

50th Annual Report 2015 - 2016



THE RUBBER PRODUCTS LIMITED

CIN: L25100MH1965PLC013379

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

THE RUBBER PRODUCTS LIMITED
50th Annual Report 2015 - 2016

BOARD OF DIRECTORS

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

BOARD COMMITTEES:

AUDIT COMMITTEE

Ashok Shetty
F. S. Broacha
Sucharita R. Hegde

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

Ashok Shetty
F. S. Broacha
Laxman Shetty

AUDITORS

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

BANKERS

State Bank of India

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

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

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NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of the members of **THE RUBBER PRODUCTS LIMITED** will be held on Thursday, 29th September, 2016 at 10.00 a.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, 2016 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 Mr. Sameer Shetty, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder, M/s. J. R. Jain & Co., Chartered Accountants, Mumbai, bearing Firm Registration No. 103915W, be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration as may be fixed by the Board of Directors of the Company."

**By Order of the Board of Directors
For The Rubber Products Limited**

**Mrs. Sucharita Hegde
Director
DIN: 01284570**

Thane, 30th August, 2016

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 is entitled to appoint a proxy or proxies to attend and vote instead of himself and proxy need not be a member of the Company. A person cannot act as proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent shares of the total Share Capital of the Company, may appoint a single proxy. However such person shall not act as a proxy for any other person or shareholder. An instrument appointing the proxy should be deposited at the registered office of the company not less than 48 hours before the commencement of the Meeting.
2. 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.
3. Register of Members and Share Transfer books will remain closed from Thursday, 22nd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).

THE RUBBER PRODUCTS LIMITED

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 400069 Tel: +91-22-28594060/
28594442/28590942 Fax: +91-22-28503748 E-mail: adroits@vsnl.net

Brief Profile of Director seeking re-appointment at the forthcoming Annual General Meeting

| | |
|---|--|
| Name of the Director | Mr. Sameer Shetty |
| Age (years) | 46 years |
| Nature of expertise in specific functional areas | Specialices in General Management and Marketing of Industrial Products. He has more than 20 years of experience in the Industry. |
| Qualification | BA (Physics) De Pauw University, USA, MS Columbia University, USA |
| Directorship held in other companies | 4 |
| No. of shares held | Nil |

1. In view of Circular No.17/95/2011 CL-V dated 20-05-2011 from the Government of India Ministry of Corporate Affairs, New Delhi all the shareholders are requested to register their e-mail ID with the Company's Registrar & Share Transfer Agent M/s Adroit Corporate Services Private Limited for the purpose of service of documents u/s 53 of the Companies Act, 1956 by e-mode instead of other modes of services.
2. Shareholders having any queries on accounts are requested to send 10 days in advance of the date of the Annual General Meeting to the company to enable it to collect the relevant information.
3. In compliance with the provisions of SECTION 110 OF THE COMPANIES ACT, 2013 and in compliance with the provisions of section 108 of the Companies Act,2013, and Rule 20 of the Companies (Management and Administration) Rules,2014, the Company is pleased to provide members the facility to exercise their right to vote at the 49th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL)

Voting through electronic means

Instruction for e-voting

The complete detail of the instruction for e-voting is annexed to this notice.

| Registered Folio no. /D.P ID no./ Client ID no. | Number of shares held |
|---|-----------------------|
| | |

Dear Members,

Subject: Instruction for e-voting

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for AGM. The instructions for e-voting are as under:

Pursuant to the provision of Section 108 of the Companies Act, 2013, read with the Companies (management and Administration) Rule, 2014, the company is pleased to offer e-voting facility, additionally, to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 50th Annual General Meeting to be held on Thursday 29th September, 2016 at 10.00 a.m The Company has engaged the services of Central Depository Securities Limited (CDSL) to provide the e-voting facility.

These details and instruction forms an integral part of the Notice for the Annual General Meeting to be held on Thursday, 29th September, 2016.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, 25th September, 2016 at 10:00 AM and ends on Wednesday, 28th September, 2016 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.

(viii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 8 digits of the sequence number in the PAN field. In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the Rubber Products Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instruction:

1. The voting period begins on **Sunday, 25th September, 2016 at 10:00 AM and ends on Wednesday, 28th September, 2016 at 5:00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date of **Thursday, 22nd September, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
3. Members have option to vote either through e-voting or through Poll at the meeting. If a member has opted for e- voting, then he/she should not vote by Poll in the Ballot Form at the Meeting. However, in case members cast their vote both via physical ballot and e-voting, then e-voting will prevail and voting done by physical ballot shall be treated as invalid.
4. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **Thursday, 22nd September, 2016** (cut-off date).
5. Mrs. Ashwini Vaze, Proprietor of M/s Ashwini Vaze & Associates, Practicing Company Secretaries (Membership No.26142 CP No. 9443) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
6. At the Annual General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer order voting for all those members who are present but have not cast their vote electronically using the remote e-voting facility or Ballot Form. x. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
7. The Chairman or a person authorised by him in writing shall declare the result of voting forthwith. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL www.evotingindia.com immediately after the result declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited, where the shares of the Company are listed.
8. All the material documents referred to in the Notice will be made available for inspection by the members at the registered office of the Company during working hours on any working days (except Saturday and Sunday).

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:

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
For The Rubber Products Limited**

**Mrs. Smitha H. Shetty
Chairperson**

Thane, 30th August, 2016

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 50th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2016.

FINANCIAL PERFORMANCE & REVIEW OF OPERATIONS:

The Company's sales revenue during the year under review was Rs. 917.65 lacs as compared to Rs. 1310.97 lakhs in the previous year. The Company has incurred loss in the Financial Year 2015-16 of Rs. 249.68 lakhs. The export turnover of your Company during the financial year was Rs. 298.44 lacs compared to Rs.437.22 lacs in the previous year.

FINANCIAL RESULTS

(Rs. in Lacs)

| | For the year ended | |
|----------------------------------|--------------------|------------|
| | 31.03.2016 | 31.03.2015 |
| Sales | 917.65 | 1310.96 |
| Profit/ (Loss) before taxation | (251.06) | (242.13) |
| Less: Provision for Tax | | |
| (i) Earlier year Taxation | | |
| (ii) Deferred Taxation | (1.38) | (0.73) |
| Profit/(Loss) after tax | (249.68) | (242.86) |
| Balance brought forward | | |
| from previous year | (749.93) | (507.07) |
| Balance carried to Balance Sheet | (999.61) | (749.93) |

FACTORS AFFECTING THE COMPANY'S AFFAIRS:

During the year under review, your Company has achieved a turnover of Rs. 917.65 lakhs as against Rs. 1310.96 lakhs in the previous year. The general Economic stagnation has affected the Company's business to a great extent. In addition to this the increasing price of material has had its effects on the margins.

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 2015-16.

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 The Cosmos (India) Rubber Works Private Limited (COSMOS) with your Company is under consideration of BIFR.

MATERIAL CHANGES AND COMMITMENT IF ANY 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 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 on the date of this report

The company has investment of Rs. 21 Lakhs being 48.84% in Cosmos India Rubber Works Pvt Ltd and by virtue of the same the said company is an Associate . M/s Cosmos India Rubber Works Pvt Ltd is under BIFR and therefore the Company's investment is under severe Long Term Restriction that significantly impairs its ability to transfer funds to the company. In view of these exceptional circumstances the company has followed AS – 13 and made adequate provision for the impairment of its Investment. The company has not consolidated financial statement of Cosmos India Rubber Works Pvt Ltd its Associate Company in view of the above exception provided in AS-23.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

Your Directors in their meeting held on 5th August, 2014 have reconstituted its Audit Committee and adopted revised terms of reference in accordance with the provisions of Section 177 of the Companies Act 2013.

The Audit Committee consists of the following members

- a. Mrs. Sucharita R. Hegde
- b. Mr. Ashok Shetty
- c. Mr. F. S. Broacha

The above composition of the Audit Committee consists of independent Directors viz., Mr. Ashok Shetty and Mr. F. S. Broacha who form the majority.

The Company has established a vigil mechanism and overseas through the Committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

RISK MANAGEMENT:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 the Board observed that at present the company has not identified any element of risk which may threaten the existence of the company.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees or not made any investment covered under the provisions of section 186 of the Companies Act, 2013.

