
THE RUBBER PRODUCTS LIMITED
46th Annual Report 2011 - 2012

BOARD OF DIRECTORS

Smita H. Shetty - Chairperson
Sameer S. Shetty - Vice-Chairman
Sucharita R. Hegde
Laxman S. Shetty
F. S. Broacha
Ashok Shetty

REGISTERED OFFICE & PLANT

Plot No. C-44, Road No. 28,
Wagle Industrial Estate,
Thane (W) - 400 604
Maharashtra, India.
Tel: +91 22 25822551/2/3
Fax: +91 22 25820876/25824093
E-mail: rpl@rubpro.com

COMPANY SECRETARY

Ms. Mangal Katakdhond

**BOARD COMMITTEES :
AUDIT COMMITTEE**

Ashok Shetty
F. S. Broacha
Sucharita R. Hegde

REGISTRAR & SHARE TRANSFER AGENT

M/s Adroit Corporate Services Pvt. Ltd.
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Mumbai 400 069
Tel : +91 22 28594060/28596060
Fax : +91 22 28503748
E-mail: adroits@vsnl.net

**SHARE TRANSFER CUM SHAREHOLDERS/
INVESTORS GRIEVANCE COMMITTEE**

Sucharita R. Hegde
Sameer S. Shetty
Laxman S. Shetty

REMUNERATION COMMITTEE

Ashok Shetty
F. S. Broacha
Laxman S. Shetty

AUDITORS

M/s J. R. Jain & Company
Chartered Accountants, Mumbai

BANKERS

State Bank of India

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NOTICE

NOTICE is hereby given that the 46th Annual General Meeting of the members of **THE RUBBER PRODUCTS LIMITED** will be held on **Friday, 21st September, 2012** at 03.00 P.M. at the Registered office of the Company situated at Plot No. C – 44, Road No. 28, Wagle Industrial Estate, Thane (West) 400 604 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended as on that date along with the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Smita Shetty, who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint a Director in place of, Mr. Sameer Shetty, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors

Mangal Katakdhond
Company Secretary

Thane, 16th August, 2012
Registered Office: Plot No. C-44, Road No. 28,
Wagle Industrial Estate, Thane (W) 400604

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST REACH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY, SO APPOINTED, SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
2. Register of Members and Share Transfer books will remain closed from Friday, 14th September, 2012 to Friday, 21st September, 2012 (both days inclusive).
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
4. Members/Proxies are requested to bring their Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.
5. All investor related communication may be sent to M/s Adroit Corporate Services Private Limited at their following address:
19/20, Jaferbhoy Industrial Estate, 1st floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400 069 Tel: +91-22-28594060/28594442/28590942
Fax: +91-22-28503748 E-mail: adroits@vsnl.net

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of clause 49 of the Listing Agreement)

Name of the Director	Mr. Sameer S. Shetty	Mrs. Smita H. Shetty
Age (years)	42 years	55 years
Particulars of Appointment	Mr. Sameer S. Shetty was appointed as an Additional Director by the Board of Directors at their meeting held on 29th January, 2007. His appointment was regularized at the AGM held on 12th September, 2007. He retires by rotation at the ensuing Annual General Meeting and is proposed to be re-appointed as a Director of the Company.	Mrs. Smita H. Shetty was appointed as a Director to fill up casual vacancy created by resignation of Mr. A. P. Sarwan on 26th July, 2007. She was appointed as a Director liable to retire by rotation at the AGM held on 12th September, 2007. She retires by rotation at the ensuing Annual General Meeting and is proposed to be re-appointed as a Director of the Company.
Nature of expertise in specific functional areas	Mr. Sameer S. Shetty has more than 18 years of varied business experience. He is MD of B Fouress Pvt. Ltd., and founder member of YEO.	Mrs. Smita H. Shetty has varied business experience over 30 years in finance and marketing.
Qualification	BA (Physics) from DePauw University, USA and MS (Operations) from Columbia University, USA	B.A. and DIBM from St. Xavier College, Bangalore,
Directorship held in other companies	1. Fouress Engineering (India) Ltd. 2. B Fouress Private Ltd. 3. Fouress Investment Private Ltd.	1. Fouress Engineering (India) Ltd. 2. B Fouress Private Ltd.
No. of shares held	Nil (except to the extent of being the beneficiary of the trust)	Nil (except to the extent of being the beneficiary of the trust)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 46th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL PERFORMANCE & REVIEW OF OPERATIONS

The Company's sales revenue during the year under review was Rs. 1578.82 lacs as compared to 1927.15 lacs in the previous year. The Company has incurred loss in the Financial Year 2011-2012 of Rs. 101.35 lacs. The export turnover of your Company during the financial year was Rs. 417.44 lakhs compared to Rs. 465.84 lacs in the previous year.

FINANCIAL RESULTS

(Rs. in Lacs)

	For the year ended	
	31.03.2012	31.03.2011
Sales	1578.82	1927.15
Profit/ (Loss) before taxation	(112.11)	(1.31)
Less: Provision for Tax		
(i) Fringe Benefit Tax	-	-
(ii) Earlier year Taxation	(2.20)	-
(iii) Provision for Loss on Investments due to Permanent diminution in value of investments	-	-
(iii) Deferred Taxation	(8.55)	(5.07)
Profit/(Loss) after tax	(101.35)	3.75
Balance brought forward from previous year	(387.65)	(391.40)
Balance carried to Balance Sheet	(489.00)	(387.65)

FACTORS AFFECTING THE COMPANY'S AFFAIRS:

As compared to last year, the Company faced more challenges during the Financial Year 2011-12. Illegal Labour strike was major factor which affected negatively on overall affairs of the organization but mainly affected on production activities which reduced as compared to last year. It also affected directly and indirectly to the various factors i.e. overall productivity and the Company's growth was challenging during the year. High rate of octroi duty on the goods also caused to reduced turnover of the Company.

As there are many competitors, Company trying to continue market research to improve quality of products, develop better methods of using the products and making that product better for clients and offering the best value to clients with products.

REVIEW OF OPERATION:

A detailed review of the operations, performance and outlook of the Company and its business is given in the Management's Discussion and Analysis Report, which forms part of this Annual Report.

MERGER OF COSMOS (INDIA) RUBBER WORKS LIMITED:

Proposal of Merger of Cosmos (India) Rubber Works Limited (Cosmos) with your Company is under consideration.

DIVIDEND:

In view of the loss incurred during the year under review, your Directors are not in a position to recommend any dividend for the year 2011-12.

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO:

Information in accordance with provisions of Section 217(1) (e) of the Companies Act, 1956, regarding Conservation of Energy, Technology Absorption, Research & Development, Foreign Exchange Earning and Outgo is attached as **Annexure I** to this report.

PARTICULARS OF EMPLOYEES:

During the year under review, no employee of your Company was in receipt of remuneration in excess of the limits i.e. Rs.2,00,000/- p.m. or Rs.24,00,000/- p.a. prescribed under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

None of the employees holds 2% or more of the equity shares of the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2012;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

CORPORATE GOVERNANCE:

A report on Corporate Governance is attached as **Annexure II** to this report.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits from the public under Section 58A of the Companies Act, 1956 during the financial year under review.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Management Discussion & Analysis Report is attached as **Annexure III** to this report.

AUDITORS' REPORT :

The observations made in the Auditors' Report read with the Notes forming part of Accounts are self-explanatory.

DIRECTORS:

Mrs. Smita Shetty and Mr. Sameer Shetty are liable to retire by rotation and are eligible to be re-appointed at the Annual General Meeting.

During the year, Mr. S. Paramasivan resigned as Director of the Company.

The Board wishes to acknowledge useful and diligent services rendered by Mr. S. Paramasivan during his tenure as Director of the Company.

AUDITORS:

M/s J. R. Jain & Co., Chartered Accountants, the statutory auditors to the Company, retire at the 46th Annual General Meeting and being eligible, offer themselves for re-appointment. The Members are requested to appoint them as Auditors of the Company.

ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation for the continued co-operation the Company has received from various departments of the Central and State Government, Bankers, Financial Institutions, Auditors, Dealers and Suppliers and also acknowledge the contribution made by the employees and workers.

The Directors also wish to place on record their gratitude to the valued Customers, Members and investing Public for their continued support and confidence reposed in the Company.

For and on behalf of the Board of Directors

Mrs. Smita H. Shetty
Chairperson

Thane, 16th August, 2012

ANNUEXURE I TO DIRECTORS REPORT
REPORT ON CONSERVATION OF ENERGY, R&D AND TECHNOLOGY ABSORPTION

A. CONSERVATION OF ENERGY

The Company continues to accord priority to energy conservation. Consistent efforts are being made for identifying the potential areas for energy saving. The Company continues to pursue energy optimization by means of improved operational methods.

B. TECHNOLOGY ABSORPTION

I) RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R & D carried out by the Company: Research & Development Department of the Company continued to provide valuable support for improvement in quality of existing products, development of new products and process for better productivity, quality and cost effectiveness.
2. Benefits derived as a result of the above R&D
 - Improvement of quality/process/productivity
 - Global acceptance of the products
 - Reduction in production time
 - Reduction in cost of the product
 - Reduction in raw material consumption
3. Future plan of action: The Company has planned to upgrade its existing plant and machinery and technologies to improve quality of the existing products acceptable to the international community with economical price.

4. Expenditure on R & D

(Rs. in Lacs)

Particulars	2011-12	2010-11
Capital	0.00	0.00
Recurring	1.69	3.01
Employee Remuneration	10.21	-
Total	11.90	3.01

Total R & D expenditure as a percentage of total turnover is 0.75 %.

II) TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION

The Company is continuously taking steps to upgrade the technology from time to time to improve the existing products and develop new products with the object of providing economical and quality products to its customers.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has taken continuous efforts to increase its export turnover by exploration and development of new export market for its product.

