during the financial year 2019-20 on its approval by Shareholders. The proposed final dividend per share amounts to Rs. 1/-

42 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Accounts, net of advances and not provided for Rs. 3300 Lakhs (Previous Year - 150 Lakhs).

43 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 payable 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 amortized cost

The management assessed that for amortized cost instruments, fair value approximate largely to the carrying amount. The management assessed that the fair value of Investment property and value of unquoted shares in Joint Venture and the carrying amount of the property.

CYRIAC & ASSOCIATES
Chartered Accountants

Jim Cyriac
 (Partner)
 Membership No : 230039

Firm No : 0140335

Place : Thiruvananthapuram

Date : 28th May 2019

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 : 28th May 2019

Consolidated Financial Statement

Independent Auditors Report

Balance Sheet

Statement of Profit & Loss

Statement of changes in Equity

Cash flow Statement

Notes forming part of the Financial Statement

INDEPENDENT AUDITORS' REPORT

To the members of Rubfila International Limited

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of Rubfila International Limited (the Company'), and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the company and its joint venture as at 31 March 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements/ consolidated financial statements and on the other financial information of the joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the company including its joint venture in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the company, and its joint venture company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

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

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

reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements also include the company's share of net profit (including other comprehensive income) of Rs. 68.24 lakhs for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of a joint venture, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture company, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in other matters, on separate financial statements / consolidated financial statements of the joint venture, we report that the Company paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:

Further to our comments in Annexure A, 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 purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) the consolidated financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Company and its joint venture company covered under the Act, none of the directors of the company and its joint venture company covered under the Act, are disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and its joint venture company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the separate financial statements as also the other financial information of the joint venture:
 - I. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the company and joint venture;
 - II. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts;
 - III. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its joint venture company during the year ended 31 March 2019;

Jim Cyriac

(Partner)

Mem No. 230039.

Firm No.014033 S

Place: Thiruvananthapuram

Date: 28-05-2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF RUBFILA INTERNATIONAL LIMITED, ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of Rubfila International Limited (the "Company") as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of Rubfila International Limited (hereinafter referred to as the "Company") and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its joint venture company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 the company's business, including adherence to the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the IFCoFR of the Company and its joint venture company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were 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 IF CoFR and their operating effectiveness. Our audit of IF CoFR includes obtaining an understanding of IF CoFR, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its thirteen subsidiary companies, six associate companies and one joint venture company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IF CoFR, 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 IF CoFR to future periods are subject to the risk that IF CoFR 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 and its joint venture company, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company and its joint venture company as aforesaid, 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.

Other Matter

We did not audit the IF CoFR in so far as it relates to the joint venture company, which is covered under the Act, whose financial statements reflect net assets of Rs. 1,544.06 lakhs as at 31 March 2019 and total revenues of Rs. 68.24 lakhs, as considered in the consolidated financial statements. The IF CoFR in so far as it relates to such joint venture company is consolidated based on the unaudited financial results whose reports have been furnished to us by the management. Our opinion is not modified in respect of this matter.

For Cyriac & Associates
Chartered Accountants

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

Place: Thiruvananthapuram
Date: 28-05-2019

Consolidated Balance Sheet as at 31st March, 2019

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
1. Non-current Assets			
Property, plant and equipment	2	6,017.27	4,519.15
Capital work-in-progress	2	771.54	319.42
Other Intangible Asset	2	3.28	2.09
Investment Property	3	128.15	128.15
Financial assets			
Investments	4	1,668.38	-
Loans, Non - current	5	51.98	875.42
Other financial assets	6	127.20	96.62
Other non-Current Asset	7	603.28	389.83
		9,371.08	6,330.68
2. Current assets			
Inventories	8	904.26	1,042.50
Financial assets			
Trade receivables	9	3,228.51	3084.00
Cash and cash equivalents	10	325.67	336.28
Bank balance other than cash and cash equivalents	11	38.08	21.43
Loans, Current	12	1,735.00	3,099.00
Other financial assets	13	35.42	85.72
Current Tax assets (Net)	14	21.16	(9.83)
Other current assets	15	93.47	13.26
		6,381.57	7,672.36
TOTAL		15,752.65	14,003.04
EQUITY AND LIABILITIES			
1. Equity			
Equity attributable to owners of Parent			
Equity Share Capital	SOCE	2,360.88	2,260.88
Other equity	SOCE	10,913.91	9,125.11
		13,274.79	11,385.99
2. Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings, non- current			
Provisions (non Current)	16	649.14	519.31
Deferred Tax Liabilities (Net)	30	335.90	337.80
Other non-Current Liabilities	17	0.35	110.51
		985.39	967.62
Current liabilities			
Financial liabilities			
Trade Payable	18	954.29	1,188.97
Other Financial liabilities	19	132.16	85.21
Other Current liabilities	20	274.73	218.92
Provisions	21	131.30	156.34
		1,492.48	1,649.44
TOTAL		15,752.65	14,003.04

As per our reports attached.

CYRIAC & ASSOCIATES

Chartered Accountants

Jim Cyriac

(Partner)