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

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 | 2015-16 | 2014-15 |
|-----------------------|-------------|-------------|
| Capital | 0.00 | 0.00 |
| Recurring | 0.00 | 0.00 |
| Employee Remuneration | 4.04 | 8.07 |
| Total | 4.04 | 8.07 |

Total R & D expenditure as a percentage of total turnover is 0.044 %.

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.298.44 Lacs compared to Rs. 437.22 Lacs during the previous year.

The foreign Exchange outgo during the current year is 11.74 lacs compared to Nil during the previous year.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Please refer Annexure I.

DISCLOSURE UNDER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

There are no employees falling under the limits as defined under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

No separate comments on the Notes pointed out by the Auditors in their Report, have been given since all the notes are self-explanatory.

CORPORATE GOVERNANCE:

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

PUBLIC DEPOSITS

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

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

SUBSIDIARIES COMPANIES

The Company does not have any subsidiary.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year ended 31st March, 2016, Five (5) Board meetings were held and these were in compliance with the Companies Act, 2013.

The maximum time period between two consecutive Board meetings was not more than one hundred and twenty days.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9 shall form part of the Board's report. **Annexure IV.**

SECRETARIAL AUDIT REPORT

The Board has appointed M/s. Sameer Apte & Co., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as **Annexure V** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

AUDITORS

M/s J. R. Jain & Co., Chartered Accountants, Statutory Auditors of the Company hold office up to the conclusion of Annual General Meeting of the Company which will be held in the FY 2017-18. A certificate under section 139(1) of the Companies Act, 2013 regarding their eligibility for the proposed re-appointment has been obtained from M/s. J. R. Jain & Co., Chartered Accountants. Your Directors recommend their re-appointment for the ratification of the members.

AUDITOR'S REPORT

There are no adverse observations or qualifications in the Auditor's report for the year ending 31st March, 2016. The auditors' report for the period has been annexed with this report and the comments made by the statutory auditors are self-explanatory.

DIRECTORS:

As per Section 149(13) of Companies Act, 2013 independent Directors are not liable to retire by rotation.

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

Except for the above, there has not been any change in the constitution of the Board of Directors of the Company since the last report.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify

themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

DIRECTORS RESPONSIBILITY STATEMENT:

In terms of the provisions of section 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had 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 year and of the profit or loss of the Company for that period;
- (iii) the Directors had 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 had prepared the annual accounts for the financial year ended March 31, 2016 on a going concern basis.
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation of 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.

***On behalf of the Board of Directors
For The Rubber Products Limited***

***Mrs. Smitha Shetty
Chairperson***

Thane, 12th August, 2016

ANNEXURE I TO THE DIRECTORS REPORT

FORM NO. AOC -2

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

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2016, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ending on 31st March, 2016 are as follows:

| SL. No. | Particulars | Details | |
|---------|--|---|---|
| a) | Name (s) of the related party & nature of relationship | Mr. Sameer Shetty | Fouress Engineering (India) Limited |
| b) | Nature of contracts/arrangements/transaction | Loan | Sale / Purchase of Goods |
| c) | Duration of the contracts /arrangements /transaction | From 22 nd May, 2015 to 31 st March, 2016 | From 22 nd May, 2015 to 31 st March, 2016 |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Nil | Nil |
| e) | Date of approval by the Board | 22 nd May, 2015 | 22 nd May, 2015 |
| f) | Amount paid as advances, if any | Nil | Nil |

For and on behalf of the Board of Directors

For The Rubber Products Limited

Mrs. Smita Shetty

Chairperson

Thane, 12th August, 2016

**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, 2016, Five(5) Board meetings were held on 22nd May, 2015 (adjourned on 28th May, 2015), 10th August,2015, 28th August, 2015,10th November, 2015 and 11th February,2016. The maximum time period between two consecutive Board meetings was not more than 120 days.

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 22-09-2014 | Companies other than RPL | |
|-------------------------|--------------------------------------|--------------------------|----------|--------------------------------------|---------------------------------|--|
| | | Held during their tenure | Attended | | No. of other directorships held | No. of Membership in Committees of other Companies |
| Mrs. Smitha H. Shetty | Chairperson & Non-Executive Director | 5 | 1 | Yes | 3 | - |
| Mr. Sameer S. Shetty | Vice-Chairman Non-Executive Director | 5 | 2 | No | 4 | - |
| Mrs. Sucharita R. Hegde | Non-Executive Director | 5 | 4 | Yes | 5 | - |
| Mr. Laxman S. Shetty | Non-Executive Independent Director | 5 | 5 | Yes | - | - |
| Mr. F. S. Broacha | Non-Executive Independent Director | 5 | 5 | Yes | 3 | - |
| Mr. Ashok Shetty | Non-Executive Independent Director | 5 | 5 | No | - | - |

Directors Profile:

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

- a) **Mr. Sameer Shetty** has been a director of Company since.

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. Smitha 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 | 3 |

4. Nomination & 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

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 | 1 | 1 |
| Mr. F. S. Broacha | Member & Non-Executive Independent Director | 1 | 1 |
| Mr. Laxman Shetty | Member & Non-Executive Independent Director | 1 | 1 |

Details of remuneration paid during the year -NIL

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 | 0** |
| Mr. Sameer S. Shetty | - |
| Mrs. Sucharita R. Hegde | 0** |
| Mr. Laxman S. Shetty | 6,000 |
| Mr. F.S. Broacha | 12,000 |
| Mr. Ashok Shetty | 16,000 |

** Mrs. Smitha H. Shetty and Mrs. Sucharita R. Hegde, Directors of the Company have given letters to Company that until otherwise instructed by them, they waive their rights to receive the sitting fees for all Board and Committee meetings attended by them.

5. Share Transfer cum Shareholders/Investors Grievance Committee

(Renamed as Stakeholders Relationship Committee under the Companies Act, 2013 w.e.f. 05/08/2014)

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 | 2 | 2 |
| Mr. Sameer S. Shetty | Member & Non- Executive Director | 2 | 0 |
| Mr. Laxman S. Shetty | Member & Non-Executive Independent Director | 2 | 2 |

Mr.Sridhar Srinivasan is the Compliance Officer of the Company.

The Committee met 2 times during the year ended 31st March, 2016.

During the financial year 2015-16, No Complaints were received.

There were no pending complaints as on 31st March, 2016.

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 |
|------------------------------|---|-----------|--|
| 47 th AGM 2012-13 | Friday 27 th September, 2013 | 3.00 p.m. | Registered Office: Plot C-44, Road No. 28, Wagle Industrial Estate, Thane 400 604 |
| 48 th AGM 2013-14 | Monday 22 nd September, 2014 | 3.00 p.m. | |
| 49 th AGM 2014-15 | Tuesday 22 nd September, 2015 | 3.00 p.m. | |

No Extra-ordinary General Meeting was held during the financial year 2015-16.

Postal Ballot

Three resolutions were passed by Postal Ballot during the financial year 2015-16.

7. Disclosure

a) Related Party Transactions

The related party transactions have been mentioned under Note 13 of 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

The Company has failed to comply with certain clauses of Listing Agreement stipulating filing of certain disclosure (Quarterly / Half yearly) with BSE within statutory time period. However the Company has filed the said disclosures promptly upon receipt of Show Cause Notice / Notices for Discrepancies of the BSE.

There were no penalties or strictures 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 Deputy General Manager of Finance of the Company have certified on financial reporting and internal controls to the Board in terms of Regulation 17 of SEBI (LODR) Regulations, 2015.

The Company is not required to submit to the Stock Exchange on a quarterly basis, a Certificate given by Compliance Officer regarding compliance in terms of Regulation 17 of SEBI (LODR) Regulations, 2015. The Company has not adopted the non-mandatory requirements (except for the Remuneration Committee)

8. Means of Communication

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

50th Annual General Meeting of the Company is scheduled to be held on Thursday, 29th September, 2016 at 10.00 a.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 |
| Financial Year | 1 st April to 31 st March |
| Quarter ending 30th June, 2016 | First week of August, 2016 |
| Quarter ending 30th September, 2016 | First week of November, 2016 |
| Quarter ending 31st December, 2016 | First week of February, 2016 |
| Quarter ending 31st March, 2017 | Last week of May, 2017 (Audited Results) |
| Annual General Meeting | September 2017 |

Book Closure dates

Thursday 22nd September, 2016 to September, 29th September, 2016 (both days inclusive) for the 50th Annual General Meeting.

Listing on Stock Exchanges

The shares of the Company are listed on the Bombay Stock Exchange Ltd. (BSE).