The foreign Exchange earnings during the current year are Rs. 424.94 Lacs compared to Rs. 465.84 Lacs during the previous year.

The foreign Exchange outgo during the current year are Rs. 59.39 Lacs compared to Rs. 143.50 Lacs during the previous year.

**ANNEXURE II TO THE DIRECTORS REPORT
REPORT ON CORPORATE GOVERNANCE**

1. Company's Philosophy on Code of Governance

Your Company believes in practicing good Corporate Governance, attaining maximum level of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholder's viz. shareholders, employees, customers, Government, bankers, society and other statutory authorities. The Company is committed to achieve and maintain the highest standards of Corporate Governance.

2. Board of Directors

The Board of Directors of the Company ("the Board") consists of six (6) directors, viz three (3) Non-executive Directors and three (3) Non-executive Independent Directors.

During the financial year ended 31st March, 2012 four (4) Board meetings were held on 26th May, 2011, 29th July, 2011, 01st November, 2011 and 10th February, 2012. The maximum time period between two consecutive Board meetings was not more than four months.

The details of composition and category of the Board, attendance at the Board Meetings held during the year and last Annual General Meeting, other Board and Committee positions held is as follows:

Name of the Directors	Category	Board Meeting		Attendance at AGM held on 27-09-2011	Companies other than RPL	
		Held during their tenure	Attended		No. of other directorships held	No. of Membership in Committees of other Companies
Mrs. Smita H. Shetty	Chairperson & Non-Executive Director	4	4	Yes	2	-
Mr. Sameer S. Shetty	Vice-Chairman Non-Executive Director	4	1	No	3	-
Mrs. Sucharita R. Hegde	Non-Executive Director	4	4	Yes	3	-
Mr. Laxman S. Shetty	Non-Executive Independent Director	4	4	Yes	1	-
Mr. F. S. Broacha	Non-Executive Independent Director	4	4	Yes	4	5 (Chairman in 1 committee)
Mr. Ashok Shetty	Non-Executive Independent Director	4	4	Yes	-	-
Mr. S. Paramasivan (resigned w.e.f. 02/11/2011)	Non-Executive Independent Director	3	0	No	4	-

Directors Profile:

Brief resume of the Directors liable to retire by rotation and eligible for re-appointment is given below:

a. Mr. Sameer S. Shetty is a Director of the Company since January, 2007. He is liable to retire by rotation at the 46th AGM and being eligible offers himself for re-appointment. He is a BA (Physics) from DePauw University, USA and MS (Operations) from Columbia University, USA. He has more than 18 years of varied business experience, MD of B. Fouress Pvt. Ltd., and founder member of YEO. He holds directorships in the following other companies:
Fouress Engineering (India) Limited
B Fouress Private Limited
Fouress Investment Private Ltd.

He does not hold any shares in the Company except to the extent of being the beneficiary of the shares held in trust.

b. Mrs. Smita H. Shetty is a Director of the Company since July, 2007. She is liable to retire by rotation at the 46th AGM and being eligible offers herself for re-appointment. She is a B.A. and DIBM from St. Xavier College, Bangalore. She has varied business experience over 30 years in finance and marketing. She holds directorship/partnership in the following other companies:
Fouress Engineering (India) Limited
B Fouress Private Limited
Petrochemical Engineering Enterprise

She does not hold any shares in the Company except to the extent of being the beneficiary of the shares held in trust.

Code of Conduct for Directors and Senior Management Executives

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All Board members and senior management have affirmed their compliance with the code of conduct. A declaration to this effect, signed by Mrs. Smita H. Shetty, Chairperson of the Company is contained in the Annual Report.

3. Audit Committee

Terms of Reference

The Audit Committee reviews the Company's financial reporting process, the disclosure of its financial information in the annual financial statements, the quarterly financial statements, performance of statutory and internal auditors, adequacy of internal controls, the findings of any internal investigations by the internal auditors and any related party transactions. The Chairman of the Audit Committee appraises the Board about the observations of the Audit Committee and the minutes of the Committee are noted by the Board.

Composition

The composition of the Committee and attendance at its Meetings is as follows:

Name	Designation & Category	Meetings	
		Held during their tenure	Attended
Mr. Ashok Shetty	Chairman & Non-Executive Independent Director	4	4
Mr. F. S. Broacha	Member & Non-Executive Independent Director	4	4
Mrs. Sucharita R. Hegde	Member & Non- Executive Director	4	4

4. Remuneration Committee

Terms of Reference

The Remuneration Committee determines the remuneration package of the Executive Directors taking into consideration the financial position of the Company, industry trends, experience, past remuneration, educational qualification of the Director.

Composition

Mr. Ashok Shetty - Chairman & Independent Director
 Mr. F. S. Broacha - Independent Director
 Mr. Laxman Shetty - Independent Director

As there was no appointment/re-appointment of Executive Directors during the financial year 2011-12, the Committee meeting was not convened.

Details of remuneration paid during the year

a) Non-Executive Directors

The Non-Executive Directors were paid sitting fees @ Rs. 2,000/- for each Board and Audit Committee meeting attended. The details of payment of the sitting fees made during the year are as follows:

Name of the Director	Sitting fees (Rs.)
Mrs. Smita H. Shetty	2,000
Mr. Sameer S. Shetty	-
Mrs. Sucharita R. Hegde	0**
Mr. Laxman S. Shetty	8,000
Mr. F.S. Broacha	16,000
Mr. Ashok Shetty	12,000

**Mrs. Sucharita R. Hegde has vide her letter dated 27th October, 2008 stated that until otherwise advised by her, she waives her right to the Sitting fees for all Board and Committee meetings attended by her.

The Company has complied with the requirements of the non-mandatory clauses of Clause 49 to the extent of the Remuneration Committee.

5. Share Transfer cum Shareholders/Investors Grievance Committee

Terms of Reference

The functions and powers of the Committee include approval and rejection of transfer or transmission of equity and preference shares, bonds, debentures and securities, issue of duplicate certificates, allotment of shares and securities issued from time to time, including those under stock options, review and redressal of shareholders' and investors' complaints.

Composition

The composition of the Committee and attendance at its Meetings is as follows:

Name	Designation & Category	Meetings	
		Held during their tenure	Attended
Mrs. Sucharita R. Hegde	Chairperson & Non-Executive Director	7	7
Mr. F. S. Broacha (Resigned as member of Committee w.e.f. 22.07.2011)	Member & Non-Executive Independent Director	4	4
Mr. Sameer S. Shetty	Member & Non- Executive Director	7	1
Mr. Laxman S. Shetty	Member & Non-Executive Independent Director	7	7

Ms. Mangal Katakdhond is the Company Secretary and the Compliance Officer of the Company.

The Committee met 7 times during the year ended 31st March, 2012.

During the financial year 2011-2012, two (2) shareholders complaints were received and were processed and redressed to their satisfaction.

There were no pending complaints as on 31st March, 2012.

6. General Body Meetings

The details of the Annual General Meetings (AGM) held during the last 3 years are as under:

Annual General Meeting	Day, Date	Time	Venue
43 rd AGM 2008-09	Thursday 24 th September, 2009	3.00 p.m.	Registered Office: Plot C-44,
44 th AGM 2009-10	Wednesday 15 th September, 2010	3.00 p.m.	Road No. 28, Wagle Industrial Estate,
45 th AGM 2010-11	Tuesday 27 th September, 2011	3.00 p.m.	Thane 400 604

No Special Resolution was passed in the previous three AGMs.

No Extra-ordinary General Meeting was held during the financial year.

Postal Ballot

No resolution was passed by Postal Ballot during the financial year.

7. Disclosure

a) Related Party Transactions

The related party transactions have been mentioned under Schedule 'N' Notes to Accounts. There are no materially significant transactions with related parties that have potential conflicts with the interest of the Company at large.

b) Non-Compliances

There has not been any non-compliance, penalties or strictures were imposed on the Company by any stock exchange, or any other statutory authority, on any matter relating to capital markets during year.

c) Access to Audit Committee

No person has been denied access to the Audit Committee for reporting any suspected fraud or irregularity or failure of internal control systems of a material nature.

d) CEO/CFO Certificate

The Assistance Manager of Accounts and Finance of the Company have certified on financial reporting and internal controls to the Board in terms of Clause 49.

The Company submits to the Stock Exchange on a quarterly basis, a Certificate given by Compliance Officer regarding compliance of Clause 49. The Company has not adopted the non-mandatory requirements (except for the Remuneration Committee) as specified in Annexure ID of Clause 49 of the Listing Agreement.

8. Means of Communication

The Quarterly Un-audited Financial Results are published in The Business Standard and Tarun Bharat. The official news releases are also available on the BSE website i.e. www.bseindia.com. The Annual Report which gives the Audited Financial Statements is sent to all the shareholders along with the Notice of AGM every year. The Management's Discussion & Analysis forms part of the Annual Report.

9. General Shareholder Information

Annual General Meeting

46th Annual General Meeting of the Company is scheduled to be held on Friday, 21st September, 2012 at 03.00 p.m. at Plot No. C-44, Road No. 28, Wagle Industrial Estate, Thane 400 604.

Financial Calendar for Board Meetings & AGM (tentative)

Financial year	1 st April to 31 st March
Quarter ending 30 th June, 2012	Last week of July, 2012
Quarter ending 30 th September, 2012	First week of November, 2012
Quarter ending 31 st December, 2012	First week of February, 2012
Quarter ending 31 st March, 2013	Last week of May, 2013 (Audited Results)
Annual General Meeting	September 2013

Book Closure dates

Friday, 14th September, 2012 to Friday, 21st September, 2012 (both days inclusive) for the 46th Annual General Meeting.