Membership No : 230039

Firm No : 0140335

Place : Thiruvananthapuram

Date : 28th May 2019

For and on behalf of the Board of Directors

RUBFILA INTERNATIONAL LTD

Bharat J Patel

DIN01100361

Chairman

N.N. Parameswaran

Chief Finance Officer & Company Secretary

Place : Palakkad

Date : 28th May 2019

G.Krishna Kumar

DIN01450683

Managing Director

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue from operation			
I Revenue from Operations	22	21,374.21	21,779.83
II Other Income	23	425.13	419.00
Total Revenue (I + II)		21,799.35	22,198.83
IV Expenses			
a. Cost of materials consumed	24	15,363.10	15,281.96
c. Changes in inventories of Finished Goods Work-in-Progress and Stock in Trade	25	128.72	(182.59)
d. Excise duty on sales		-	303.44
e. Employee Benefit Expense	26	998.65	944.13
f. Finance Costs	27	8.51	11.57
g. Depreciation and Amortisation Expense	2	313.47	356.24
h. Other Expenses	28	2,467.88	2,231.44
Total Expense		19,280.33	18,946.18
V Profit before share of net profits of investments accounted for using equity method and tax		2,519.02	3,252.65
VI Share of net profit of associates accounted for using the equity method		68.94	
VII Profit before exceptional Items & Tax (III-IV)			
VIII Exceptional Items	29	193.44	-
IX Profit before Tax (V-VI)		2,394.52	3,252.65
X Tax Expense			
(1) Current Tax		637.83	1,062.54
(2) prior years excess provision		(11.52)	(4.18)
(3) Deferred Tax	30	(1.90)	86.77
Total Tax Expenses		624.41	1,145.13
XI Profit / (Loss) for the period from Continuing operations (VII-VIII)		1,770.11	2,107.52
XII Other Comprehensive Income			
(a) (i) Items that will not be reclassified to profit or loss (net)	31	-48.67	-16.00
(ii) Income tax relating to items that will not be reclassified to Profit and 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 and Loss			
XIII Total Comprehensive Income for the period (IX + X) Comprising Profit (Loss) and other comprehensive Income for the Period		1,721.44	2,091.52
XIV Paid-Up Equity Share Capital (Face Value of Rs.5/-)		2,360.88	2,260.88
XV Reserve Excluding Revaluation Reserves		10,913.91	9,125.11
XVI Earnings per share (of Rs. 5/- each):			
Basic In Rs, Ps	32	3.73	4.80
Diluted In Rs, Ps	32	3.70	4.79
XVII Net Worth		13,274.79	11,385.99

As per our reports attached.

CYRIAC & ASSOCIATES

Chartered Accountants

Jim Cyriac

(Partner)

Membership No : 230039

Firm No : 014033S

Place : Thiruvananthapuram

Date : 28th May 2019

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

Bharat J Patel

DIN01100361

Chairman

N.N. Parameswaran

Chief Finance Officer & Company Secretary

Place : Palakkad

Date : 28th May 2019

G.Krishna Kumar

DIN01450683

Managing Director

Consolidated Statement of changes in equity for the year ended 31st March, 2019

A. EQUITY

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Balance as at 31st March 2018	70000000	3,500.00	70000000	3,500.00
Changes in Authorised Equity Share Capital during the year				
Balance as at 31st March 2019	70000000	3,500.00	70000000	3,500.00
Issued Share Capital				
Balance as at 31st March 2018	45217529	2,260.88	43217529	2,160.88
Changes in Equity share capital during the year	2000000	100.00	2000000	100.00
Balance as at 31st March 2019	47217529	2,360.88	45217529	2,260.88

Rights, preferences and restrictions attaching to each class of shares restrictions on the distribution of dividends and the repayment of capital.

The company has one class of equity shares having a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding..

Shares in the Company held by each shareholder holding more than five percent shares	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% holding	No. of Shares	% holding
Minal Bharat Patel	8849096	18.74%	8849096	19.57%
Annie Guat Khuan Chew	30,59,556	6.48%	30,59,556	6.77%
Bharat Jayantilal Patel	66,93,906	14.18%	66,93,906	14.80%
Christopher Chong Meng Tak	1424315	3.02%	26,44,918	5.85%
Ruchit Bharat Patel	2443411	5.17%	1575911	3.33%
Kerala State Industrial Development Corporation Ltd	27,36,000	5.79%	27,36,000	6.05%

B. OTHER EQUITY

Attributable to owners of Rubfila international Limited

Particulars	Share Application Money	Reserves & Surplus			Other Comprehensive income	Total
		Securities Premium	General Reserves	Retained earnings	Remeasurements of defined Benefit Plans	
Balance at the beginning of the year	237.50	850.00	332.55	7,720.04	(14.98)	9,125.11
Profit/ (Loss) for the year	-	-	-	1,770.11	-	1,770.11
Dividends paid including taxes	-	-	-	(545.14)	-	(545.14)
Transfer to general reserve	-	-	85.06	(85.06)	-	-
Preferential issue of shares	(237.50)	850.00	-	-	-	612.50
Other Comprehensive Income	-	-	-	-	(48.67)	(48.67)
Balance as at 31st of March 2019	-	1,700.00	417.61	8,859.96	(63.65)	10,913.91

Securities Premium represents amounts received in excess of par value on issue of shares.

General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss.

Remeasurements of Defined Benefit Plans Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

As per our reports attached.
CYRIAC & ASSOCIATES
 Chartered Accountants

Jim Cyriac
 (Partner)
 Membership No : 230039
 Firm No : 014033S

Place : Thiruvananthapuram
 Date : 28th May 2019

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 : 28th May 2019

Consolidated Cash Flow Statement for the period ended 31st March, 2019

Particulars	For the Period ended 31st March, 2019	For the Period ended 31st March, 2018
	<i>In ₹ Lakhs</i>	<i>In ₹ Lakhs</i>
A. Cash flow from operating activities		
Net Profit before tax	2,394.52	3,252.64
<u>Adjustments for:</u>		
Depreciation and amortisation expenses	313.47	356.24
Finance costs	-	2.49
Provision for doubtful debts/advances (net)	7.04	3.29
Loss on sale of fixed assets	103.66	
Loss on settlement of deposit	88.74	
Interest income	(398.88)	(392.61)
Operating profit before working capital changes	114.03	(30.59)
Changes in working capital:	2,508.55	3,222.05
<u>Adjustments for:</u>		
Trade and other receivables	1,895.94	(2,014.56)
Inventories	138.24	(358.66)
Trade, other payables and provisions	(207.10)	635.01
Cash generated from operations	4,335.63	1,483.83
Income tax paid (net of refunds)	(662.07)	(1,056.75)
Cash from operating activities (A)	3,673.56	427.08
B. Cash flow from investing activities		
Purchase of fixed assets and other machinery	(2,657.33)	(1,488.73)
Proceeds from sale of fixed assets and other machinery	75.30	-
Purchase of investment property	-	-
Investment in unquoted shares	(1,668.38)	-
Interest received	398.88	392.61
Cash flow from investing activities (B)	(3,851.53)	(1,096.12)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	712.50	950.00
Proceeds from (Repayment of) borrowing	-	-36.86
Share Application Money received	-	237.50
Dividend paid on Equity shares	(545.14)	(390.13)
Finance cost	-	(2.49)
Net cash flow from / (used in) financing activities (C)	167.36	758.02
Net increase / (decrease) in Cash and cash equivalents (A + B + C)	(10.61)	88.98
Cash and cash equivalents at the beginning of the year	336.28	247.30
Cash and cash equivalents at the end of the year	325.67	336.28

As per our reports attached.