Stock Code : 526496

Script ID : RUBBERPR

| Month | Share Price (BSE) | | Volume (in shares) |
|----------------|-------------------|-----------|-----------------------|
| | High Price | Low Price | |
| April 2015 | 5.65 | 5.13 | 600 |
| May 2015 | 5.64 | 4.16 | 4,175 |
| June 2015 | 4.00 | 3.80 | 1,603 |
| July 2015 | 5.04 | 3.80 | 8,292 |
| August 2015 | 8.50 | 5.03 | 12,716 |
| September 2015 | 8.54 | 7.72 | 1,077 |
| October 2015 | 7.34 | 6.64 | 1,058 |
| November 2015 | 7.34 | 6.30 | 1,046 |
| December 2015 | 6.32 | 5.17 | 15,002 |
| January 2016 | 6.28 | 5.68 | 26,078 |
| March 2016 | 5.40 | 4.64 | 500 |

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 thirty days from the date of receipt, if the documents are correct and valid in all respects. The Company had 3103 shareholders as on 31st March, 2016.

| Category of Shareholder | No. of shares held | % holding |
|---------------------------------|--------------------|------------|
| Promoter & Promoter Group | 2091551 | 51.16 |
| Institution | | |
| i) Mutual Fund/UTI | 300 | 0.01 |
| ii) Financial Institution/ Bank | 6600 | 0.16 |
| Non-Institution | | |
| i) Bodies Corporate | 32653 | 0.80 |
| ii) Public (Indian) | 1691777 | 41.38 |
| NRI's | 66433 | 1.62 |
| Others | 199086 | 4.87 |
| Total | 4088400 | 100 |

Distribution of Shareholding of the Company as on 31st March, 2016 s as follows:

| Range – Shares | No. of Shareholders | %age | No. of Shares | %age |
|----------------|---------------------|-------|---------------|-------|
| Upto 100 | 637 | 20.53 | 50013 | 1.22 |
| 101 - 500 | 2120 | 68.32 | 546659 | 13.37 |
| 501 - 1000 | 201 | 6.48 | 171477 | 4.19 |
| 1001 - 2000 | 69 | 2.22 | 111587 | 2.74 |
| 2001 - 3000 | 21 | 0.68 | 53219 | 1.30 |
| 3001 - 4000 | 15 | 0.48 | 54425 | 1.33 |
| 4001 - 5000 | 7 | 0.23 | 33602 | 0.82 |
| 5001 - 10000 | 9 | 0.29 | 69355 | 1.70 |
| 10001 - 20000 | 9 | 0.29 | 114645 | 2.80 |
| 20001 - 50000 | 2 | 0.06 | 60332 | 1.48 |
| 50001 & Above | 13 | 0.42 | 2823086 | 69.05 |

Dematerialization of Shares and Liquidity

86.98% of the Company's share capital listed on the Stock Exchange has been dematerialized up to 31st March, 2016 (86.88% upto to 31st March, 2015). 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:

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
For The Rubber Products Limited**

**Smitha H. Shetty
Chairperson**

Thane, 12th August, 2016

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 2015-16.

For **THE RUBBER PRODUCTS LIMITED**

Mrs. Smitha H. Shetty
Chairperson

Thane, 12th August, 2016

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

1. ECONOMIC OVERVIEW

The relevant industry is Rubber products manufacturing other than tyre industry. This industry consists of mostly SME s.

During the year 2015-16 most of these companies were affected by the shortage and volatility of natural rubber, the main raw material. The industry faced various problems like poor availability of quality raw material, high cost of power, high cost of technology upgradation and virtually no Government support.

The rubber production, compared to 2014-15 came down by 15% i.e from 6,45,000 tonnes to 5,63,000 tonnes. This gap could not be bridged even by imports since the Government levied 25% duty and port restrictions. The prices of rubber went up by 40% and the industry could not absorb such a sharp rise in prices.

In addition to this when there was a 25% duty on the import of raw material there was 0% to 10% duty on the import of finished goods which further affected the domestic manufacturers.

2. INDUSTRY STRUCTURE AND DEVELOPMENT

India is one of the leading rubber producers in the world. India rubber industry is basically divided into two sectors - tyre and non-tyre. The tyre sector produces all types of auto tyres, conventional as well as radial tyres and exports to advanced countries like USA, EU etc.

The non-tyre sector comprises the large, medium scale, small scale and tiny units. It produces high technology and sophisticated industrial products. The Indian rubber products have been exported to around 190 countries in the world including USA, Russia, UK, Bangladesh, Italy, Nepal, Germany, Oman, France, Saudi Arabia, UAE, African countries etc. and exports have gone up manifold. India's share in the International market is merely 1.48% whereas China is at 11%. Therefore, there is enough potential for the exports.

The yardstick to measure the growth rate of the industry is rubber consumption. The global per capita rubber consumption is at 3.2 kg, China at 8 kg., Developed countries at 14 kg., and India only 1.16 kg. This can give us fair indication of the scope for the industry.

The Indian Rubber Industry is highly labour and energy intensive. With around 6000 units comprising 30 large scale, 300 medium scale and around 5670 SSI / tiny sector units, manufacturing 35000 rubber products, employing directly 400 hundred thousand people, including around 22000 technically qualified support personnel. The Indian Rubber Industry plays a core sector role in the Indian national economy. The industry has certain distinct advantages like - an extensive plantation sector; indigenous availability of the basic raw materials, like natural rubber, synthetic rubber, reclaim rubber, carbon black, rubber chemicals, fatty acids, rayon, and nylon yarn and so on; large domestic market; availability of cheap labour; training facility in various technical institutes; improved living standards of the masses. All these ground support help the Indian rubber industry to poise for an all round development and a quantum jump in production and technology up gradation in near future

3. OPPORTUNITIES AND THREATS

Indian rubber industry has been growing in along with the strength and importance, as a part of India's burgeoning role in the global economy. The export share of Indian Rubber product manufacturing is increasing.

The Company has its presence in Srilanka, European and US market. reviewed its sales during the financial year , both in domestic as well as export sales. The Company is exploring other opportunities for exports. In the financial year 2016-17, your company expects that the sales would be increased in terms of both domestic and export markets. With the help of external and in house rubber technologists, your company continuously conducts research and tests to ensure consistent good quality products.

The volatile nature of raw rubber prices is a matter of concern. The Company cannot enter into long term rate contract on fixed prices.

4. OUTLOOK FOR THE COMPANY

The Company has decided to concentrate more on the export market and some high value products to overcome competition and reducing margins. The Company has made plans for major Capital expenditure to improve the productivity and reduce the down time due to constant break downs. With the implementation of these plans the Company can stop its losses and once again be on the path of growth.

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 2015-16, the turnover of the Company was Rs. 917.65 lacs as compared to Rs. 1310.96 lacs in the previous year. The export turnover of your Company during the financial year was Rs. 298.44 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.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

of
THE RUBBER PRODUCTS LIMITED

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of
the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|--|
| 1. | CIN | L25100MH1965PLC013379 |
| 2. | Registration Date | 09/12/1965 |
| 3. | Name of the Company | THE RUBBER PRODUCTS LIMITED |
| 4. | Category/Sub-category of the Company | Public Company Company Limited by Shares, Company having share capital |
| 5. | Address of the Registered office & contact details | Plot-C 44, Road No.28, Wagle Industrial Estate, Thane, Maharashtra - 400604 |
| 6. | Whether listed company | Yes |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Industrial Estate, 1 st Floor, Makwana Road, Marol Naka, Mumbai 400 069. Tel: +91 22 28594060/28596060 Fax: +91 22 28503748; E-mail: adroits@vsnl.net |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of main Products / Services | NIC Code of the Product / Service | % to total turnover of the Company |
|---------|--|-----------------------------------|------------------------------------|
| 1 | Manufacture of Rubber Tubes & Tyres | 22191 | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled]: 01