Listing on Stock Exchanges

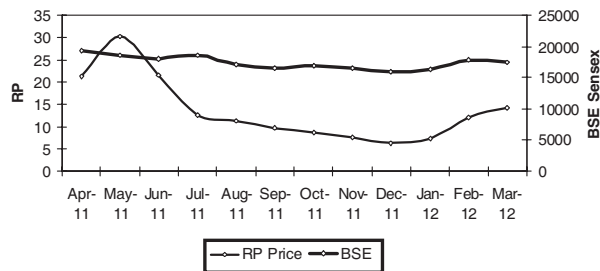
The shares of the Company are listed on the Bombay Stock Exchange Ltd. (BSE). Annual Listing Fees for the year 2011-12 has been paid by the Company.

Stock Code : 526496

Script ID : RUBBERPR

Market Price Information during the financial year 2011-12

Price Movement 2011-12



Month	Share Price (BSE)		Volume (in shares)
	High Price	Low Price	
April 2011	24.60	18.00	1,47,711
May 2011	36.20	24.50	2,87,888
June 2011	31.10	12.20	69,745
July 2011	14.77	10.40	75,644
August 2011	13.90	8.60	15,252
September 2011	10.50	8.80	13,816
October 2011	9.40	7.89	18,910
November 2011	8.90	6.37	3,207
December 2011	7.35	5.28	7,757
January 2012	9.45	5.30	3,496
February 2012	14.56	9.90	16,077
March 2012	14.56	13.73	1,106

Registrar and Transfer Agents (RTA)

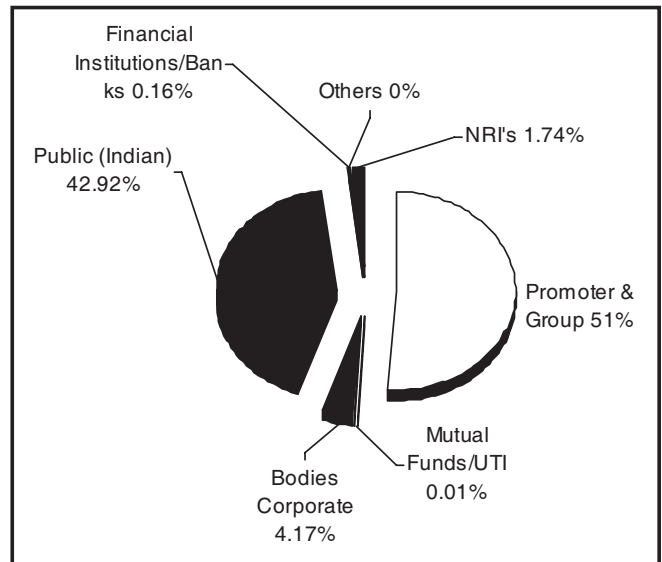
M/s Adroit Corporate Services Private Limited is Registrar and Transfer Agent for the Company. Investor related queries might be directed to Mr. Ganesh Salian at the following address:

M/s Adroit Corporate Services Private Limited
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka, Mumbai – 400 069
Tel: 91-22-28594060/6060
Fax: 91-22- 28503748
E-mail: adroits@vsnl.net

Share Transfer System

The Company's investor services are handled by M/s Adroit Corporate Services Private Limited in physical and dematerialized form. Physical share transfers are registered and returned within fifteen days from the date of receipt, if the documents are correct and valid in all respects. The Company had 3293 shareholders as on 31st March, 2012.

Shareholding Pattern of the Company as on 31st March, 2012 is as follows:



Category of Shareholder	No. of shares held	% holding
Promoter & Promoter Group	2085084	51.00
Institution		
i) Mutual Fund/ UTI	300	0.01
ii) Financial Institution/ Bank	6600	0.16
Non-Institution		
i) Bodies Corporate	170487	4.17
ii) Public (Indian)	1754731	42.92
NRI's	71198	1.74
Others	00	0.00
Total	4088400	100

Distribution of Shareholding of the Company as on 31st March, 2012 is as follows:

Range – Shares	No. of Shareholders	%age	No. of Shares	%age
Upto - 500	2926	88.78	634085	15.51
501 - 1000	211	6.40	180722	4.42
1001 - 2000	70	2.12	111868	2.74
2001 - 3000	25	0.76	63150	1.54
3001 - 4000	17	0.52	61799	1.51
4001 - 5000	9	0.27	42260	1.03
5001 -10000	13	0.39	95624	2.34
10001 &Above	25	0.76	2898892	70.91

Dematerialisation of Shares and Liquidity

86.18% of the Company's share capital listed on the Stock Exchange has been dematerialized up to 31st March, 2012 (80.42% upto to 31st March, 2011 Keeping in view the present trend and the green initiative by Ministry of Corporate Affairs, the Company has been encouraging dematerialisation of securities because of the inherent benefits of holding securities in electronic mode.

Unpaid Dividends

Unpaid dividend account for dividend declared in 2001-02 has been closed and the amount remaining unpaid has been transferred to Investor Education & Protection Fund. There are no other amounts remaining in Unpaid dividend account.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments

The Company has neither issued any GDR/ADR nor any convertible instrument as on date.

Plant location

Plot No. C-44, Road No. 28,
Wagle Industrial Estate,
Thane (W) – 400 604
Maharashtra

Address for correspondence

Shareholders are requested to address their correspondence to the following address:

Ms. Mangal Katakdhond
Company Secretary & Compliance Officer
The Rubber Products Limited
Plot No. C-44, Road No. 28,
Wagle Industrial Estate,
Thane (W) – 400 604
Maharashtra
Tel. No.: 91-22-25822551/2/3
Fax: 91-22-25820876, 25824093, 25822581
E-mail: rpl@rubpro.com

Shareholders/Investors are requested to send their queries/complaints to investors@rubpro.com which is exclusively created for shareholder correspondence and investor grievances. Shareholders holding shares in electronic form should address all their correspondence regarding change of address, bank particulars etc. to their respective Depository Participants (DPs) only.

On behalf of the Board of Directors

Smita H. Shetty
Chairperson

Thane, 16th August, 2012

DECLARATION – CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and the Senior Management Executives, affirmation that they have complied with the Code of Conduct for Directors and Senior Management Executives for the financial year 2011-12

For THE RUBBER PRODUCTS LIMITED

Smita H. Shetty
Chairperson

Thane, 16th August, 2012

AUDITORS' CERTIFICATE

To,
The Members of THE RUBBER PRODUCTS LIMITED

We have examined the compliance of conditions of Corporate Governance by **THE RUBBER PRODUCTS LTD.**, Thane for the year ended 31st March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We state that in respect of investor grievances received during the year ended 31st March, 2012, no investor grievance is pending for the period exceeding one month against the Company as per the records maintained by the Company and the details of which are presented to the Audit Committee meetings.

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.

On the basis of our review and according to the information and explanation given to us, the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange have been complied with in all material respect by the Company.

For J. R. JAIN & CO.
Chartered Accountants

J.P. JAIN
(Partner)
(M N-7293)
FRN - 103915W

Mumbai, 16th August, 2012

**ANNEXURE III TO DIRECTORS REPORT
MANAGEMENT DISCUSSION & ANALYSIS REPORT**

1. ECONOMIC OVERVIEW

The Gross Domestic Product (GDP) in India expanded 1.3 percent in the first quarter of 2012 over the previous quarter. Despite the rising risk of political and economic policies, the overall economic outlook of India in the long run is still intact., Real GDP growth was 8.6 percent as compared to last year was 8.5%. The currency outlook would weaken down the economic growth and fill fuel further challenges to the economy.

The economic conditions in the country in the current fiscal have been challenging with inflation being the major factor driving economic policy. This has had a major impact on other economic variables with official projections being modified downwards along the year.

2. INDUSTRY STRUCTURE AND DEVELOPMENT

One of the important characteristics of the Indian rubber product manufacturing industry right from the beginning has been the dominance of dry rubber based products. Rubber product manufacture started in India, in the year 1920, the industry has been mostly inward oriented, catering to the needs of the vast domestic market. Manufacture of non-tyre products particularly high-value technical goods needs further investments. But in the recent past the country has been transforming itself into a major rubber product exporter. Government patronage to the industry resulted in liberalized import of rubber and other raw materials and protection from imports of rubber products.

The major contributing factors for this unique pattern of development have been a highly protected, import-substituting and inward-oriented production and the supplementary status of the sector, mainly catering to the requirements of the larger industrial base in the country.

The two broad groups of the Indian rubber industry are the tyre and the non-tyre sectors; here has been a steady growth in the rubber industry in India as indicated on tyre production, annual turnover, exports and the revenue accrual to the government. With further investments in R&D and infrastructure, the country is poised to become a leader in rubber products manufacture in the years ahead.

3. OPPORTUNITIES AND THREATS

According to the Indian Rubber Board, rubber production is set to increase to 902,000 tonnes during 2011-12, representing a 4.6% growth over last year. The rubber products industry will need over 977,000 tonnes, which is well over the anticipated supplies. Industry requires focusing on shortening delivery time, reducing inventory costs and providing support to our customers in maintaining their required inventory level. Excellence on standards of business conduct, suppliers, customers, communication, planning, technology, growth and organization with eco-friendly responsibility.

High price of natural rubber and the prospects of continuing Natural Rubber shortage are a major worry of manufacturers. High inflation, interest of rates will adversely affect turnover.

4. OUTLOOK FOR THE COMPANY

India is the fourth largest producer of natural rubber and the third largest consumer of the polymer. The Company is now concentrating the production of the Company. Apart from this, also focusing on other major factors like quality of goods, customer satisfaction. With the saturation in rubber consumption in Western countries and the shift in consumption of rubber to the Asia Pacific region, the focal points for this decade for development will be India.

There exists tremendous scope for expansion and development in coming years provided basic raw materials, particularly natural and synthetic rubber, are made available in adequate quantity and at reasonable prices. Government policies have a profound influence on rubber prices. These include subsidies, restrictions on ports etc.