CYRIAC & ASSOCIATES

Chartered Accountants

Jim Cyriac

(Partner)

Membership No : 230039

Firm No : 014033S

Place : Thiruvananthapuram

Date : 28th May 2019

For and on behalf of the Board of Directors

RUBFILA INTERNATIONAL LTD

Bharat J Patel

DIN01100361

Chairman

N.N. Parameswaran

Chief Finance Officer & Company Secretary

Place : Palakkad

Date : 28th May 2019

G.Krishna Kumar

DIN01450683

Managing Director

Notes to Consolidated Financial Statements for the year ended March 31, 2019

A) General Information

Rubfila International Limited (RIL) is a Public Company incorporated on March 5, 1993 whose shares are publicly traded.

The company is the largest manufacturer of both Talcum Coated and Silicon Coated Rubber threads in India. It has adopted internationally accepted quality standards and its products are well received among customers both in India as well as around the world.

B) Principles of Consolidation and equity accounting

The consolidated financial statements comprise of the financial statements of the Company and M/s Premier Tissues India Limited as on March 31st, 2019. The company is holding 50% of the equity share capital and the balance 50% by M/s Ballarpur Industries Limited :

(i) Interest in joint venture

A joint venture is an arrangement in which the Corporation has joint control and has rights to the net assets of the arrangement, rather than the rights to its assets and obligation for its liabilities.

The company has invested in a joint venture as a party to joint venture having joint control over that. Joint control is the contractually agreed sharing of control over an economic activity, Investments in joint venture with 50% holding is accounted and consolidated using the equity method of accounting.

(ii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in The Consolidated Statement of Profit and Loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. When the Company's share of losses in an equity-

accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains if any on transactions between the Company and joint venture are eliminated to the extent of the Company's interest in these entities. Unrealised losses if any are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy.

(iii) Changes in ownership interests

When the Company ceases to equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate. In addition, any amounts previously recognised in other comprehensive income in respect of that associate are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

C) Basis of preparation of financial statements

(i) Statement of Compliance

The financial statements have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

(ii) Basis of preparation and presentation

The principal accounting policies applied in the preparation of these financial statements are set out in Para D below. These policies have been consistently applied to all the years presented.

The financial statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant INDAS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- a) Certain financial assets/liabilities measured at fair value and
- b) Any other item as specifically stated in the accounting policy.

The Financial Statement are presented in INR and all values are rounded off to Rupees Lakhs except share data and per share data unless otherwise stated.

The company reclassifies comparative amounts, unless impracticable and whenever the company changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

The financial statements of the Company for the year ended 31st March, 2019 were authorised for issue in accordance with a resolution of the directors on 28 May, 2019.

(iii) Use of Estimate and judgment

In the application of accounting policy which are described in note (C) below, the

management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if there vision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment:

Useful life of Property Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support.

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward looking information relating to not only the counter party but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

Defined Benefit Plans:

The cost of the defined benefit plan and other post employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (refer Note 34)

D) Summary of Significant Accounting Policies

1. Property, Plant and Equipment (PPE)

For transition to IND AS, the Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of the transition date, measured as

per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount /rebate, import duties, non-refundable taxes, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management, and the initial estimates of the cost of dismantling /removing the item and restoring the site on which it is located.

Spare parts procured along with the Plant and Equipment or subsequently which has a useful life of more than 1 year and considering the concept of materiality evaluated by management are capitalised and added to the carrying amount of such items. The carrying amount of items of PPE and spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores and spares' forming part of the inventory. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when asset is derecognised.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's

carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

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 the list of assets mentioned in the following table, 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.

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

Depreciation on fixed assets added/disposed off during the year is provided on pro rata basis with reference to the date of addition/disposal.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate

2. Intangible Assets

On transition to Ind AS, the company has elected to continue with the carrying value of

all of intangible assets recognized 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 capitalized as intangible asset and amortized 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 recognized in the Statement of Profit and Loss when the asset is derecognized.

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.

3. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

4. Impairment

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.

Impairment of Financial Assets:

The company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward looking information relating to not only the counter party but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

5. 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.

- (ii) (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 if any. Work in progress are valued considering the cost of direct materials only.

Net realizable 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.

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow moving items are subjected to continuous technical monitoring and are valued at lower of cost and estimated net realisable value. When Inventories are sold, the carrying amount of those items are recognized as expenses in the period in which the related revenue is recognised.

6. 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 5 advance licenses (Previous year 2 Licenses) for duty free import of Raw Materials. Company has met the export obligation in full against the 2 Licences (Previous year 2 Licenses).

7. Provisions, Contingent Liabilities and Contingent Assets

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, it's 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.

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

8. 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.

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.

9. Share Capital and Share Premium:

Ordinary shares are classified as equity, Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

10. Dividend Distribution to equity shareholders:

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in other equity along with any tax thereon.

11. 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.

12. Revenue Recognition

The company derives revenues primarily from sale of manufactured goods, traded goods and related services. Effective 01 April 2018, the Group has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The company has a very low sales ratio to sales and hence no provision for sales return or refund liability is recognized in the accounts for the products expected to be returned. The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

a. Sale of Goods:

Revenue from sale of goods is recognised, when

Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer

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 only 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.

13. Employee Benefits

a. Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognised during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b. Long Term Employee Benefits:

The cost of providing long term employee benefit such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected costs of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial

assumptions are charged or credited to the Statement of Profit or Loss in which they arise except those included in cost of assets as permitted. The benefit is valued annually by independent actuary.

c. Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund for certain eligible employees, Pension Fund and Superannuation benefits are recognised as an expense when employees have rendered the service entitling them to the contribution.

d. Defined Benefit Plans: Gratuity

The net present value of the obligation for gratuity benefits are determined by 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.

14. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items

recognised directly in equity or in other comprehensive income.

Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current year is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

Deferred tax

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.

15. Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

16. 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 realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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.

Deferred tax assets and liabilities are classified as non current assets and liabilities.

Fair value measurement:

17. Fair Value measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these financial statements is determined in such basis except for transactions in the scope of IND AS 2 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

18. Financial assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

Investments in joint ventures

Investments in equity shares of subsidiaries are carried at cost less impairment. Impairment is provided for on the basis explained in Paragraph (3) of Note C above.

Financial assets other than above

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, loans/advances to employee / others, security deposit, claims recoverable etc.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost

- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are

Amortized using the effective interest rate(EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial assets at fair value through OCI (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognised in the other comprehensive income (OCI).

Financial assets at fair value through profit or loss(FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other

comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Company derecognises a financial asset only 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 entity.

19. Financial liabilities

The Company's financial liabilities include trade payable, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Financial Liabilities at Fair value through profit and loss (FVTPL)

FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities have not been designated upon initial recognition at FVTPL.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired..

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 the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

20. Inter Corporate Deposits

Company had advanced Inter Corporate loans to companies on short term basis at a specific rate of interest against security. The inter corporate deposits are advanced to the unrelated companies after considering factors such as track record, size of organisation, market reputation and value of the security.

21. Employee Stock option scheme

Rubfila International Limited - Employee Stock Option Scheme 2017 (RUBFILA ESOS 2017) was approved by the members in their meeting held on 15th September, 2017 for granting 1500000 options to the eligible employees of the Company in one or more tranches. The company has received in-principle approval from BSE for the allotment of 1500000 equity shares of Rs.5/- under the above scheme vide its letter dt.03-07-2018. The list of eligible employees has been approved by the company and the total options to be granted as per the list is 670000 Nos. The date of grant of options is August 1, 2018 which needs to be exercised within one year. Option granted under this RUBFILA ESOS 2017 would vest after One Year but not later than Four Years from the date of grant of such Options

22. Recent accounting pronouncements

Ind AS 116- LEASES:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company is not having any leasing arrangements as on the date of the balance sheet hence there is no impact on application of Ind AS 116 in the current year.

2. Property Plant & Equipment

Particulars	Gross block			Accumulated Depreciation				Net Block	
	As at 1st April, 2018	Additions	Disposals	As at 31st March, 2019	Depreciation for the year	Eliminated on disposal of Assets	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs	In ₹ Lakhs
Tangible Assets									
Land	7.30	1,194.76	-	1202.06	-	-	-	1,202.06	7.30
Building	1,504.35	80.55	-	1,584.90	52.15	-	361.24	1,223.66	1,195.26
Plant & Equipment	8,141.67	542.24	143.67	8,540.24	245.55	126.06	5,013.32	3,526.92	3,247.84
Furniture & Fixtures	34.33	0.39	-	34.72	1.38	-	26.09	8.63	9.62
Vehicles	66.09	-	-	66.09	6.98	-	27.99	38.10	45.08
Office Equipment	30.04	6.28	-	36.32	3.41	-	24.78	11.54	8.67
Computer & Accessories	61.33	3.82	-	65.15	2.83	-	58.78	6.37	5.38
Total	9,845.11	1,828.03	143.67	11,529.47	312.30	126.06	5,512.21	6,017.27	4,519.15
	8,426.73	1,418.38	-	9,845.11	355.88	-	5,325.96	4,519.15	3,456.66
Capital Work in Progress	319.42	808.94	356.82	771.54	-	-	-	771.54	319.42
	32.55	319.42	32.55	319.42	-	-	-	319.42	32.55
Intangible Assets									
Computer Software	10.25	2.36	-	12.61	1.17	-	9.33	3.28	2.09
Total	10.25	2.36	-	12.61	1.17	-	9.33	3.28	2.09
	8.00	2.25	-	10.25	0.36	-	8.16	2.09	0.20

2.1 18.76 acres of lying land contiguous with total extent of 87.40 Acres of land acquired in Udumelpet is not registered in the name of the company due to delay in submission of exemption certificate issued under The Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961 by the transferor before the revenue authorities. The possession and ownership of the property has already been transferred to the company from the date of execution of the sale certificate under The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI Act).

3. INVESTMENT PROPERTY

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Free hold Land 11.87 Acres in Coimbatore District, Pollachi Taluk, Tamilnadu	128.15	128.15
Total	128.15	128.15

3. INVESTMENT PROPERTY

M/s Premier Tissues India Limited (the "Joint venture company") is a limited company (unquoted having an authorized capital of Rs. 1200 Lakhs with subscribed capital of Rs. 1124.09 Lakhs. The joint venture company was incorporated on 19 March 1995 by M/s Ballarpur Industries Limited as a wholly owned subsidiary. On 31 August 2018 the company signed a subscription agreement between M/s Ballarpur Industries Limited and the Joint venture company for subscribing equal value of shares (56,20,427 shares of Rs. 10 at a premium of Rs. 18.47/-) as held by the erstwhile parent company for joint control on the joint venture company. The shares were allotted on 8 Novemebr, 2018.