| S. No. | Name and Address of The company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of share held | Applicable Section |
|--------|--|-----------------------|--------------------------------|-----------------|--------------------|
| 1 | The Cosmos India Rubber Works Private Limited Plot No C-44, road No 28, Wagle Industrial Estate, Thane-400609 | U25100MH1946PTC005104 | Associate | 48.84 | Section 2(6) |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the Year | | | | No. of Shares held at the end of the Year | | | | % Change during the year |
|--|---|-------------|----------------|-------------------|---|-------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Central Govt | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corp. | 109000 | 8400 | 117400 | 2.87 | 109000 | 8400 | 117400 | 2.87 | 0.00 |
| e) Banks / FI | 589191 | 0 | 589191 | 14.41 | 589191 | 0 | 589191 | 14.41 | 0.00 |
| f) Any other | | | | | | | | | |
| f-1) Directors | 142740 | 0 | 142740 | 3.49 | 142790 | 0 | 142790 | 3.49 | 0.00 |
| f-2) Directors Relatives | 1242170 | 0 | 1242170 | 30.38 | 1242170 | 0 | 1242170 | 30.38 | 0.00 |
| Sub-total (A)(1): | 2081686 | 8400 | 2090086 | 51.16 | 2083151 | 8400 | 2091551 | 51.16 | 0.03 |
| (2) Foreign | | | | | | | | | |
| a) NRIs-Individuals | | | | | | | | | |
| b) other- Individuals | | | | | | | | | |
| c) Bodies Corp. | | | | | | | | | |
| d) Banks/FI | | | | | | | | | |
| e) Any other | | | | | | | | | |
| Sub-total (A)(2): | | | | | | | | | |
| Total shareholding of Promoter (A)= (A)(1)+(A)(2) | | | | | | | | | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 300 | 300 | 0.01 | 0 | 300 | 300 | 0.01 | 0.00 |
| b) Banks / FI | 0 | 6600 | 6600 | 0.16 | 0 | 6600 | 6600 | 0.16 | 0.00 |
| c) Central Govt | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) FIs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |

| Category of Shareholders | No. of Shares held at the beginning of the Year | | | | No. of Shares held at the end of the Year | | | | % Change during the year |
|--|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) Others (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (B)(1):- | 0 | 6900 | 6900 | 0.17 | 0 | 6900 | 6900 | 0.17 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 128272 | 4400 | 132672 | 3.25 | 128253 | 4400 | 132653 | 3.24 | 0.00 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 611839 | 391610 | 1003449 | 24.54 | 598941 | 388010 | 986951 | 24.14 | -0.40 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 721625 | 65120 | 786745 | 19.24 | 738792 | 65120 | 803912 | 19.66 | 0.42 |
| c) Others (specify) | | | | | | | | | |
| C-1) Non Resident Indians(Individuals) | 7233 | 59900 | 67133 | 1.64 | 6833 | 59600 | 66433 | 1.62 | -0.02 |
| Overseas Corporate Bodies | | | | | | | | | |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | | | | | | | | | |
| Trusts | | | | | | | | | |
| Foreign Bodies - D R | | | | | | | | | |
| Sub-total (B)(2):- | 1468969 | 521030 | 1989999 | 48.67 | 1472819 | 517130 | 1989949 | 48.67 | 0.00 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 1468969 | 527930 | 1996899 | 48.84 | 1472819 | 524030 | 1996849 | 48.84 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 3552070 | 536330 | 4088400 | 100 | 3555970 | 532430 | 4088400 | 100 | 0 |

ii) Shareholding of Promoter-

| S. No. | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % Change in shareholding during the year |
|--------|-------------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total shares of the Company | % of shares Pledged / encumbered to total shares | No. of shares | % of total shares of the Company | % of shares Pledged / encumbered to total shares | |
| 1 | FOURESS MARKETING (INT) P LTD | 400 | 0.01 | 0.00 | 400 | 0.01 | 0.00 | 0.00 |
| 2 | SUCHARITA RAMCRISHNA HEGDE | 142740 | 3.49 | 0.00 | 142790 | 3.49 | 0.00 | 0.00 |
| 3 | SOUMYALATHA SADANAND SHETTY | 1242170 | 30.38 | 0.00 | 1242170 | 30.38 | 0.00 | 0.00 |
| 4 | FOURESS INVESTMENT PVT LTD | 105000 | 2.57 | 0.00 | 105000 | 2.57 | 0.00 | 0.00 |
| 5 | IDBI TRUSTEESHIP SERVICES LIMITED | 589191 | 14.41 | 0.00 | 589191 | 14.41 | 0.00 | 0.00 |
| 6 | FOURESS ENGINEERING (INDIA) LIMITED | 4000 | 0.10 | 0.00 | 4000 | 0.10 | 0.00 | 0.00 |
| 7 | FOURESS MARKETING (INTL) PVT LTD | 8000 | 0.20 | 0.00 | 8000 | 0.20 | 0.00 | 0.00 |
| | Total | 2091501 | 51.16 | 0.00 | 2091551 | 51.16 | 0.00 | 0.00 |

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

| SN | Particulars | Name of Promoter's | As On Date | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|---------------------|------------|---|----------------------------------|---|----------------------------------|
| | | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | At the beginning of the year | FOURESS INVESTMENT | 01/04/2015 | 105000 | 2.57 | 105000 | 2.57 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | PVT LTD | NIL | NIL | | | |
| | At the end of the year | | 31/03/2016 | 0 | 0.00 | 105000 | 2.57 |
| 2 | At the beginning of the year | FOURESS ENGINEERING | | | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | (INDIA) LIMITED | 01/04/2015 | 4000 | 0.10 | 4000 | 0.10 |
| | At the end of the year | | 31/03/2016 | 0 | 0.00 | 4000 | 0.10 |

| SN | Particulars | Name of Promoter's | As On Date | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|-----------------------------------|------------|---|----------------------------------|---|----------------------------------|
| | | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 3 | At the beginning of the year | IDBI TRUSTEESHIP SERVICES LIMITED | 01/04/2015 | 589191 | 14.41 | 589191 | 14.41 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | NIL | NIL | | |
| | At the end of the year | | 31/03/2016 | 0 | 0.00 | 589191 | 14.41 |
| 4 | At the beginning of the year | SUCHARITA RAMKRISHNA HEGDE | 01/04/2015 | 142740 | 3.49 | 142740 | 3.49 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | 04/12/2015 | 50 | 0.00 | 142790 | 3.49 |
| | At the end of the year | | 31/03/2016 | 0 | 0.00 | 142790 | 3.49 |
| 5 | At the beginning of the year | SOUMYALATHA SADANAND SHETTY | 01/04/2015 | 1242170 | 30.38 | 1242170 | 30.38 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | NIL | NIL | | |
| | At the end of the year | | 31/03/2016 | 0 | 0.00 | 1242170 | 30.38 |
| 6 | At the beginning of the year | FOURESS MARKETING (INT) P LTD | 01/04/2015 | 400 | 0.01 | 400 | 0.01 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | NIL | NIL | | |
| | At the end of the year | | 31/03/2016 | 0 | 0.00 | 400 | 0.01 |
| 7 | At the beginning of the year | FOURESS MARKETING (INTL) PVT LTD | 01/04/2015 | 8000 | 0.20 | 8000 | 0.20 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | NIL | NIL | | |
| | At the end of the year | | 31/03/2016 | 0 | 0.00 | 8000 | 0.20 |

THE RUBBER PRODUCTS LIMITED

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

| SN | For Each of the Top 10 Shareholders | Folio No | Name Of Shareholder's | As On Date | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|----------------------|--------------------------------|------------|---|----------------------|---|----------------------|
| | | | | | No. of shares of the company | % of total shares of | No. of shares of the company | % of total shares of |
| 1 | At the beginning of the year | | HDFC Securities Ltd | 01/04/2015 | 0 | 0.00 | 0 | 0.00 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | 22/05/2015 | 400 | 0.01 | 400 | 0.01 |
| | | | | 29/05/2015 | -300 | 0.01 | 100 | 0.00 |
| | | | | 05/06/2015 | -100 | 0.00 | 0 | 0.00 |
| | | | | 07/08/2015 | 1897 | 0.05 | 1897 | 0.05 |
| | | | | 14/08/2015 | -1897 | 0.05 | 0 | 0.00 |
| | | | | 01/01/2016 | 21110 | 0.52 | 21110 | 0.52 |
| | | | | 08/01/2016 | -21110 | 0.52 | 0 | 0.00 |
| | | | | 31/03/2016 | 0 | 0.00 | 0 | 0.00 |
| | At the end of the year | | | 31/03/2015 | 0 | 0.00 | 200000 | 4.89 |
| 2 | At the beginning of the year | IN300159 10026406 | GIRDHARILAL V LAKHI | 01/04/2015 | 51550 | 1.26 | 51550 | 1.26 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | 31/03/2016 | 0 | 0.00 | 51550 | 1.26 |
| | At the end of the year | | | | | | | |
| 3 | At the beginning of the year | IN301604 10106135 | SACHDEVA ONION COMPANY PVT LTD | 01/04/2015 | 15000 | 0.37 | 15000 | 0.37 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | | | |
| | At the end of the year | | | 31/03/2016 | 0 | 0.00 | 15000 | 0.37 |