5. INTERNAL CONTROL SYSTEM

The Company has a proper and adequate system of internal control to ensure that all assets of the Company are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly. The Company has a comprehensive internal audit manual, which is strictly adhered to for carrying out internal audits. A summary of audit observations and action taken by the management are placed before and discussed at the Audit Committee Meeting. The suggestions and directions of the Audit Committee are recorded and action taken accordingly.

6. FINANCIAL & OPERATIONAL PERFORMANCE

During the financial year 2011-12, the turn over of the Company was Rs. 1578.82 lacs as compared to Rs. 1927.15 lacs in the previous year. The export turnover of your Company during the financial year was Rs. 417.44 lacs.

7. HUMAN RESOURCE/INDUSTRIAL RELATION

A dynamic global business scenario requires continuous learning and upgrading of skills in order to retain the competitive edge. Skill building through acquiring products knowledge, optimum utilization of existing resources and conducting training programmes by professionals are some of the initiative undertaken. The Company also takes adequate steps for in-house training of employees and maintaining safety and healthy environment for workers within the factory premises.

8. CAUTIONARY STATEMENT

Statement in this report may contain certain statements that might appear to be forward looking. However, these statements are subject to certain risks and uncertainties. The end results accomplished might differ materially from those expressed in these statements as the operations of the Company could have the impact of raw material availability and prices, Government policies, economic development within and outside India and other incidental factors.

CERTIFICATE BY ASSISTANT MANAGER OF ACCOUNTS & FINANCE

10th August, 2012

To,
The Board of Directors
The Rubber Products Limited
Plot No. C-44, Road No. 28
Wagle Industrial Estate
Thane-400604

I, Jitendra Nakti, Assistant Manager of Account & Finance of The Rubber Products Limited hereby certify to the Board that

- a) I have reviewed the financial statements and cash flow statement for the Financial year ending 31st March, 2012 and that to the best of my knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year which are fraud, illegal or violative of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, that there are no deficiencies in the design or operation of the internal controls, of which I am aware of.
- d) There have been no significant changes in internal controls during the financial year, nor have there been any significant changes in the Accounting policies during the quarter ended 31st March, 2012 which requires to be disclosed in the notes to the financial statements.
- e) There have been no instances of fraud, of which I am aware, for the financial year ended 31st March, 2012.

Jitendra Nakti
Assistant Manager of Account & Finance

AUDITORS' REPORT

THE MEMBERS OF THE RUBBER PRODUCTS LIMITED

- 1 We have audited the attached Balance Sheet of THE RUBBER PRODUCTS LIMITED as at 31st March, 2012 and the Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are responsibility of the management of the Company . Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India . Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 dt 12-6-2003 issued by the Government of India in terms of section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to in para 3 above, we report that :
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of the books
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement delt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act 1956;
 - (e) Based on the representations made by the Directors as on 31st March, 2012 and taken on record by the Board of Directors, the Directors of the Company do not, prima facie, have any disqualification as referred to in section 274 (l) (g) of the Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us , the said accounts, subject to **Note-2** regarding provision for excise / custom duty, **2 (a)**, on valuation of Raw Materials Note-8 regarding dues from "Cosmos". Note No-9 regarding Sundry Debtors including non-provision for **doubtful debts, and read together with other notes(Schedule-N), give the information required by the Companies Act 1956** in the manner so required and give a true and fair view inconformity with the accounting principles generally accepted in India;
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 st March, 2012
 - (ii) in the case of the Profit and Loss Account, of the **Loss** for the year ended on that date.
 - (iii) In the case of cash flow statement of the cash flows for the year ended on that date.

For J. R. JAIN & CO.
Chartered Accountants

Mumbai , 16th Aug 2012

J.P. JAIN
(Partner)
(M N-7293)
FRN - 103915W

ANNEXURE TO THE AUDITORS' REPORT

- 1) (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of fixed assets.
(b) The fixed assets of the Company have been physically verified during the year, by the Management, and no material discrepancies between the book records and the physical inventory have been noticed.
(c) The Company has not disposed off substantial part of its fixed assets during the year.
Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- 2) (a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
(b) The procedure of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) The Company maintains proper records of inventory and no material discrepancy was noticed on physical verification thereof.
- 3) (a) The Company has taken loan from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. However terms and conditions of loans are not prima facie, prejudicial to the interest of the Company.
(b) The Company had granted Loan to a company where the order passed by BIFR is under appeal with the Appellate Authority for Industrial & Financial Reconstruction, New Delhi (AAIFR). It is explained that having regard to the specific objects of revival and implementation of BIFR approved scheme, the terms and conditions of the said loan are, prima facie, not prejudicial to the interest of the Company. Reference is invited to Note-7 Schedule 'N'.
- 4) In our opinion the Company has ensured adequate internal control procedures commensurate with the size of the Company and the nature of its business for making purchases of inventory and fixed assets and for the sale of goods. No other instance of major weakness in internal control has come to our notice.
- 5) The Company has complied with the directions issued by the Reserve Bank of India and the provisions of Section 58A of the Companies Act, 1956 and the rules framed thereunder, to the extent applicable, in relation to the deposits accepted. There is no default in repayment of deposit and therefore section 58AA is not attracted.
- 6) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- 7) The Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for the products of the Company.
- 8) a) Based on the Company's records, the Company is not regular in depositing undisputed statutory dues including (as applicable) provident funds, Investor education and protection fund, Employee's state Insurance, Income Tax Sales Tax, Excise duty, Cess, service tax, TCS & TNGST where there are outstanding dues exceeding six months of Rs.2562810.25/- (ESIC-Rs. 23256.25, Provident Funds & EPF Rs.851258, Professional Tax Rs.144675, Service Tax Rs.93207, sales VAT tax/CST/TNGST Rs.1450414 (prev. year Rs.168404/- (TNGST Rs.73387, Service Tax-Rs 89114 and TCS Rs.5904/-) with the appropriate authorities.
b) Excise duty demand of rupees. 64588/- is disputed in the appeal before the Tribunal, (CEGAT-W2) and part payment of Rs. 32294/- has been made.
- 9) The accumulated losses of the Company are not more than fifty percent of its net worth at the end of financial year. The Company has incurred Cash Loss during the year.
In the immediately preceding financial year, the Company had not incurred cash loss.
- 10) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution and banks. There are no dues to debenture holders.
- 11) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 12) The term loans have been applied for the purpose for which the loans were obtained.
- 13) The funds raised on short term basis have not been used for long term investments and vice-versa during the year.
- 14) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- 15) Having regard to the company's activities during the year, in our view; para -(v), para (xii), Para (xiii), para (xiv), para (xviii), para (xix) and para (xx) of the order are not applicable

For J. R. JAIN & CO.
Chartered Accountants

Mumbai, 16th Aug 2012

J.P. JAIN
(Partner)
(M N-7293)
FRN - 103915W

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	(In ₹)	
		As at 31.03.2012	As at 31.03.2011
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	40,962,000.00	40,962,000.00
(b) Reserves and surplus	3	13,759,399.00	24,204,140.00
		<u>54,721,399.00</u>	<u>65,166,140.00</u>
2 Non-current liabilities			
(a) Long-term borrowings		0.00	0.00
(b) Deferred tax liabilities (net)	4	6,384,128.00	7,236,960.00
(c) Other long-term liabilities	5	560,000.00	560,000.00
(d) Long-term provisions	6	8,411,303.00	8,401,929.00
		<u>15,355,431.00</u>	<u>16,198,889.00</u>
3 Current liabilities			
(a) Short-term borrowings	7	60,364,567.00	58,097,851.00
(b) Trade payables	8	29,083,321.00	31,669,201.00
(c) Other current liabilities	9	17,737,579.00	17,176,995.00
(d) Short-term provisions	6	829,629.00	1,050,000.00
		<u>108,015,096.00</u>	<u>107,994,047.00</u>
TOTAL		<u>178,091,926.00</u>	<u>189,359,076.00</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		40,251,273.00	45,179,095.00
(ii) Intangible assets		307,460.00	384,244.00
		<u>40,558,733.00</u>	<u>45,563,339.00</u>
(b) Non-current investments	11	2,100,000.00	2,100,000.00
(c) Deferred tax assets (net)		1,859,245.00	1,856,467.00
(d) Long-term loans and advances	16	8,437,782.06	10,008,994.06
(e) Other non-current assets			
		<u>12,397,027.06</u>	<u>13,965,461.06</u>
2 Current assets			
(a) Current investments	12	400,374.00	400,374.00
(b) Inventories	13	49,508,501.00	46,440,562.00
(c) Trade receivables	14	72,656,295.94	78,589,502.94
(d) Cash and cash equivalents	15	1,615,420.00	3,420,420.00
(e) Short-term loans and advances	16	955,575.00	979,417.00
(f) Other current assets		-	-
		<u>125,136,165.94</u>	<u>129,830,275.94</u>
TOTAL		<u>178,091,926.00</u>	<u>189,359,076.00</u>
See accompanying notes forming part of the financial statements		0.00	0.00

In terms of our report attached.