4.1 Summarised Financial information

Statement of Assets & Liabilities

As at 31 March, 2019

Non Current Assets	2,934.75
Current Assets (excluding cash and cash equivalent)	1,860.93
Cash and cash equivalent	281.45
Non Current liabilities	501.10
Current liabilities	1,487.91
Net Assets	3,088.12
Group's share of net assets	1,544.06

Adjustments

Inter-company profit eliminations	
Carrying amount of interest in Joint Ventures	1,544.06

Statement of Profit & Loss

**For the period from
08-11-2018 to 31-03-2019**

Revenue	2,447.39
Other Income	36.74
Direct costs	1,744.41
Finance costs	5.34
Depreciation and amortisation expense	55.25
Other Expenses	554.17
Profit before tax	124.97
Tax expense	(12.92)
Profit after tax	137.89
Other comprehensive income	(1.40)
Total Comprehensive Income	139.29
Company's share of profit	68.94
Company's share of OCI	(0.70)
Group's share of Total Comprehensive Income	68.24

4.3

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
M/s Premier Issues Pvt. Ltd.		
Investment in Equity of Premier Issues Pvt Ltd.	1600.14	-
(56,20,427 unquoted and non traded Equity Shares of Premier Issues Pvt Ltd of face value Rs. 10/- each fully paid up at a premium of Rs.18.47/- being 50% of the total equity		
Percentage of interest	50%	-
Reconciliation to carrying amounts		
Opening carrying amount	-	-
Investment in Joint venture during the year	1,600.14	-
Financial Reporting of Interests in Joint Ventures		
Profit / (Loss) for the period 08-11-2018 to 31-03-2019	68.94	-
Other comprehensive income	(0.70)	-
Dividend received	-	-
Closing net assets	1,668.38	0

5. LOANS (Non Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Unsecured, considered Good		
Security Deposits with various authorities	51.98	55.43
Abhisar Buildwell Pvt Limited	-	820.00
Total	51.98	875.42

6. OTHER FINANCIAL ASSETS (Non Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Earmarked Balance with Banks		
Bank Guarantee	33.12	32.84
Unpaid Dividend Accounts	94.08	63.78
Total	127.20	96.62

* Rs. 173.42 Lakhs in VAT credit receivable pertains to the credit receivable from Tripura which is fully provided for in the books.

7. OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Capital advance to suppliers	215.13	1.67
Vat Credit Receivable*	386.07	386.08
Income Tax refund receivable	2.08	2.08
Total	603.28	389.83

8. INVENTORIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(a) Raw Materials	482.09	501.55
(b) Work in Progress	146.61	167.47
(c) Stores & Spares	146.12	115.32
(d) Finished Goods (other than those acquired for trading)	129.44	258.16
Total	904.26	1,042.50

9. TRADE RECEIVABLES (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Trade receivables outstanding more than one year		
Unsecured, Considered Good	3,228.51	3,084.00
Unsecured, Considered Doubtful	27.03	22.68
	3,255.54	3,106.68
Less Impairment Provision on Expected Credit Loss Model	27.03	22.68
Total	3,228.51	3,084.00

10. CASH & CASH EQUIVALENTS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(a) Cash on hand	1.13	1.58
(b) Balances with banks		
- In Current Accounts	284.43	194.70
- In short term deposits	40.11	140.00
Total	325.67	336.28

11. BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(b) Balances with banks		
- Deposit Accounts - Unpaid Dividend - F.Y.17-18	38.08	21.43
Total	38.08	21.43

12. LOANS (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Inter Corporate Deposits		
Unsecured, Considered Good	1,685.00	3,099.00
Unsecured, Considered Doubtful	50.00	
Total	1,735.00	3,099.00

13. OTHER FINANCIAL ASSETS (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Interest Accrued on inter Corporate Deposits	35.42	85.44
Insurance claim Receivable	-	0.28
Total	35.42	85.72

14. CURRENT TAX ASSETS (Net)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Provision for Taxation	21.16	(9.83)
Total	21.16	(9.83)

15. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
GST Tax Credit Receivable	10.81	2.11
Advance to Creditors	2.50	2.07
Advances to Employees	0.09	0.31
Prepaid Expense (Unsecured , Considered good)	19.97	8.64
Other Deposit	0.10	0.13
Other Current Asset - Udumelpet Equipments	60.00	-
Total	93.47	13.26

16. PROVISIONS (Non Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Provision for Contingent Liabilities		
Provision for Tripura VAT	173.42	173.42
Provision for unknown liabilities	404.00	284.00
	577.42	457.42
Other Provisions :		
Sales Tax Differential Payable	2.69	1.67
Leave Encashment Liability	69.04	60.23
Total	649.14	519.31

*Provision is created against any liabilities arising out of pending litigations

17. OTHER NON CURRENT LIABILITIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Abhisar Build well Pvt Ltd	-	110.26
Other advances received	0.35	0.25
Total	0.35	110.51

18. TRADE PAYABLE (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Trade Payables	954.29	1,188.97
Total	954.29	1,188.97

19. OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Unpaid Dividend	132.16	85.21
Total	132.16	85.21

20. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Statutory Dues Payable	137.12	85.85
Advances received from customers	40.34	46.19
Provision for Expenses	91.12	82.19
Other payables	6.15	4.69
Total	274.73	218.92

21. PROVISIONS (Current)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Provisions for Employee Benefits		
Provision for salary Arrears, Bonus & Production Incentive	49.23	126.54
Provision for Leave encashment	19.12	14.82
Terminal benefit Liability (Gratuity Benefit)	62.95	14.98
Total	131.30	156.34

22. REVENUE FROM OPERATIONS

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
(a) Sale of Products	21,201.12	21,637.55
(b) Other Operating Revenues	173.09	142.28
Total	21,374.21	21,779.83
Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Sale of Products comprises		
Manufactured Goods	21,201.12	21,637.55
Traded Goods	-	-
Total	21,201.12	21,637.55

23. OTHER INCOME

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Interest Income		
On deposits with banks and other balances	20.98	19.34
On Intercompany Deposits	377.90	373.27
(b) Net (gain)/ loss on foreign currency transactions and translations (Considered as Finance Cost)	23.53	25.11
Miscellaneous Income	2.72	1.28
Total	425.13	419.00

24. COST OF MATERIALS CONSUMED

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Opening Stock	632.41	490.56
Add Purchases	15,326.38	15,423.81
Less: closing Stock	595.69	632.41
Cost of materials consumed	15,363.10	15,281.96
Material consumed comprises :		
Latex/ Chemicals/ Packing Materials	15,363.10	15,281.96
Total	15,363.10	15,281.96

25. CHANGES IN INVENTORIES IN FINISHED GOODS

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Closing Stock		
Finished Goods	129.44	258.16
Opening Stock		
Finished Goods	258.16	75.57
Total (ii) - (i)	128.72	(182.59)

26. EMPLOYEE BENEFIT EXPENSE

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Salaries & Wages	858.38	810.96
Contributions to Provident and other funds	99.99	93.87
Staff Welfare Expense	40.28	39.30
Total	998.65	944.13