| SN | For Each of the Top 10 Shareholders | Foliono | Name Of Shareholder's | As On Date | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|----------------------|---|--|--|--|--|--|
| | | | | | No. of shares the company | % of total shares of | No. of shares the company | % of total shares of |
| 4 | At the beginning of the year | IN300394 18285614 | SHRESTHA TREKS & EXPEDITIONS PRIVATE LIM | 01/04/2014 | 100000 | 2.45 | 100000 | 2.45 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | | | |
| | At the end of the year | | | 31/03/2015 | 0 | 0.00 | 100000 | 2.45 |
| 5 | At the beginning of the year | 120447 0005283150 | MEENAKSHI JOGLEKAR | 01/04/2015 | 22782 | 0.56 | 22782 | 0.56 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | | | |
| | At the end of the year | | | 31/03/2015 | 0 | 0.00 | 70576 | 1.73 |
| 6 | At the beginning of the year | IN302515 10038974 | SAURAV GUPTA | 01/04/2015 22/05/2015 29/05/2015 14/08/2015 25/12/2015 31/12/2015 08/01/2016 | 124366 1250 200 1000 3880 100 3500 | 3.04 0.03 0.00 0.02 0.09 0.00 0.09 | 124366 125616 125816 126816 130696 130796 134296 | 3.04 3.07 3.08 3.10 3.20 3.20 3.28 |
| | At the end of the year | | | 31/03/2016 | 0 | 0 | 134296 | 3.28 |

THE RUBBER PRODUCTS LIMITED

| SN | For Each of the Top 10 Shareholders | Foliono | Name Of Shareholder's | As On Date | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|----------------------|-----------------------|--|---|--|---|----------------------|
| | | | | | No. of shares the company | % of total shares of | No. of shares the company | % of total shares of |
| 7 | At the beginning of the year | IN302252 10055259 | KAMAL KUMAR GOYAL | 01/04/2015 | 70576 | 1.73 | 70576 | 1.73 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | 29/05/2015 05/06/2015 10/07/2015 31/07/2015 07/08/2015 08/01/2016 | 276 75 897 200 20 2000 | 0.01 0.00 0.02 0.00 0.00 0.05 | | |
| | At the end of the year | | | 31/03/2016 | 0 | 0.00 | 74044 | 1.81 |
| 8 | At the beginning of the year | IN300360 10072733 | RAJU BHANDARI | 01/04/2015 | 356475 | 8.72 | 356475 | 8.72 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | | | |
| | At the end of the year | | | 31/03/2016 | 0 | 0.00 | 356475 | 8.72 |
| 9 | At the beginning of the year | J000001 | JYOTI P MEHTA | 01/04/2015 | 65120 | 1.59 | 65120 | 1.59 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | | | |
| | At the end of the year | | | 31/03/2016 | 0 | 0.00 | 65120 | 1.59 |
| 10 | At the beginning of the year | | SANGEETHAS | 01/04/2015 | 13820 | 0.34 | 13820 | 0.34 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | | | |
| | At the end of the year | | | 31/03/2016 | 0 | 0.00 | 13820 | 0.34 |

v) Shareholding of Directors and Key Managerial Personnel (Other than Promoter) : NIL

| For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| At the beginning of the year | | | | |
| Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| At the end of the year | | | | |

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness Crores |
|--|----------------------------------|-----------------|----------|---------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 462.91 | 244.70 | 0 | 707.61 |
| ii) Interest due but not paid | | | 0 | |
| iii) Interest accrued but not due | | | 0 | |
| Total (i+ii+iii) | 462.91 | 244.70 | 0 | 707.61 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 0 | 171.07 | 0 | 171.07 |
| • Reduction | 4.12 | 0 | 0 | 4.12 |
| Net Change | 0 | 171.07 | 0 | 166.95 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 458.79 | 402.70 | 0 | 861.49 |
| ii) Interest due but not paid | 0 | 13.07 | 0 | 13.07 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 458.79 | 415.77 | 0 | 874.56 |

VI. REMUNERATION OF DIRECTORES AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whol-Time Directores and/or Manager : NIL

B. Remuneration to other Directores : NIL

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

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

| | |
|--|---------------|
| FOR THE RUBBER PRODUCTS LIMITED | |
| Sucharita R. Hegde | Ashok Shetty |
| Director | Director |
| DIN: 01284570 | DIN: 01326133 |

ANNEXURE V TO DIRECTORS REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2016

[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,
The Rubber Products Limited

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

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

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by The Rubber Products Limited ("the Company") for the financial year ended on **31st March, 2016** 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The Rubber Act, 1947

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from 1st July, 2015.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange;

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

- 1] The Company has not appointed the Company Secretary under Section 203 of the Companies Act, 2013 as Key Managerial Personnel during the financial year under review;**
- 2] The Company has not appointed the Internal Auditor during the financial year under review;**
- 3] The Company has failed to file 2 [Two] forms MGT-14 during the financial year under review.**

I/we further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. **There are no changes in the composition of the Board of Directors that took place during the period under review.**

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I/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.

I/we further report that during the audit period the company has no specific events and/or actions that have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc. referred to above.

Place: Dombivali, Thane

Date: 11th August, 2016

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of THE RUBBER PRODUCTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **THE RUBBER PRODUCTS LIMITED** as at **31st March, 2016**, which comprises the Balance Sheet as at March 31,2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 2013 ("the Act") read with the General Circular 15/2013 dated 13th September,2013 of the Ministry of Companies Affairs in respect of Section 133 of the companies Act,2013 and in accordance with the accounting principles generally accepted in India . This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts, **subject to NOTE-3 regarding provision of excise/ custom duty, Note ,Note 6 regarding dues from 'COSMOS India Rubber Work Ltd' and 'BIFR' matter, Note 7 regarding Sundry Debtors including non provision for doubtful debts, Note No.9 on short provision for gratuity, Note No.11 on Interest provision and read together with other notes**,the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company asat March 31, 2016;
- b) In the case of the Profit and Loss Account, of the **loss** of the company for the yearended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report On Other Legal & Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statements, comply with the Accounting Standards specified under Sec 133 of the Companies Act, 2013.read with Rule 7 of the Companies (Accounts) Rule, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act
 - f) With respect to the adequacy of the Internal Financial Control over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure B": and
 - g) With respect to the other matter included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i) The Company has disclosed the impact of pending litigation on its financial position in its financial statement
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii) There were no amounts which required to be transferred to the Investors Education and Protection Fund by the Company.

For J. R. JAIN & Co.
Chartered Accountants
FRN: 103915W
J.P. JAIN
(PARTNER)
Membership No.: 7293

Mumbai, 12th August 2016.

Annexure – A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended 31st March 2016, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, except for Office Equipments.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; which in our opinion is reasonable, having regard to the size of the company and nature of its assets.No material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. In respect of the loans, secured or unsecured, granted to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013
(a) According to the information and explanations given to us, the Company has given loan to one associate concern. In respect of the said loans, the maximum amount outstanding at any time during the year was Rs. 25.00 Lacs and the yearend balance is Rs. 25.00 Lacs.
(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the company, are not prima facie prejudicial to the interest of the company in view of below explanation in 3(C)
(c) The principal amounts are repayable but due to order of BIFR was set aside by AAIFR vide it's order dated 06.09.2012and also directed BIFR to consider the scheme submitted by the Cosmos India Rubber Works (P) Ltd of revival cum Merger with the company. The terms and conditions of the said loan are primafacie, not prejudicial to the interest of the company. Reference is invited to Note No.6 of Notes forming part of account.
(d) In respect of the said loans and interest thereon, there are no overdue amounts.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public .Therefore, provision of clause(v)of paragraph3 of the CARO 2016 are not applicable to company
6. As per information & explanation given by the management, the central government has not prescribed **maintenance of cost records**pursuant to the Companies (Cost Accounting Records) under section 148(1) of the Companies Act,2013 for the products of the company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records, the company is not regular in depositing, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, VAT/CST, Profession Tax, Service Tax, Excise Duty, TCS & TNGST cess to the

extent applicable with the appropriate authorities. According to the information and explanations given to us there were outstanding statutory dues as on 31st of March, 2016 for a period of more than six months from the date they became payable. The details are as follows :