For J R Jain & Co
Chartered Accountants

Jeevraj P. Jain
Partner
M No. 007293
FRN No. 103915W

Thane, 16th Aug.2012

On behalf of the Board of Directors

Smita H. Shetty	Chairperson
Sameer S. Shetty	Vice Chariman
Sucharita R. Hegde	Director
Ashok Shety	Director
F. S. Broacha	Director
Laxman S. Shetty	Director

Mangal Katakdhond
Company Secretary

THE RUBBER PRODUCTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012

(In ₹)

Particulars	Note No.	For the year ended 31 March, 2012	For the year ended 31 March, 2011
INCOME			
1 Revenue from operations (gross)	17	157,882,452.00	192,715,402.00
Less: Excise duty		(9,503,726.00)	(12,252,031.37)
Revenue from operations (net)		<u>148,378,726.00</u>	<u>180,463,370.63</u>
2 Other income	18	2,549,963.87	1,795,497.52
3 Total revenue (1+2)		<u>150,928,689.87</u>	<u>182,258,868.15</u>
4 Expenses			
(a) Cost of materials consumed	19a	91,359,365.58	90,878,338.00
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19b	(11,575,434.00)	975,759.00
(c) Employee benefits expense	20	30,065,098.30	32,530,425.86
(d) Finance costs	21	9,342,058.00	9,987,405.00
(e) Depreciation and amortisation expense		5,263,096.00	5,680,960.00
(f) Other expenses	22	37,686,036.65	42,337,571.59
Total expenses		<u>162,140,220.53</u>	<u>182,390,459.45</u>
5 Profit / (Loss) before tax		<u>(11,211,530.66)</u>	<u>(131,591.30)</u>
6 Tax expense:			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		(220,371.00)	-
(d) Net current tax expense		(220,371.00)	-
(e) Deferred tax		(855,610.00)	(507,010.00)
7 Profit / (Loss) from continuing operations		<u>(10,135,549.66)</u>	<u>375,418.70</u>
9 Profit / (Loss) for the year		<u>(10,135,549.66)</u>	<u>375,418.70</u>

In terms of our report attached.

For J R Jain & Co
Chartered Accountants

Jeevraj P. Jain
Partner
M No. 007293
FRN No. 103915W

Thane, 16th Aug.2012

On behalf of the Board of Directors

Smita H. Shetty	Chairperson
Sameer S. Shetty	Vice Chariman
Sucharita R. Hegde	Director
Ashok Shety	Director
F. S. Broacha	Director
Laxman S. Shetty	Director

Mangal Katakdhond
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

Particulars	(In ₹)	
	As at 31.03.2012	As at 31.03.2011
A Cash flow from Operating Activities:		
Profit Before Tax	(11,211,530.66)	(131,591.30)
Adjustments for:		
Depreciation and obsolescence	5,263,096.00	5,680,960.00
Excess provisions written back (Net)	2,343,450.87	330,977.52
Provisions for retirement benefits		
Interest and dividend income	206,513.00	38,060.00
Interest and Finance Charges	9,141,719.00	9,955,345.00
(Profit)/Loss on sale of Fixed Assets	(2,820.00)	1,413,932.00
Operating Profit Before Working Capital changes	5,740,428.21	17,287,683.22
Movements in Working Capital:		
Increase/(Decrease) in Trade Payables and other Liabilities	(723,746.28)	2,255,902.00
Increase/(Decrease) in short term & long term provisions	(210,997.00)	183,757.00
Increase/(Decrease) in Deferred tax liabilities	(850,054.00)	3,205,925.00
Decrease/(Increase) in Trade Receivables	5,933,207.00	(4,882,990.03)
Decrease/(Increase) in Inventories	(3,067,939.00)	(6,423,777.00)
Decrease/(Increase) in Loans and advances	(2,556,585.00)	2,102,200.06
Cash Generated from Operations	4,264,313.93	13,728,700.25
Taxes paid	(220,371.00)	-
Net Cash Generated from Operating Activities (A)	4,484,684.93	13,728,700.25
B Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(579,999.00)	(1,001,978.00)
Sale of Fixed Assets	5,320.00	1,730,000.00
(Purchase)/proceeds of non current Investmens		-
(Purchase)/proceeds of current Investmens	-	-
Interest/Dividend received	206,513.00	38,060.00
Net Cash used in Investing Activities (B)	(378,806.00)	(2,693,918.00)
C Cash Flow from Finance Activities:		
Proceeds/(Repayment) of Short term borrowings		
Interest paid	9,141,719.00	9,955,345.00
Net Cash Generated/(Used) from Financing Activities (c)	(9,141,719.00)	(9,955,345.00)
Net Increase/(Decrease) in Cash and Cash equivalents(A+B+C)	(5,035,840.07)	1,079,437.25
Cash and Cash Equivalent at the Beginning of the year	3,420,420.00	2,340,982.00
Cash and Cash Equivalent at the End of the year	1,615,420.00	3,420,420.00

In terms of our report attached.

For J R Jain & Co
Chartered Accountants

Jeevraj P. Jain
Partner
M No. 007293
FRN No. 103915W

Thane, 16th Aug.2012

On behalf of the Board of Directors

Smita H. Shetty	Chairperson
Sameer S. Shetty	Vice Chariman
Sucharita R. Hegde	Director
Ashok Shety	Director
F. S. Broacha	Director
Laxman S. Shetty	Director

Mangal Katakdhond
Company Secretary

THE RUBBER PRODUCTS LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

(In ₹)

As At
31.03.2012 As At
31.03.2011

NOTE 2

SHARE CAPITAL

Authorised :

1,00,00,000 Equity Shares of Rs. 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
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Issued, Subscribed and Paid up :

40,88,400 Equity Shares of Rs.10/- each fully paid up. (Previous year : 40,88,400 Equity shares. of Rs.10/- each fully paid up)	40,884,000	40,884,000
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Of the above:

15,10,020 Shares of Rs.10/- each allotted as fully paid up
Bonus Shares by capitalisation of General Reserve

Add: Shares Forfeited	78,000	78,000
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15,300 shares forfeited for non receipt of allotment money (previous year 15,300)	<u>40,962,000</u>	<u>40,962,000</u>
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List of shareholders holding more than 5% of paid up Equity Share Capital

Sr No	Folio No	Name/Address	Shares	%age	Status
	IN30045011069332IDBI TRUSTESHIP SERVICES LIMITED	ASIAN BUILDING GROUND FLOOR 17 R KAMANI MARG BALLARD ESTATE MUMBAI - 400001 TEL:56311771/72/73 FAX:56311776 PANNO :AAACI8912J	589191	14.41	13
	IN30133020051873SOU MYALATHA SADANAND SHETTY	11D IL PALAZZO LITTLE GIBBS ROAD MALABAR HILL MUMBAI - 400006 PANNO :ABMPS8762L	537825	13.15	10
	IN30133018452818SOU MYALATHA SADANAND SHETTY	11 D ILPALAZZO LITTLE GIBBS ROAD MALABAR HILL MUMBAI - 400006 PANNO :ABMPS8762L	353599	8.65	10
	IN30133018452761SOU MYALATHA SADANAND SHETTY	11 D ILPALAZZO LITTLE GIBBS ROAD MALABAR HILL MUMBAI - 400006 PANNO :ABMPS8762L	350746	8.58	10
Grand Total:			1831361	44.79	

NOTES FORMING PART OF THE BALANCE SHEET

(In ₹)

NOTE3

RESERVES AND SURPLUS

As at 31.03.2012	Assets Revaluation Reserve	General Reserve	Share Premium Reserve	Surplus(+)/Deficit(-) of Profit & loss st	Total
Opening Balance	1,847,849.00	11,197,300.00	49,924,000.00	(38,765,009.00)	24,204,140.00
Additions during the year		-	-	(10,135,551.00)	(10,135,551.00)
Deductions during the year	309,190.00	-	-		309,190.00
Closing Balance	1,538,659.00	11,197,300.00	49,924,000.00	(48,900,560.00)	13,759,399.00

As at 31.03.2011	Assets Revaluation Reserve	General Reserve	Share Premium Reserve	Surplus(+)/Deficit(-) of Profit & loss st	Total
Opening Balance	2,179,981.00	11,197,300.00	49,924,000.00	(39,140,428.00)	24,160,853.00
Additions during the year		-	-	375,419.00	375,419.00
Deductions during the year	332,132.00	-	-		332,132.00
Closing Balance	1,847,849.00	11,197,300.00	49,924,000.00	(38,765,009.00)	24,204,140.00

NOTE4

DEFERRED TAX LIABILITY (Net)

	Deferred Tax Assets/Liabilities as at 31.03.2011	Current Year Charge	Deferred Tax Assets/Liabilities as at 31.03.2012
Deferred tax Assets	7,236,960.00	(852,832.00)	6,384,128.00
Deferred Tax Liability	1,856,467.00	2,778.00	1,859,245.00
Net Deferred Tax Liability	5,380,493.00	(855,610.00)	4,524,883.00

NOTE5

OTHER LONG TERM LIABILITIES

Customer Deposit	560,000.00	560,000.00
	560,000.00	560,000.00

NOTE6

PROVISIONS

	LONG TERM		SHORT TERM	
	As on 31.03.2012	As on 31.03.2011	As on 31.03.2012	As on 31.03.2011
For taxation			829,629.00	1,050,000.00
For Employee Benefits	8,411,303.00	8,401,929.00		
	8,411,303.00	8,401,929.00	829,629.00	1,050,000.00

THE RUBBER PRODUCTS LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

	As At 31.03.2012	As At 31.03.2011
NOTE 7		
SHORT TERM BORROWINGS		
Secured		
Loans repayable on demand:		
From bank-Cash credit/Working capital borrowings (Secured by Hypothecation of stocks, book debts and fixed assets of the Company)	53,741,001.00	52,719,785.00
Unsecured :		
From Related Party (M/s B Fouress Pvt. Limited, where Directors are interested)	6,623,566.00	5,378,066.00
Out of above Rs. 6623566/- Rs.50,00,000/- are principal amount & Rs. 16,23,566/- are interest accrued & due current year no interest is provided.	60,364,567.00	58,097,851.00
NOTE 8		
TRADE PAYABLES		
Due to Micro, Small & Medium Enterprises (To the extent identifiable with available information)	-	-
Due to others	29,083,321.00	31,669,201.00
	29,083,321.00	31,669,201.00
NOTE 9		
OTHER CURRENT LIABILITIES		
Liability for Capital goods	264,355.00	440,768.00
Others(including Security and other deposits, advance from to add customers)	17,473,224.00	16,736,227.00
	17,737,579.00	17,176,995.00