27. FINANCE COST

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
(a) Interest Expense on		
- Bank charges & Commission	8.51	11.57
Total	8.51	11.57

28. OTHER EXPENSES

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Packing Material	371.69	377.86
Power & Fuel	1,080.96	976.61
Effluent Treatment Expense	203.98	103.98
Repairs & Maintenance		
Building	67.01	23.50
Machinery	44.50	17.01
others	122.64	177.15
Insurance	19.06	8.29
Rent, Rates & Taxes	39.43	39.85
Communication	9.24	17.00
Travelling & Conveyance	50.84	41.43
Printing & Stationery	5.09	6.85
Freight & Forwarding	82.31	136.09
Sales Commission	4.18	8.54
Sales Discount	14.41	18.14
Business Promotions	1.80	0.73
Donations & Contributions	3.35	3.81
CSR Expenses	45.53	22.33
Legal & Professional	59.32	34.25
Payment to Auditors	-	-
For Statutory audit	3.00	2.75
For Cost Audit	0.50	0.50
Reimbursement of Expenses	0.11	0.13
Secretarial Expense	-	-
AGM & EGM Expense	0.57	2.99
List up Fee	6.00	4.51
Share Transfer Charges	6.06	3.60
Directors Sitting Fee	7.95	7.80
Dividend Distribution	2.90	2.83
Security Charges	27.09	14.61
Provision for Bad and Doubtful Debts	7.04	14.02
Less: Bad Debts provided in the Previous year recovered	(5.57)	(10.73)
Provision for unknown Liabilities	120.00	120.00
Miscellaneous Expenses	56.73	55.01
Loss on derecognition of PPE	10.16	-
Total	2,467.88	2,231.44

29. EXCEPTIONAL ITEMS

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Loss on Contract (Abhisar Buildwell Pvt Ltd)*	88.74	
Loss on Sale of Old Machineries**	104.70	
Total	193.44	

*The pending litigation with M/s Abhisar Buildwell Pvt Limited (ABPL) on the job work arrangement has been settled before the arbitral authority on November 1, 2018 and according to consent award the deposit has been repaid by ABPL after deducting claims allowed by the authority.

** Unusable old Plant in Udumelpet is sold incurring a loss of Rs. 104.70 lakhs. The assets are recognized in the books on the basis of acquisition agreement executed between the company and M/s Asset Care and Reconstruction enterprise Limited being the legal assignee appointed by the banks SARFAEST Act 2002.

30. DEFERRED TAX LIABILITY (Net)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Deferred Tax Liability		
Arising on account of difference in carrying amount and tax base of PPE and intangibles	538.31	536.73
	538.31	536.73
Deferred Tax Asset		
Leave Encashment Liability	25.67	25.97
Provision for Gratuity	-	6.23
Provision for Doubtful debts	7.81	7.85
Sales Tax Liability	0.78	0.58
Provision for Contingent Liability	168.15	158.30
	202.41	198.93
Net deferred tax (liability)/ Asset	(335.90)	(337.80)
Deferred tax expense/ (Income)	(1.90)	86.77

31. OTHER COMPREHENSIVE INCOME

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
(a) (i) Items that will not be reclassified to profit or loss (net)		
Actuarial Gain/ Loss of defined Employee benefit plan	(47.97)	(16.00)
Share of OCI of joint venture accounted for using the equity method	(0.70)	-
(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	-	-
Total	(48.67)	(16.00)

32. EARNING PER SHARE

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Earnings per Share of ₹ 5 each		
Net Profit for the year ₹ in Lakhs	1,721.44	2,091.52
Basic Earning per share		
Weighted Average No. of Equity shares	4,61,49,036	4,35,90,132
Basic EPS in Rs. Ps.	3.73	4.80
Diluted Earning per share		
Weighted Average No. of Equity shares	4,64,73,693	4,36,26,825
Diluted EPS in Rs. Ps.	3.70	4.79

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 share warrants for the respective period.

33. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) Activities. A CSR Committee has been formed by the Company as per the Act. The funds were primarily allocated to the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Gross amount required to be spent	43.35	35.28
Amount spend during the year	45.53	22.33

The company has calculated the CST threshold on the basis of net profit after taxed until 31.03.2018 instead of net profit before taxes. The threshold recalculated for the previous year is Rs. 35.28/- lakhs instead of rs. 20.60 as reported in the previous year.

34. DISCLOSURES REQUIRED UNDER IND AS 19 - "EMPLOYEE BENEFITS PLAN"

The company has contributed for Provident fund and superannuation fund as defined contribution plans. The actuary has provided a valuation of Gratuity liability and leave encashment liability in terms of the definition mentioned in para 7 of IND AS - 19 the accounting based on the assumptions listed below and determined that there is no shortfall as at 31st March, 2019 and for the year ended 31st March 2018.

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are: Projection is restricted to five years or earlier, if retirement occurs.

Expected guaranteed interest rate - 8.65% (Previous Year - 8.65%)

Discount rate - 8.00% (Previous Year - 7.50%)

34.1. During the year, the company has recognised the following amounts in the statement of Profit and Loss

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
	in ₹ Lakhs	in ₹ Lakhs
Employer's contribution to Provident Fund and family Pension Fund	53.77	46.17
Employer's contribution to Superannuation Fund	3.94	5.89
Gratuity - funded	29.70	30.17
Leave Encashment - Unfunded	19.12	14.82

34.2 the valuation result for the defined benefit gratuity plan as at 31-03-2019 are produced in the tables below :