| Sr. No. | Particulars | Amount (In Rs.) Outstanding for more than 6 month. F.Y. 2015-16. | Amount (In Rs.) Outstanding for more than 6 month. F.Y.2014-15 |
|---------|----------------|--|--|
| 1 | Service Tax | 2,14,458/- | 10,78,348/- |
| 2 | VAT/CST | 2,66,671/- | NIL |
| 3 | TNGST | 73,387/- | 73,387/- |
| 4 | ESIC | 61,938/- | 45,219/- |
| 5 | Profession Tax | 15,46,225/- | 11,81,400/- |
| 7 | TCS/TDS | 2,78,320/- | 1,31,026/- |
| 8 | MLWF | 6,294/- | NIL |

b) According to the information and explanations given to us, the following dues of sales tax, excise duty which have not been deposited as on 31st March, 2016 on account of disputes are given below

| Sr No | Name of the Statute | Nature of the Dues | Amount (In Lacs) | Period to which the amount relates | Forum where dispute is pending |
|-------|--------------------------|--|------------------|------------------------------------|---------------------------------------|
| 1. | Central Excise Act, 1944 | Excise duty (Including interest and penalty) | 68.91 | Feb 2000-2003 | Appellate Tribunal, West Zonal Bench. |
| | | —do— | 4.14 | 2006-07 & 2007-08 | Appellate Tribunal, West Zonal Bench. |
| | | —do— | 74.14 | March 94-July 2007 | Appellate Tribunal, West Zonal Bench. |
| | | —do— | 1.20 | 1995-96 | Commissioner (Appeals) |
| | | —do— | 2.21 | | Commissioner (Appeals) |
| 2. | Central Sales tax | CST & VAT (Including interest and penalty) | 620.92 | FY 2008-09 | Commissioner of Appeals |
| | | | 29.29 | 2009-10 | |
| | | | 31.49 | 2010-11 | |
| | | | 7.99 | 2011-12 | |
| | Total | | 840.29 | | |

8. Based on our audit procedures and on 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, bank or debenture holders.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of Paragraph 3 of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the company or on the Company by its officer or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of sec 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, clause (xii) of Paragraph 3 of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause (xv) of Paragraph 3 of the Order is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J. R. JAIN & Co.
Chartered Accountants
FRN: 103915W
J.P. JAIN
(PARTNER)
Membership No.: 7293

Mumbai, 12th August 2016

Annexure – B to the Auditors Report

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

We have audited the internal financial controls over financial reporting of The Rubber Products Limited, as on 31 March 2016 in conjunction with our audit of financial statement of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls.

Management is responsible for the establishment and maintaining internal financial control 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, a fairly adequate internal financial controls system over financial reporting except in the area of internal auditing which needs to be strengthened and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Mumbai, 12th August 2016

For J. R. JAIN & Co.
Chartered Accountants
FRN: 103915W
J.P. JAIN
(PARTNER)
Membership No.: 7293

BALANCE SHEET AS ON 31ST MARCH, 2016

(Amount In Rs.)

| Particulars | Note No. | As at 31.03.2016 | As at 31.03.2015 |
|------------------------------------|----------|-----------------------|-----------------------|
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 2 | 40,962,000.00 | 40,962,000.00 |
| (b) Reserves and surplus | 3 | (40,134,361.59) | (12,994,970.73) |
| | | <u>827,638.41</u> | <u>27,967,029.27</u> |
| 2 Non-current liabilities | | | |
| (a) Long-term borrowings | 4 | 40,339,220.25 | 24,648,152.07 |
| (b) Deferred tax liabilities (net) | 5 | 4,991,041.00 | 5,191,927.00 |
| (c) Other long-term liabilities | 6 | 22,552,699.34 | 16,871,183.68 |
| (d) Long-term provisions | 7 | 13,579,417.00 | 11,682,964.00 |
| | | <u>81,462,377.59</u> | <u>58,394,226.75</u> |
| 3 Current liabilities | | | |
| (a) Short-term borrowings | 8 | 45,809,620.19 | 46,112,516.63 |
| (b) Trade payables | 9 | 12,088,776.71 | 24,730,450.39 |
| (c) Other current liabilities | 10 | 13,209,677.14 | 13,661,014.22 |
| (d) Short-term provisions | 11 | 6,832,083.60 | 4,917,984.99 |
| | | <u>77,940,157.64</u> | <u>89,421,966.23</u> |
| TOTAL | | <u>160,230,173.64</u> | <u>175,783,222.25</u> |
| B ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | 12 | | |
| (i) Tangible assets | | 29,054,450.12 | 30,011,791.63 |
| (ii) Intangible assets | | 90,852.00 | 122,359.00 |
| | | <u>29,145,302.12</u> | <u>30,134,150.63</u> |
| (b) Non-current investments | 13 | 2,483,661.00 | 2,483,661.00 |
| (c) Deferred tax assets (net) | 5 | 2,550,956.00 | 2,613,852.00 |
| (d) Long-term loans and advances | 14 | 11,481,180.78 | 10,300,943.49 |
| (e) Other non-current assets | | | |
| | | <u>16,515,797.78</u> | <u>15,398,456.49</u> |
| 2 Current assets | | | |
| (a) Current investments | 15 | | |
| (b) Inventories | 16 | 51,044,302.00 | 56,272,486.00 |
| (c) Trade receivables | 17 | 61,217,745.93 | 66,946,803.86 |
| (d) Cash and cash equivalents | 18 | 781,742.54 | 4,390,474.32 |
| (e) Short-term loans and advances | 14 | 1,042,923.09 | 2,200,316.95 |
| (f) Other current assets | 19 | 482,360.18 | 440,534.00 |
| | | <u>114,569,073.74</u> | <u>130,250,615.13</u> |
| TOTAL | | <u>160,230,173.64</u> | <u>175,783,222.25</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, 12th August 2016.

On behalf of the Board of Directors

Smita H. Shetty
Sameer S. Shetty
Sucharita R. Hegde
Ashok Shety
F. S. Broacha
Laxman S. Shetty

THE RUBBER PRODUCTS LIMITED

PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2016.

| Particulars | Note No. | For the year ended 31 March, 2016 | (Amount In Rs.) For the year ended 31 March, 2015 |
|--|----------|---|--|
| Income | | | |
| 1 Revenue from operations (gross) | 20 | 91,812,203.21 | 131,096,879.92 |
| Less: Excise duty | | | |
| Revenue from operations (net) | | 91,812,203.21 | 131,096,879.92 |
| 2 Other income | 21 | 1,047,901.15 | 1,979,535.06 |
| 3 Total revenue (1+2) | | <u>92,860,104.36</u> | <u>133,076,414.98</u> |
| 4 Expenses | | | |
| (a) Cost of materials consumed | 22 | 46,202,185.58 | 82,453,912.62 |
| (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 23 | 1,875,181.00 | (6,924,693.00) |
| (c) Employee benefits expense | 24 | 33,001,782.08 | 37,158,621.06 |
| (d) Finance costs | 25 | 11,291,417.18 | 11,593,815.27 |
| (e) Depreciation and amortisation expense | | 2,352,836.00 | 2,429,961.00 |
| (f) Other expenses | 26 | 23,242,357.38 | 30,578,120.04 |
| Total expenses | | <u>117,965,759.22</u> | <u>157,289,736.99</u> |
| 5 Profit / (Loss) before tax | | (25,105,654.86) | (24,213,322.01) |
| 6 Provision for Diminishing in Investment A/c. | | 2,100,000.00 | - |
| 7 Tax expense: | | | |
| (a) Deferred tax | | (137,990.00) | 73,123.00 |
| 8 Profit / (Loss) from continuing operations | | <u>(27,067,664.86)</u> | <u>(24,286,445.01)</u> |
| 9 Profit / (Loss) for the year | | <u><u>(27,067,664.86)</u></u> | <u><u>(24,286,445.01)</u></u> |
| EPS | | | |

In terms of our report attached.

For J R Jain & Co
Chartered Accountants

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

Thane, 12th August 2016.