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-Apr-11	Additions	Deductions	As at 31-Mar-12	As at 1-Apr-11	Upto 31/03/2012		As at 31-Mar-12	As at 31-Mar-12	As at 31-Mar-11
						Revaluation	2011-2012			
LAND	163,750	-	-	163,750	-	-	-	-	163,750	163,750
BUILDING	23,567,510	-	-	23,567,510	9,310,024	294,951	294,800	9,899,775	13,667,735	14,257,486
FURNITURE, FIXTURES & FITTINGS	5,135,227			5,135,227	4,281,611		160,283	4,441,894	693,333	860,616
PLANT, MACHINERY & EQUIPMENTS	113,628,512	579,999	5,320	114,203,191	83,943,026	14,239	4,672,349	88,629,614	25,573,577	29,685,498
VEHICLES	647,401	-	-	647,401	435,656		58,867	494,523	152,878	211,745
TOTAL	143,142,400	579,999	5,320	143,717,079	97,970,317	309,190	5,186,299	103,465,806	40,251,273	45,179,095
As at 31st March, 2011	146,889,029	1,001,978	3,706,617	144,184,390	95,998,508	6,013,092	3,390,549	98,621,051	45,563,339	50,890,523

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-Apr-11	Additions	Deductions	As at 31-Mar-12	As at 1-Apr-11	Upto 31/03/2012		As at 31-Mar-12	As at 31-Mar-12	As at 31-Mar-11
						Revaluation	2011-2012			
TECHNICAL KNOWHOW	1,034,990			1,034,990	650,734	-	76,796	727,530	307,460	384,244
As at 31.03.2012	144,177,390	579,999	5,320	144,752,069	98,621,051		5,572,285	104,193,336	40,558,733	45,563,339

NOTE :1) Depreciation is provided on straight line method (SLM) in accordance with provision of section 205(2)(b) of the Companies Act 1956 at the rates prescribed in Schedule XIV of the said Act and the rates revised vide notification dated 16.12.93 in relation to addition from that date.

NOTES FORMING PART OF THE BALANCE SHEET

	As At 31.03.2012	As At 31.03.2011
NOTE 11		
NON-CURRENT INVESTMENTS (Valued at cost, unless stated otherwise)		
Unquoted		
Equity		
42,000 equity shares of Rs 50 each fully paid up in subsidiary company (previous year 42,000)	2,100,000.00	2,100,000.00
	<u>2,100,000.00</u>	<u>2,100,000.00</u>
NOTE 12		
CURRENT INVESTMENTS (Valued at cost, unless stated otherwise)		
Quoted		
750 (750) Autoriders Finance Ltd.	151,250.00	151,250.00
500 (500) East Coast Steel Ltd.	49,250.00	49,250.00
78 (78) Balasore Alloys Ltd. (Ispat)	2,150.00	2,150.00
410 (410) Lloyds Finance Ltd.	49,811.00	49,811.00
2000 (2000) Nuchem Ltd.	81,200.00	81,200.00
	<u>3,33,661.00</u>	<u>3,33,661.00</u>
Un-Quoted		
1. Equity (Face value Rs. 10/- per Share unless stated otherwise)	50,000.00	50,000.00
2000 (2000) The Shamrao Vithal Co-Op. Bank Ltd.	14,500.00	14,500.00
2. 500 (500) Electra (India) Limited	<u>2,213.00</u>	<u>2,213.00</u>
3. 50 (50) Varinder Agro Chem. Ltd.	<u>66,713.00</u>	<u>66,713.00</u>
	<u>400,374.00</u>	<u>400,374.00</u>
Aggregate cost and market value wherever available, of quoted investments is Rs.400374/- (previous year Rs.400374) and Rs. 10402/- (previous year Rs,22474/- respectively. Aggregate amount of unquoted investments Rs. 66,713/- (Previous year Rs. 66,713/-)		
NOTE 13		
INVENTORIES		
Raw Material	10,977,289.00	19,484,784.00
Work-in-progress	29,834,568.00	21,979,743.00
Finished Goods	<u>8,696,644.00</u>	<u>4,976,035.00</u>
	<u>49,508,501.00</u>	<u>46,440,562.00</u>
NOTE 14		
TRADE RECEIVABLES		
Exceeding six months		
Secured, considered good		
Unsecured, considered good	47,995,195.00	47,600,122.00
	47,995,195.00	47,600,122.00
Others		
Secured, considered good		
Unsecured, considered good	24,661,100.00	30,989,379.00
	<u>24,661,100.00</u>	<u>30,989,379.00</u>
Total	<u>72,656,295.00</u>	<u>78,589,501.94</u>

NOTES FORMING PART OF THE BALANCE SHEET

	As At 31.03.2012	As At 31.03.2011
NOTE 15		
CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash on hand	5,338.00	3,439.00
Balance with bank	309,886.00	39,277.00
	315,224.00	42,716.00
Other bank balances		
Margin money	1,300,196.00	3,377,704.00
	1,300,196.00	3,377,704.00
Total	1,615,420.00	3,420,420.00

NOTE 16

LOANS AND ADVANCES

	SHORT TERM		LONG TERM	
Unsecured	As on 31.03.2012	As on 31.03.2011	As on 31.03.2012	As on 31.03.2011
considered good :				
Capital advance			1,114,000.00	1,123,000.00
Security deposits			2,722,150.06	3,144,237.06
Balance with Govt authorities	475,015.00	416,246.00	1,120,136.00	1,117,388.00
Advance receivable in cash or kind	480,560.00	563,171.00	981,496.00	2,124,369.00
	955,575.00	979,417.00	5,937,782.06	7,508,994.06
Considered doubtful :				
Loan to Cosmos Rubber P Ltd - subsidiary (Minimum and Maximum balance unchanged)		2,500,000.00	2,500,000.00	
	-	-	2,500,000.00	2,500,000.00
	955,575.00	979,417.00	8,437,782.06	10,008,994.06

NOTES FORMING PART OF THE PROFIT AND LOSS STATEMENT

	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
Note 17 Revenue from operations		
Sale of Products & Services		
(a) Sale of Products	157,882,452.00	191,473,977.00
(b) Sale of services	-	1,241,425.00
	157,882,452.00	192,715,402.00
Less:		
(C) Excise duty	9,503,726.00	12,252,031.37
Total	148,378,726.00	180,463,370.63
Note Particulars		
(i) Sale of products comprises OF		
<u>Manufactured goods</u>		
Hose Pipe	18,183,282.00	24,557,254.00
Moulded Goods	4,732,848.00	4,313,585.00
Rubber Sheet	120,990,639.00	144,097,147.00
Extruded Goods	13,975,683.00	18,175,811.00
Total - Sale of manufactured goods	157,882,452.00	191,143,797.00
<u>Traded goods</u>	-	330,180.00
Total - Sale of traded goods	-	-
Total - Sale of products	157,882,452.00	191,473,977
(ii) Sale of services comprises :-		
Sale of Advance Licence	-	1,241,425
Total - Sale of services	-	-
(iii) Other operating revenues comprise:		
Job Work Charges	-	-
Unclaimed credit balances written back	2,343,450.87	330,977.52
	-	-
Total - Other operating revenues	2,343,450.87	330,977.52
Note 18 Other income		
(a) Dividend income:		
from current investments	-	-
others	6,174.00	6,000.00
(b) Interest on Fixed Deposit	200,339.00	32,060.00
Profit on sale of fixed asset	-	1,426,460.00
Total	206,513.00	1,464,520.00
	2,549,963.87	1,795,497.52

NOTES FORMING PART OF THE PROFIT AND LOSS STATEMENT

	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Note 19 Cost of materials consumed		
Opening stock	19,484,784.00	12,085,248.00
Add: Purchases	82,851,870.58	98,277,872.59
	102,336,654.58	110,363,120.59
Less: Closing stock	<u>10,977,289.00</u>	<u>19,484,784.00</u>
Cost of material consumed	91,359,365.58	90,878,336.59
Material consumed comprises:		
Natural Rubber	14,052,272.00	15,631,115.00
Other Rubber	38,797,007.00	32,306,208.00
Chemicals	24,212,843.00	24,933,621.00
G. I. Wire	767,624.00	1,009,027.00
Fabrics	6,186,870.00	10,484,223.00
Stores & Sundries	5,512,642.00	4,827,534.00
Others	<u>1,830,107.58</u>	<u>1,686,610.00</u>
Total	91,359,365.58	90,878,338.00
Note 19 b Changes in inventories of finished goods, work-in-progress and stock-in-trade		
<u>Inventories at the end of the year:</u>		
Finished goods	8,696,644.00	4,976,035.00
Work-in-progress	<u>29,834,568.00</u>	<u>21,979,743.00</u>
	38,531,212.00	26,955,778.00
<u>Inventories at the beginning of the year:</u>		
Finished goods	4,976,035.00	5,772,106.00
Work-in-progress	21,979,743.00	22,159,431.00
	<u>26,955,778.00</u>	<u>27,931,537.00</u>
Net (increase) / decrease	(11,575,434.00)	975,759.00
Note 20 Employee benefits expense		
Salaries and wages	24,384,191.53	24,865,708.03
Contributions to provident and other funds (Refer Note)	3,241,632.65	3,192,327.02
Staff welfare expenses	1,741,306.12	2,058,933.81
Gratuity	<u>697,968.00</u>	<u>2,413,457.00</u>
Total	30,065,098.30	32,530,425.86
Note 21 Finance costs		
(a) Interest expense on:		
(i) Borrowings	8,876,082.00	8,251,511.00
(ii) Trade payables	319,771.00	223,156.00
(iii) Others	<u>146,205.00</u>	<u>1,512,738.00</u>
Total	9,342,058.00	9,987,405.00