Particulars	As at 31st March, 2019	As at 31st March, 2018
	in ₹ Lakhs	in ₹ Lakhs
1. Assumption		
Discount Rate	8%	8%
Salary Escalation	7%	7%
2. Table showing changes in the present value of Obligation		
Present value of Obligation as at the beginning of the year	276.18	229.87
Interest Cost	21.96	18.39
Current Service Cost	20.12	11.92
Benefits paid	(3.31)	-
Actuarial (gain) / Loss on obligation	47.97	16.00
Present value of Obligation as at the end of the year	362.92	276.18
3. Table showing changes in Fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	259.37	230.33
expected return of Plan assets	22.43	18.88
Contributions	45.35	10.16
Benefits paid	(3.31)	-
Actuarial (gain) / Loss on Plan assets	(0.42)	-
Fair value of Plan assets at the end of the year	323.42	259.37
4. Table showing Fair value of Plan Assets	-	-
Fair value of Plan Assets at the beginning of the year	259.37	230.33
Actual return on Plan Assets	22.43	18.88
Contributions	45.35	10.16
Benefits paid	(3.31)	-
Actuarial (gain) / Loss on Plan assets	(0.42)	-
Fair value of Plan assets at the end of the year	323.42	259.37
Funded Status	0.46	(16.81)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March	-	-
5. Acturial (Gain) Loss recognised		
Acturial (gain) loss on obligations	47.97	16.00
Acturial (gain) / Loss on Plan assets	0.42	-
Total Acturial (gain) / loss for the year	48.39	16.00
6. The amounts to be recognised in the Balance Sheet and Statements of Profit /Loss	-	-
Present value of Obligation at the end of the year	362.92	276.18
Fair value of Plan assets at the end of the year	323.42	259.37
Funded Status	0.46	(16.81)
Net Asset / (Liability) recognised in the Balance Sheet	0.46	(16.81)
7. Expenses recognised in the statement of Profit & Loss	-	-
Current Service Cost	20.12	11.92
Interest Cost	21.96	18.39
Expected return on Plan assets	22.43	18.88
Net Actuarial (gain)/ Loss recognised in the year	48.39	16.00
Expenses recognised in the Statement of Profit & Loss	68.04	27.43

35. SEGMENT INFORMATION

The Company is 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 in the current year. With the venture of the company into paper manufacturing the value of assets amounting to rupees 1030 lakhs recorded in land and capital work in progress amounts pertains to the paper manufacturing segments. 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 within India, i.e. Sales in Domestic Market.

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Assets	Revenues	Assets	Revenues
Outside India				
Asia	228.46	1,766.10	166.12	2,374.94
Europe	-	96.17	4.47	221.20
Africa	-	22.60	-	72.67
America	30.99	76.11	-	25.00
Within India	2,969.06	19,240.14	2,936.09	18,943.73
Total	3,228.51	21,201.12	3,106.68	21,637.55

36. RELATED PARTY DISCLOSURE

In accordance with the requirement of Ind 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

- a Names of related parties and nature of relationship where control exists are as under :

Joint Venture Companies

M/s Premier Tissues India Limited

- b Names of other related parties and nature of relationship

Key Management Personnels

Mr. Gopinathan Pillai Krishnakumar Managing Director

Mr. Nurani Neelakantan Parameswaran CFO & CS

Other Related Parties

Mr. Bharat Jayantilal Patel Chairman

Mr. Bharat Jamnadas Dattani Director

Mr. Hardik Bharat Patel Director

Mr. Thomas Carlton Thompson III Director

Mr. Patrick Michael Davenport Director

Mr. Dhiren Shah Shevantilal Director

Companies in which Directors are interested:

M/s Moneybee Securities Pvt Limited

36.1 Transactions with related parties

Related Party

Nature of Transaction 2018-2019 2017-2018

M/s Premier Tissues India Limited

Sale of Materials 2.39 -

Purchase of Materials 0.88 -

Mr. Gopinathan Pillai Krishnakumar

Compensation for services 78.38 74.99

Mr. Nurani Neelakantan Parameswaran

Compensation for services 53.49 49.23

36.2 Outstanding Balances

M/s Premier Tissues India Private Limited

As at 31 March, 2019

1.51

As at 31 March, 2019

36.3 Directors Sitting Fee

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Paid during the Year	Outstanding	Paid during the Year	Outstanding
Directors Sitting Fee				
Mr. Bharat Jayantilal Patel	1.20	0.18	1.00	-
Mr. Bharat Jamnadas Dattani	1.20	-	1.00	-
Mr. Hardik Bharat Patel	0.60	-	0.80	-
Mr. Dhiren S Shah	0.50	-	1.20	-
Mr. Patrick Michael Davenport	0.75	0.45	0.75	-
Mr. Thomas Carlton Thompson III	0.20	-	0.40	-
Mr. S.N. Rajan	1.20	-	0.95	-
Mr. Samir K. Shah	0.90	0.23	0.70	-
Mrs. R. Chitra	0.40	-	0.60	-
Mr. S.H. Merchant	1.00	-	0.40	-
Total	7.95	0.86	7.80	-

37. DETAILS OF PROVISION FOR CONTINGENT LIABILITY

Particulars	As at 31st March, 2018	Additions	Reversal	As at 31st March, 2019
	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs
Provision for Expenses - Tripura VAT	173.42	-	-	173.42
	<i>173.42</i>	-	-	<i>173.42</i>
Provision for Unforeseen Liabilities	284.00	120.00	-	404.00
	<i>164.00</i>	<i>120.00</i>		<i>284.00</i>
Total	457.42	120.00	-	577.42
	<i>337.42</i>	<i>120.00</i>	-	<i>457.42</i>

Note :- Figures in Italics relates to Previous year

38. CONTINGENT LIABILITY & COMMITMENTS (to the extent not provided for)

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
(a) Claim against the Company not Acknowledgment as debt:		
Duty Draw back	391.73	391.73
(b) Intercompany deposits pending settlement		
Raveena Hotels Private Limited	50.00	-
Total	441.73	391.73

The Company has pending the following litigation in various courts and which in its opinion has no impact on its financial position on the financial statements as on 31 march 2019.

No	For/Against the company	Date of admission	Status
For the company			
1.	Kerala State Electricity Board Ltd (Financial impact - Rs.65.57 Lacs)	2018-2019	Appeal decided in favour of the company by Hnbi High Court of Kerala
2.	Raveena Hotels Private Limited (Financial Impact - Rs.50 Lacs)	2018-2019	Pending for hearing in NCLT
Against the company			
1.	Commissioner of customs, Coimbatore (Financial Impact - Rs.391.73 Lacs)	2008-09	Tribunal issued orders remanding the case back to await the supreme Court decision in similar case.
2.	Bank of Tokyo, Mumbai (Financial Impact - Rs. 9.67 Lacs)	2004-05	Pending hearing in Hnbi High Court of Kerala

39. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard continuity, maintain credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximize the share holder's value the company's overall strategy remains unchanged from previous year. The Company sets the amounts of capital required on the basis of annual business and long term operating plans.