On behalf of the Board of Directors

Smita H. Shetty
Sameer S. Shetty
Sucharita R. Hegde
Ashok Shety
F. S. Broacha
Laxman S. Shetty

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

(Amount In Rs.)

| Particulars | As at 31.03.2016 | As at 31.03.2015 |
|---|------------------------|------------------------|
| Cash flow from Operating Activities: | | |
| A Profit Before Tax | (25,105,654.86) | (24,213,322.01) |
| Adjustments for: | | |
| Depreciation and obsolescence | 2,352,836.00 | 2,429,961.00 |
| Excess provisions written back (Net) | - | - |
| Provisions for retirement benefits | | |
| Interest and dividend income | (6,133.80) | (6,177.30) |
| Interest and Finance Charges | 11,291,417.18 | 11,593,815.27 |
| Other operating income | | |
| Diminishing in Investments | - | - |
| Operating Profit Before Working Capital changes | <u>(11,467,535.48)</u> | <u>(10,195,723.04)</u> |
| Movements in Working Capital: | | |
| Increase/(Decrease) in Trade Payables and other Liabilities | (5,497,396.49) | 5,793,067.24 |
| Increase/(Decrease) in short term & long term provisions | 1,896,453.00 | 955,184.00 |
| Increase/(Decrease) in Deferred tax liabilities | | - |
| Decrease/(Increase) in Trade Receivables | 5,729,057.93 | 12,241,326.32 |
| Decrease/(Increase) in Inventories | 5,228,184.00 | (5,783,135.44) |
| Decrease/(Increase) in Loans and advances | (64,669.61) | (1,340,385.23) |
| Cash Generated from Operations | <u>(4,175,906.65)</u> | <u>(1,670,333.85)</u> |
| Taxes paid | | |
| Net Cash Generated from Operating Activities (A) | <u>(4,175,906.65)</u> | <u>(1,670,333.85)</u> |
| Cash Flow from Investing Activities: | | |
| B Purchase of Fixed Assets | (1,438,231.00) | (509,742.00) |
| Sale of Fixed Assets | 2,518.00 | 683.00 |
| (Purchase)/proceeds of non current Investmens | | |
| (Purchase)/proceeds of current Investmens | | - |
| Diminshing Investments | - | |
| Interest/Dividend received | 6,133.80 | 6,177.30 |
| Net Cash used in Investing Activities (B) | <u>(1,429,579.20)</u> | <u>(502,881.70)</u> |
| Cah Flow from Finance Activities: | | |
| C Proceeds/(Repayment) of Long/Short term borrowings | 15,388,171.74 | 12,824,057.98 |
| Interest paid | 11,291,417.18 | (11,593,815.27) |
| Net Cash Generated/(Used) from Financing Activities © | <u>4,096,754.56</u> | <u>1,230,242.71</u> |
| Net Increase/(Decrease) in Cash and Cash equivalents(A+B+C) | <u>1,508,731.29</u> | <u>2,397,694.86</u> |
| Cash and Cash Equivalent at the Beginning of the year | <u>4,390,477.40</u> | <u>1,992,782.54</u> |
| Cash and Cash Equivalent at the End of the year | <u>2,881,746.11</u> | <u>4,390,477.40</u> |
| | <u>781,742.54</u> | <u>4,390,474.32</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, 12th August 2016.

On behalf of the Board of Directors

Smita H. Shetty
Sameer S. Shetty
Sucharita R. Hegde
Ashok Shety
F. S. Broacha
Laxman S. Shetty

NOTES FORMING PART OF THE BALANCE SHEET

(Amount In Rs.)

| | As At 31.03.2016 | As At 31.03.2015 |
|---|---------------------|---------------------|
| 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> |
| 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 |
| 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 |
| 15,300 shares forfeited for non receipt of allotment money (previous year 15,300) | <u>40,962,000</u> | <u>40,962,000</u> |

List of shareholders holding more than 5% of paid up Equity Share Capital

| Sr No | Folio No Name/Address | Shares | %age | Status |
|---------------------|---|----------------|---------------------|---------------------|
| 1 | IN30045011069332IDBI TRUSTEESHIP 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 |
| 2 | IN30133020051873SOUMYALATHA SADANAND SHETTY 11D IL PALAZZO LITTLE GIBBS ROAD MALABAR HILL MUMBAI - 400006 PANNO :ABMPS8762L | 537825 | 13.15 | 10 |
| 3 | IN30133018452818SOUMYALATHA SADANAND SHETTY 11 D ILPALAZZO LITTLE GIBBS ROAD MALABAR HILL MUMBAI - 400006 PANNO :ABMPS8762L | 353599 | 8.65 | 10 |
| 4 | IN30133018452761SOUMYALATHA SADANAND SHETTY 11 D ILPALAZZO LITTLE GIBBS ROAD MALABAR HILL MUMBAI - 400006 PANNO :ABMPS8762L | 350746 | 8.58 | 10 |
| Grand Total: | | 1831361 | <u>44.79</u> | <u>44.79</u> |

NOTES FORMING PART OF THE BALANCE SHEET

(Amount In Rs.)

| NOTE 3 RESERVES AND SURPLUS | | | | | | |
|--------------------------------|--------|---------------------|-----------------|-----------------------|---|-----------------|
| As at 31.03.2016 | Assets | Revaluation Reserve | General Reserve | Share Premium Reserve | Surplus(+)/Deficit(-) of Profit & loss st | Total |
| Opening Balance | | 877,031.00 | 11,197,300.00 | 49,924,000.00 | (74,993,301.73) | (12,994,970.73) |
| <u>During the Year</u> | | | | | | |
| Additions | | | - | - | (27,067,664.86) | (27,067,664.86) |
| Deductions | | 71,726.00 | - | - | - | 71,726.00 |
| Closing Balance | | 805,305.00 | 11,197,300.00 | 49,924,000.00 | (102,060,966.59) | (40,134,361.59) |
| As at 31.03.2015 | Assets | Revaluation Reserve | General Reserve | Share Premium Reserve | Surplus(+)/Deficit(-) of Profit & loss st | Total |
| Opening Balance | | 948,757.00 | 11,197,300.00 | 49,924,000.00 | (50,706,856.72) | 11,363,200.28 |
| <u>During the Year</u> | | | | | | |
| Additions | | | - | - | (24,286,445.01) | (24,286,445.01) |
| Deductions | | 71,726.00 | - | - | - | 71,726.00 |
| Closing Balance | | 877,031.00 | 11,197,300.00 | 49,924,000.00 | (74,993,301.73) | (12,994,970.73) |

NOTE 4 Long Term Borrowings**31.03.2016****31.03.2015****Long term borrowings**

| | | |
|--------------|-----------|------------|
| Vehicle Loan | 69,414.25 | 178,346.07 |
|--------------|-----------|------------|

Unsecured :

From Related Party

M/s Boving Fouress Limited

5,000,000.00

5,000,000.00

(where Director's interested)

Mr. Sameer Shetty. Director

23,200,000.00

14,500,000.00

Inter Corporate Deposit (Including Interest)

4,969,806.00

4,969,806.00

Mrs. Sucharita Hedgde

7,100,000.000.0040,339,220.2524,648,152.07**NOTE 5 DEFERRED TAX LIABILITY (Net)**

| Particulars | Deferred Tax as at 31.03.2015 | Current Year Charge | Deferred Tax as at 31.03.2016 |
|----------------------------|-------------------------------|---------------------|-------------------------------|
| Deferred tax Assets | 5,191,927.00 | (200,886.00) | 4,991,041.00 |
| Deferred Tax Liability | (2,613,852.00) | 62,896.00 | (2,550,956.00) |
| Net Deferred Tax Liability | 2,578,075.00 | (137,990.00) | 2,440,085.00 |

NOTE 6 OTHER LONG TERM LIABILITIES

| | | |
|--|----------------------|----------------------|
| Customer Deposits | 560,000.00 | 560,000.00 |
| Unclaimed Bonus | 111,545.00 | 111,545.00 |
| Unclaimed Wages | 151,572.72 | 151,572.72 |
| Creditors for Capital Goods | 180,841.13 | 112,771.13 |
| Creditors for Expenses | 6,849,435.16 | 3,598,966.02 |
| Creditors for Material | 13,205,377.23 | 11,489,487.81 |
| Creditors for Stores | <u>1,493,928.10</u> | <u>846,841.00</u> |
| | <u>22,552,699.34</u> | <u>16,871,183.68</u> |
| Creditors for expenses Includes Related Party FOURESS ENGINEERING (India) Ltd | - | 0 |

NOTES FORMING PART OF THE BALANCE SHEET

(Amount In Rs.)