NOTES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹'
Note 17 Revenue from operations		
Sale of Products & Services		
(a) Sale of Products	157,882,452.00	191,143,797.00
(b) Sale of services	-	1,571,605.00
	157,882,452.00	192,715,402.00
<u>Less:</u>		
(C) Excise duty	9,503,726.00	12,252,031.37
Total	148,378,726.00	180,463,370.63
Note	Particulars	
(i)	Sale of products comprises OF	
	<u>Manufactured goods</u>	
	Hose Pipe	24,557,254.00
	Moulded Goods	4,313,585.00
	Rubber Sheet	120,990,639.00
	Extruded Goods	13,975,683.00
	Total - Sale of manufactured goods	191,143,797.00
	<u>Traded goods</u>	
	Total - Sale of traded goods	-
	Total - Sale of products	191,143,797.00
(ii)	Sale of services comprises	
	Total - Sale of services	-
(iii)	Other operating revenues # comprise:	
	Job Work Charges	
	Unclaimed credit balances written back	330,977.52
	2,343,450.87	-
	Total - Other operating revenues	330,977.52
Note 18 Other income		
(a)	Dividend income:	
	from current investments	
	Others	6,000.00
	6,174.00	-
	from long-term investments	
(b)	Interest on Fixed Deposit	
	Profit on sale of fixed asset	1,426,460.00
	200,339.00	-
	Total	1,464,520.00
	206,513.00	1,795,497.52
	2,549,963.87	1,795,497.52

NOTES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Note 22 Other expenses		
Consumption of packing materials	2,309,719.57	2,117,112.75
Power and fuel	10,290,038.15	9,607,206.25
Water	282,419.00	158,534.00
Repairs and maintenance - Buildings	102,253.00	275,685.38
Repairs and maintenance - Machinery	948,114.45	1,411,363.40
Repairs and maintenance - Others	220,075.45	368,169.45
Insurance	411,904.00	369,807.08
Rates and taxes	443,527.00	275,475.00
Travelling and conveyance	3,476,743.57	3,788,670.77
Printing and stationery	404,514.59	472,062.57
Freight and forwarding	3,120,010.87	4,338,676.04
Sales commission	755,244.00	1,035,092.00
Legal and professional	1,058,776.00	1,070,113.00
Payments to auditors (Refer Note (i) below)	400,000.00	360,000.00
Loss on fixed assets sold / scrapped / written off	2,820.00	12,528.00
Miscellaneous expenses	319,504.00	379,639.00
Excise Duty	364,429.00	1,534,044.00
Repairs to electricals & other F.E.	396,708.00	383,072.00
Labour & Service Charges	5,342,805.00	5,342,520.00
Rental Hire Charges	174,022.00	103,405.00
Sales Tax	2,878,133.00	4,709,229.00
Repairs & Mait. To Office Building	92,000.00	5,000.00
Repairs to Maint. To vehicles	193,684.00	216,030.90
Postage & Telegrams	576,507.00	642,310.00
Advertisement	50,488.00	47,718.00
Service Charges & Staff Recruitment	671,625.00	473,006.00
Sundry Debit Balances Written Off (Net)	366,653.00	114,655.00
Export Exps.	980,613.00	1,298,217.00
Inspection & Testing Fees	98,260.00	158,021.00
Bank Charges	954,446.00	1,270,209.00
Total	<u>37,686,036.65</u>	<u>42,337,571.59</u>

Note (i) on Note no. 22

	2011-12	2010-11
Payment to Auditors		
1 Audit Fee	140,000.00	140,000.00
2 Taxation Matters	60,000.00	60,000.00
3 Tax Audit Fees / FBT Certificate	40,000.00	40,000.00
4 Fees for Certification	60,000.00	60,000.00
5 Fees for Management & Business Consultancy	50,000.00	50,000.00
6 Professional Fee for earlier year Taxation matter and Vat audits	50,000.00	50,000.00
	<u>400,000.00</u>	<u>400,000.00</u>

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

SCHEDULE N**NOTES TO ACCOUNTS****1. Nature of operations**

The Rubber Products Limited is primarily engaged in the business of manufacturing rubber products.

2. Statement of significant accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below:

Change in accounting policy**Presentation and disclosure of financial statements**

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its consolidated financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the consolidated financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Provisions for Leave Encashment: Company has changed policy relating to Leave encashment with regard to staff/managers. As per which an employee is eligible for max. of 15 days leave only if he has more than 60 days of accumulated leave. Accordingly company has made provision for only 15 days. This was done based on assumption that an employee will be availing of at least 30 days of leave during the year. This is applicable to both staff as well as workers.

- b. Use of estimates : The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a *material adjustment to the carrying amounts of assets or liabilities in future periods*
- c. Sales (Revenue Recognition): Sales include excise duty, sales tax, premium on sale of import licence, sale of scrap and exchange difference arising on sale transactions.
- d. Fixed Assets and Depreciation: Fixed Assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for the intended use, less accumulated depreciation. Interest on borrowings attributable to new projects is capitalized and included in the cost of fixed assets as appropriate.
- Depreciation is provided (except on the assets acquired up to 31.3.1983 where it is on written down value method) on straight line method in accordance with the provisions of Section 205(2) (b) of the Companies Act, 1956 at the rates specified in Schedule XIV of the said Act.
- e. Inventories: Raw materials at cost (FIFO basis) on inclusive method, WIP & Finished Goods at cost.
- f. Investments :Investments that are readily realizable and intended to be held for not more than a year from the date on which such investment are made are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. However, provision for diminution in value is made to recognize a decline other than temporary in the value of such investments Long-term investments are carried at cost.
- g. Research and Development: Recurring expenditure on Research and Development is charged to revenue.
- h. Retirement benefits:
- a) Liability for gratuity is funded by annual payment to Life Insurance Corporation of India on the basis of valuation as advised by actuarial valuer. Provision is made for the difference in net present value of liability as ascertained by actuarial valuer and value of fund as at year end given by LIC.
- b) Provision is made for liability towards Leave Encashment estimated on the basis of accumulated leave, employees' salary and Company Policy. No provision is made for first 60days,provision is made only for those employees who have leave encashment accumulated for more than or equal to 75 days and above.
- c) Company's contribution to provident fund is charged to Profit & Loss Account.
- i. Interest on Borrowings: The interest on working capital is charged against the profits for the year in which it is incurred. Interest on borrowings for capital assets is capitalized till the date of commencement of commercial use of the asset.
- j. Foreign Currency Transactions: Foreign currency transactions are accounted at the exchange rates prevailing at the date of the transaction.
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THE RUBBER PRODUCTS LIMITED

Gains and losses resulting from the settlement of such transaction of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Account.

- k. Taxes on Income: Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- l. Contingent liabilities : A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements
3. Consistent with the past practice, no provision has been made for excise duty estimated at Rs. 9,95,283/- (Previous Year Rs. 569477/-) on stock lying at the year end in bonded warehouses and accordingly the said amounts are not included in the inventory valuation. This has no effect on the profit for the year. Though the said accounting treatment differs from the revised "Guidance Note on Accounting treatment for Excise Duty" issued by the ICAI; the Company is of the view that the excise duty is effectively not incurred / payable till the manufactured goods are cleared / removed from the factory premises.
4. Consistent with the past practice, for valuing Raw Material Company has followed inclusive method (all Taxes have been included) instead of exclusive method as suggested in AS-2 (Revised) on "Valuation of Inventory". However this will have no impact on current year Profit and Loss account as same method is followed consistently.
5. Deferred Tax:
- (a) During the year ending 31.03.2002, the Company adopted Accounting Standard 22- 'Accounting for taxes on income.' The accumulated amount of deferred tax liability as at 31.03.2001 of Rs. 1,05,50,000/- was recognized as a charge to General Reserve on 1.4.2001. The deferred tax asset in relation to provision for leave encashment accumulated amount as at 31.03.2001 of Rs. 9,00,560 is adjusted in General Reserve during the year ending 31.03.2005.
- (b) Deferred Tax Liability/(Assets) Net comprises of tax effect of timing differences on account of:

In Rupees			
Items	Opening Bal.	Charge/ (Credit)	Closing Bal.
1 Depreciation	7236960	(852832)	6384128
Adjustments to DTL past liability towards depreciation	0	0	0
2 Leave Encashment	4,51,375	212894	(238481)
3 Gratuity Liability as AS 15	(1405092)	(215672)	(1620764)
	5380493	(855610)	4524883

6. Contingent Liability not provided for:

In Rupees			
		2011-12	2010-11
(a)	Guarantees given by Bank on behalf of the Company	17,87,131/-	18,69,748/-
(b)	Letters of Credit issued by Bank on behalf of the Company	62,75,000/-	1,12,94,456/-
(c)	Excise duty demand disputed in Appeal	5,84,306/-	5,84,306/-
(d)	Pending legal matters related to employees, supplier not quantified because of insignificant & uncertainty of amount.	0	0
(e)	No provision is made for amount payable for wages to the employees for the period of their illegal strike.	8,27,001/-	0

7. Pursuant to the Rehabilitation Scheme approved by the Board for Industrial and Financial Reconstruction (BIFR) vide order dated 23.5.96 the Company had joined as Co-Promoters in The Cosmos India Rubber Works (P.) Ltd. during the year 1996-97. In terms of the said scheme, the company had invested Rs.21.00 lacs by way of Share Capital in the erstwhile subsidiary Company. The amount outstanding from the said Company as Loans & Sundry Debtors are Rs.25,00,000/- (Previous Year Rs.25,00,000/-) & Rs. 39,57,567/- (Previous Year Rs. 1,39,57,567/-) respectively. The said company is a sick industrial Company within the meaning of section 3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985 and BIFR, vide order dt. 23.5.1996 had sanctioned revival scheme under Section 17(3) of the said Act. BIFR in the hearing dated 01.09.2010 issued order for winding up of Cosmos. Against the said order for winding up passed by BIFR the Company has filed an appeal before Appellate Authority for Industrial and Financial Reconstruction (AAIFR), the matter is pending before AAIFR.
- 8 Sundry Debtors are subject to confirmation and include some debts, which are overdue. It includes dues from Railways, Govt. Depts/PSU etc. No provision has been made for doubtful debts. as these are considered good & recoverable.