40.FINANCIAL RISK MANAGEMENT

The company's activities expose it to a variety of financial risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse affects 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 minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. the company doesn't actively engage in the trading of financial assets of speculative purpose nor does it write options. the most significant financial risk to which the company is exposed are described below:-

The Company has assessed market risk, credit risk and liquidity risk to its financial instruments.

1.Market Risk

Is the risk of loss of future earning, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include. Loans of borrowings, investments and foreign currency receivables, Payables and borrowings.

1a.Interest Rate Risk

The Company has not availed any loans hence it is not exposed to any interest rate risk.

1b.Currency Risk :

Foriegn 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 realization on export sales : The impact on the Companies profit before tax due to the change in interest rate is given below :-

UNHEDGED SHORT TERM EXPOSURE

Particulars	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Financial assets	244.99	170.59
Financial Liabilities	(2.28)	(5.35)

The Company is mainly exposed to changes in US Dollar. The sensitivity to a 2% increase or decrease in US Dollar against INR with all other variables held constant will be +/- Rs. 4.85 Lakhs (Previous year Rs. 3.30 Lakhs). The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date. 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.

1c. Price Risk

The Company is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities like latex, acetic and other chemicals, the Company closely monitors the price fluctuations to reap the price advantages.

2. Credit Risk

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 receivable, cash and cash equivalents and short term loans.

Cash and cash equivalents and short-term Loans (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 intercorporate loans on 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 securities and guarantees provided by the companies. Therefore, the company does not expect any material risk except for the ones mentioned in Note 38.1 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 receivable amounting to rs. 3255.54 Lakhs and Rs. 3106.68 Lakhs as of 31 March 2019 and 31 March 2018 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 on going 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 expect does not expect any material risk on account of non performance by any of the Company's counterparties. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce the compliance with credit terms.

	As at 31st March, 2019 in ₹ Lakhs	As at 31st March, 2018 in ₹ Lakhs
Balance at the beginning of the year	22.68	11.13
Impairment loss recognised	7.04	14.02
Impairment loss reversed	2.68	2.47
Balance at the end of the year	27.03	22.68

3 Liquidity Risk

The Company required 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 2019 the company has no financial liabilities over and above the cash and cash equivalents. The company has a current ratio of 4.48 as on 31 March 2019 (Previous year 4.65). The capital requirements for the expansion plans in Udumelpet for the year is Rs. 3300 Lakhs (Rs. 2300 Lakhs for the Rubber division and even with that the company expects a minimal liquidity risk.

4 Interest Rate Risk

The Company is a zero-debt company as on 31st March 2019 (Previous year Rs. Nil) and is not exposed to any interest rate risk of short-term or long-term borrowings. There are no foreign currency borrowings made by the company during the reporting periods. The impact on the Company's profit before tax due to change in interest rate is Nil at the close of this financial year.

41 EVENTS AFTER THE REPORTING PERIOD

The proposed final dividend for Financial Year 2018-19 amounting to Rs. 472.19 Lakhs will be recognised as distribution to owners during the financial year 2018-20 on its approval by Shareholders. The proposed final dividend per share amounts to Rs. 1/-

42 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Accounts, net of advances and not provided for Rs. 3300 Lakhs (Previous Year - 150 Lakhs).

43 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 payable and other financial liabilities approximate the carrying amount largely due to short term maturity of these instruments.

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

The management assessed that for amortized cost instruments, fair value approximate largely to the carrying amount. The management assessed that the fair value of Investment property and value of unquoted shares in Joint Venture and the carrying amount of the property.

CYRIAC & ASSOCIATES
 Chartered Accountants

Jim Cyriac
 (Partner)
 Membership No : 230039
 Firm No : 0140335

Place : Thiruvananthapuram
 Date : 28th May 2019

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 : 28th May 2019

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF AGM HALL i.e. 'SKM Auditorium', Chedyankalai, Kanjikode, Palakkad - 678623.

Name & Address of the Shareholder SEQUENCE No :
 FOLIO No. / DP. ID / Client ID :

I hereby record my presence at the 26th ANNUAL GENERAL MEETING at 'SKM Auditorium', Chedyankalai, Kanjikode, Palakkad - 678623 on Saturday, the 21st September, 2019 at 11.00 AM.

Signature of the Member or 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)

Name of the Company Registered Office	CIN L25199KL1993PLC007018 Rubfila International Limited NIDA, Menonpara Road, Kanjikode p.o., Palakkad - 678621
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Name of the shareholder Registered address E-mail ID Folio No ID	
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I/ we, being the shareholder(s) of shares of the above named company, hereby appoint:

1	Name Address E-mail ID Signature
---	---

or failing him

1	Name Address E-mail ID Signature
---	---

or failing him

1	Name Address E-mail ID Signature
---	---

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of our Company, to be held on Saturday, the 21st September, 2019 at 11.00 AM at 'SKM Auditorium', Chedyankalai, Kanjikode, Palakkad - 678623 and at any adjournment thereof in respect of such resolutions as indicated below:

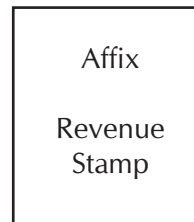
Resolution No. () All ()

S.No.	Subject No.		S.No.	Subject	
1	Adoption of Audited Financial Statements		4	Re-appointment of Mr.Dhiren S Shah, Director, retiring by rotation	
2	Declaration of Dividend		5	Reclassification of status of Promoters shareholding into public shareholding	
3	Re-appointment of Mr. Bharat J Dattani, Director, retiring by rotation		6	Ratify the remuneration payable to the Cost Auditor	

Signed this day of 2019.

Signature of shareholder :

Signature of Proxy holder(s) :



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.