9. With regard to disclosure of outstanding dues for more than 45 days payable to Sundry Creditors covered under MSME Act, is under process of being worked out as the details relating to their status are being called for.
10. Gratuity Provision : Until 31.3.2011, provisions in the books of account were made based on the statement of Premium received from the LIC. In the current FY, total amount payable as per LIC was Rs.8590754. The Company felt that this valuation of LIC was on a higher side and therefore decided to obtain a detailed valuation from an independent Actuarial Valuer. The provision of Rs.7639521 is based on actuarial valuation done by M/s. K A Pandit. LIC, inspite of reminders did not furnish the working of PV. The Company is required to make provision based on the actuarial valuation that can be from any independent actuary and need not be only from LIC. There is no change in system of accounting.
11. Provisions for Leave Encashment: Company has changed policy relating to Leave encashment with regard to staff/managers and accordingly provisions for leave is revised from Rs.1460376 as on 31.3.2011 to Rs.771782 as on 31.3.2012. As per which an employee is eligible for max. of 15 days leave only if he has more than 60 days of accumulated leave. Accordingly company has made provision for only 15 days. This was done based on assumption that an employee will be availing of at least 30 days of leave during the year. This is applicable to both staff as well as workers.
12. Other expenditure includes payment to Auditors as under:

	In Rupees	
	2011-12	2010-11
1. Audit fee	140000	140000
2. Taxation Matters	60000	60000
3. Tax Audit Fees	40000	40000
4. Fees for Certification	60000	60000
5. Fees for Management & Business Consultancy	50000	50000
6. Professional Fee for earlier year Taxation matter and Vat audits	50000	50000
Gratuity		
Leave Encashment		
Balance confirmation		
Total	400000	400000

13. The Management had noticed in the earlier years irregularities in the purchase activities and after investigation some of the employees were found involved in manipulation of rate of supplies by one of the vendor, the Company filed a criminal complaint against supplier and some of its employees and the matter is under investigation.

As certified by the Management:

Quantitative information in respect of goods manufactured:

A. Installed Capacity, Production, Sales, Opening and Closing Stocks:

(Previous year figure are in brackets)

	Unit	Installed Capacity	Production	Sales		Opening Stock		Closing Stock	
		Quantity	Quantity	Quantity	Value Rupees	Quantity	Value Rupees	Quantity	Value Rupees
Hose Pipe	Mtrs.	275000 (275000)	18965 (31008)	18879 (30988)	18183282 (24557254)	150 (130)	81889 (69239)	236 (150)	225318 (81889)
Moulded Goods	Kgs.	750000 (750000)	5700 (11340)	5698 (11340)	4732848 (4313585)	1552 (1552)	744568 (744920)	1554 (1552)	756719 (754568)
Rubber Sheet	Kgs.	2000000 (2000000)	754068 (737577)	731309 (743612)	120990639 (144097147)	44752 (50787)	3689955 (3812711)	67511 (44752)	7273119 (3689955)
Extruded Goods	Kgs.	150000 (150000)	61546 (75905)	61759 (79633)	13985432 (18175811)	3613 (7341)	459623 (1272485)	3400 (3613)	441488 (459623)
Trading Sales					(330180)				
Adv. Licence Sales	-	-	-	-		-	-	-	-
	-	-	-	-	(1241425)	-	-	-	-
Total					157892201		4976035		8696644

THE RUBBER PRODUCTS LIMITED

B. Materials Consumed

	Unit	Quantity		Value in Rupees	
		2011-12	2010-11	2011-12	2010-11
1. Natural Rubber	Kgs.	64200	77373	14052272	15631115
2. Other Rubber	Kgs.	310587.07	304400	38797007	32306208
3. Chemicals	Kgs.	639908.5	712405	24212843	24933621
4. G.I. Wire	Kgs.	12482.32	16807	767624	1009027
5. Fabrics	Mtrs.	101086.15	129299	6186870	10484223
6. Stores & Sundries	-			5512642	4827534
7. Others	-			1825059	1,686,610
				91354317	90878338
Cost of Purchases for sale.....					

C. Value of Imports on C.I.F. Basis:

	In Rupees	
	2011-12	2010-11
(a) Raw Materials	59,39,468	1,43,49,638
(b) Capital Goods	-	-

D. Value of imported and indigenous raw materials, stores and spare parts consumed during the year and percentage of each to the total consumption:

(a) Imported	9108025	8905347
Percentage to the total consumption	9.97%	9.80%
(b) Indigenous & Others	82251341	81972990
Percentage to the total consumption	90.03%	90.20%

E. Earnings in foreign Exchange:

i) Export of Goods on F.O.B. Basis	4,17,43,935	4,65,83,532
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F. Expenditure in Foreign Currency - (Others- Travels)

Nil	1,31,904
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14. Related Party Disclosures (Accounting Standard-18)

Sr. No.	Name	Relationship	Nature of Transactions	In Rupees
				2011-12
1	M/s B Fouress Ltd	Group Company	Interest	1,25,000
2	M/s Fouress Engg (I) Ltd.	Group Company	Interest	2,17,500

15. Comparative figures of the previous year have been rearranged/ regrouped wherever considered necessary.

In terms of our report attached.

For J R Jain & Co
Chartered Accountants

Jeevraj P. Jain
Partner
M No. 007293
FRN No. 103915W

Thane, 16th Aug.2012

On behalf of the Board of Directors

Smita H. Shetty	Chairperson
Sameer S. Shetty	Vice Chariman
Sucharita R. Hegde	Director
Ashok Shety	Director
F. S. Broacha	Director
Laxman S. Shetty	Director

Mangal Katakdhond
Company Secretary

Additional information as required under Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details :

Registration No. : L 2 5 1 0 0 M H 1 9 6 5 P L C 0 1 3 3 7 9

State Code: 1 1

Balance Sheet Date : 3 1 - 0 3 - 2 0 1 2

II. Capital raised during the year: (Amount in Rs.)

Public Issue : N I L

Rights Issue : N I L

Bonus Issue : N I L

Private Placement : N I L

III. Position of mobilization and deployment of funds: (Amount in Rs.)

Total Liabilities: 1 7 8 0 9 1 9 2 6

Total Assets: 1 7 8 0 9 1 9 2 6

Sources of Funds

Application of Funds

Paid up Capital : 4 0 9 6 2 0 0 0

Net Fixed Assets: 4 0 5 5 8 7 3 3

Share Application Money: N I L

Investments: 6 1 0 3 7 4

Reserves and Surplus: 1 3 7 5 9 3 9 9

Net Current Assets: 1 7 1 2 1 0 6 9

Secured Loans : 5 3 7 4 1 0 0 1

Miscellaneous Exp.: N I L

Unsecured Loans : 6 6 2 3 5 6 6

Deferred Tax 4 5 2 4 8 8 3

Liability :

Accumulated Losses N I L

IV. Performance of the Company: (Amount in Rs.)

Net Turnover : 1 5 7 8 8 2 4 5 2

Total Expenditure : 1 6 2 1 4 0 2 2 0

Profit/(Loss) before tax : (1 1 2 1 1 5 3 0)

Profit/(Loss) after tax : 1 0 1 3 5 5 4 9

Earning per share in Rs. (2 . 4 7)

Dividend Rate : N I L

V. Generic Names of principal products of the Company :

Item Code (ITC Code): 4009.92

Product Description: Hose Pipes and Tubing

Item Code (ITC Code): 4008.29

Product Description: Rubber Sheets

Item Code (ITC Code): 4005.00

Product Description: Compounded Rubber

Item Code (ITC Code): 4008.29

Product Description: Grooved Rubber Sole Plates

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THE RUBBER PRODUCTS LIMITED

REGISTERED OFFICE : Plot No. C-44, Road No. 28, Wagle Industrial Estate, Thane (W) - 400 604.

ATTENDANCE SLIP

Folio No : _____

DP Id No* : _____ Client Id No* : _____

Name of the Member : _____

Name of the Proxy : _____

No of shares held : _____

I hereby record my presence at the 46th Annual General Meeting of the Company at Plot No. C- 44, Road No. 28, Wagle Industrial Estate, Thane - 400 604 at **3.00 p.m. on Friday, the 21st September, 2012.**

Members / Proxy's Signature

Notes :

- ❖ Every person holding equity shares of the Company and whose name is entered, as beneficial owner in the record of the depository shall be deemed to be member of the Company.
- ❖ Members / Proxy holders are requested to produce the Attendance Slip duly signed at the security gate for admission to the meeting.
- ❖ Members are requested to bring their copy of the Annual Report for reference at the meeting.

* Applicable for Member holding shares in electronic form.



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THE RUBBER PRODUCTS LIMITED

REGISTERED OFFICE : Plot No. C-44, Road No. 28, Wagle Industrial Estate, Thane (W) - 400 604.

PROXY FORM

Folio No : _____

DP Id No* : _____ Client Id No* : _____

No of shares held : _____

I / We _____ of _____ in district of _____ being a Member / Members of The Rubber Products Limited, hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to attend and vote for me/us and on my /our behalf at the 46th Annual General Meeting of the Company to be held on **Friday, 21st September, 2012** at Plot No. C- 44, Road No. 28, Wagle Industrial Estate, Thane - 400 604 at 3.00 p.m. and at any adjournment(s) thereof.

Signed this _____ day of _____ 2012.

(Affix
Rupee 1/-
Revenue
Stamp.)

Sign Across the Stamp

Note : The proxy in order to be effective should be completed in all respects (duly stamped and signed) and deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting. The proxy need not be a member of the Company.

* Applicable for Member holding shares in electronic form.