| | As At 31.03.2016 | As At 31.03.2015 |
|---|---------------------|---------------------|
| NOTE 7 LONG TERM PROVISIONS | | |
| <u>For Employee Benefits</u> | | |
| Gratuity | 10,055,702.00 | 9,975,232.00 |
| Leave Encashment | 594,086.00 | 878,103.00 |
| <u>For Taxation</u> | | |
| FBT | 829,629.00 | 829,629.00 |
| Provision for Diminishing in Investment A/c. | 2,100,000.00 | |
| Total | 13,579,417.00 | 11,682,964.00 |
| NOTE 8 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) | 45,809,620.19 | 46,112,516.63 |
| | 45,809,620.19 | 46,112,516.63 |
| NOTE 9 TRADE PAYABLES | | |
| Due to Micro, Small & Medium Enterprises (To the extent identifiable with available information) | | |
| Due to others | | |
| Creditors for Expenses | 3,827,631.78 | 6,235,245.99 |
| Creditors for Material | 7,059,832.53 | 16,655,317.40 |
| Creditors for Stores | 1,201,312.40 | 1,839,887.00 |
| | 12,088,776.71 | 24,730,450.39 |
| NOTE 10 OTHER CURRENT LIABILITIES | | |
| Liability for Capital goods | 2,000.00 | 68,069.00 |
| Other Liabilities * | - | - |
| Advance Received From Customers | 7,417,849.41 | 6,642,411.53 |
| Duties & Taxes | 5,789,827.73 | 6,950,533.69 |
| RPL - Delhi Branch | - | |
| | 13,209,677.14 | 13,661,014.22 |
| NOTE 11 SHORT TERM PROVISION | | |
| Others Including Sec deposit & Other Deposits | | |
| Bonus Payable | 953,733.00 | 188,891.00 |
| LIC Collected from Salaries & wages | 34,486.90 | 19,524.90 |
| Union Labour Welfare | 65,992.09 | 90,992.09 |
| Workers Relief Fund | 55,538.00 | - |
| Bank Loan Collected from Salaries & Wages | 148,205.00 | 100,015.00 |
| Outstanding Expenses | 3,130,170.65 | 2,313,078.00 |
| Salary Payable | 1,655,926.00 | 1,988,091.00 |
| Canteen Recovery | 24,545.20 | 25,264.20 |
| MSEB Payable | 669,268.96 | - |
| Advance Recoverable from Employees | 94,217.80 | 192,128.80 |
| | 6,832,083.60 | 4,917,984.99 |

NOTES FORMING PART OF THE BALANCE SHEET

NOTE 12 FIXED ASSETS

| DESCRIPTION | GROSS BLOCK | | | | DEPRECIATION | | | | | NET BLOCK | |
|-----------------------------------|-----------------------|------------------|----------------|---------------------|--------------------|---------------|------------------|---------------|--------------------|---------------------|---------------------|
| | As at 01.04.2015 | Additions | Deductions | As at 01.04.2016 | As at | Revaluation | Additions | Deductions | TOTAL DEP | As at 31.03.2015 | As at 31.03.2016 |
| LAND | 163,750.00 | - | - | 163,750 | - | - | - | - | - | 163,750 | 163,750 |
| BUILDING | 23,753,560.00 | - | - | 23,753,560 | 11,530,559 | 71,726 | 388,688 | - | 11,990,973 | 12,223,001 | 11,762,587 |
| FURNITURE, FIXTURES & FITTINGS | 5,135,227.00 | - | - | 5,135,227 | 4,671,027 | - | 72,502 | - | 4,743,529 | 464,200 | 391,698 |
| PLANT, MACHINERY & EQUIPMENTS | 115,569,097.00 | 1,438,231 | 24,938 | 116,982,390 | 98,794,510 | - | 1,795,895 | 22,420 | 100,567,985 | 16,896,946 | 16,414,405 |
| VEHICLES | 519,292.00 | - | - | 519,292 | 133,039 | - | 64,243 | - | 197,282 | 386,253 | 322,010 |
| TOTAL | 145,140,926.00 | 1,438,231 | 24,938 | 146,554,219 | 115,129,135 | 71,726 | 2,321,328 | 22,420 | 117,499,769 | 30,134,150 | 29,054,450 |
| As at 31st March, 2014 | - | - | - | - | - | - | - | - | - | - | - |
| Technogogy Fees | 1,034,990.00 | - | - | 1,034,990 | 912,630 | - | 31,507 | - | 944,137 | 122,360 | 90,853 |
| TOTAL 31.3.16 | 146,175,916.00 | 1,438,231 | 24,938 | 147,589,209 | 116,041,765 | 71,726 | 2,352,835 | 22,420 | 118,443,906 | 30,256,510 | 29,145,303 |
| TOTAL 31.3.15 | 146,012,694.00 | 509,742 | 346,520 | 146,175,916 | | | | | | | |

(Amount In Rs.)

As At
31.03.2016 **As At**
31.03.2015

NOTE 13 NON-CURRENT INVESTMENTS (Valued at cost, unless stated otherwise)

Quoted

Equity (Face value Rs. 10/- per Share unless stated otherwise)

| | | |
|-------------------------------------|-------------------|-------------------|
| 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 |
| | 333,661.00 | 333,661.00 |

Unquoted

42,000 equity shares of Rs 50 each fully paid up in subsidiary company

| | |
|---------------------|---------------------|
| <u>2,100,000.00</u> | <u>2,100,000.00</u> |
|---------------------|---------------------|

(previous year 42,000)

Equity (Face value Rs. 10/- per Share unless stated otherwise)

| | | |
|--|----------------------------|----------------------------|
| 2000 (2000) The Shamrao Vithal Co-op Bank Ltd. | 50,000.00 | 50,000.00 |
| 500 (500) Electra (India) Limited | | - |
| 50 (50) Varinder Agro Chem Ltd | | - |
| | <u>50,000.00</u> | <u>50,000.00</u> |
| Total | <u><u>2,483,661.00</u></u> | <u><u>2,483,661.00</u></u> |

Market value of Quoted Shares is Rs. 36,076/- (previous year Rs. 26,872/-)

THE RUBBER PRODUCTS LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

(Amount In Rs.)

| | As At 31.03.2016 | | As At 31.03.2015 | |
|---|---------------------|---------------|---------------------|---------------|
| NOTE 14 LOANS AND ADVANCES | | | | |
| | SHORT TERM | | LONG TERM | |
| | As at | As at | As at | As at |
| | 31.03.2016 | 31.03.2015 | 31.03.2016 | 31.03.2015 |
| <u>Secured and considered good</u> | | | | |
| <u>Unsecured</u> | | | | |
| considered good | | | | |
| Capital advance | - | | 1,120,728.20 | 1,120,728.00 |
| Security deposits | - | - | 5,158,792.94 | 3,972,207.00 |
| Balance with Govt authorities | 364,836.28 | 372,447.78 | 1,904,245.00 | 1,878,733.00 |
| Advance receivable in cash or kind | 434,632.81 | 1,610,910.17 | 797,414.84 | 829,275.29 |
| Advance to Employees | 243,454.00 | 216,959.00 | | |
| Considered doubtful | | | | |
| Loan to Cosmos Rubber P Ltd - subsidiary (Min and Max balance unchanged) | - | | 2,500,000.00 | 2,500,000.00 |
| Advance to Suppliers | - | | | |
| FD Interest Receivable | - | | | |
| Claims Receivable | - | | | |
| Total | 1,042,923.09 | 2,200,316.95 | 11,481,180.78 | 10,300,943.49 |
| Note 15 CURRENT INVESTMENTS | | | | |
| | NIL | | | |
| NOTE 16 INVENTORIES | | | | |
| Raw Material | | 2,392,061.00 | | 5,745,064.00 |
| Work-in-progress | | 44,269,419.00 | | 43,236,313.00 |
| Finished Goods | | 4,382,822.00 | | 7,291,109.00 |
| | | 51,044,302.00 | | 56,272,486.00 |
| NOTE 17 TRADE RECEIVABLES | | | | |
| Exceeding six months | | | | |
| Secured, considered good | | | - | |
| Unsecured, considered good | | 50,870,343.35 | | 52,864,449.72 |
| Others | | | | |
| Secured, considered good | | | - | |
| Unsecured, considered good | | 10,347,402.58 | | 14,082,354.14 |
| Total | | 61,217,745.93 | | 66,946,803.86 |
| NOTE 18 CASH AND BANK BALANCES | | | | |
| Cash and Cash Equivalents | | | | |
| Cash on hand | | 30,292.75 | | 25,987.53 |
| Balance with bank | | 246,433.79 | | 1,451,486.79 |
| | | 276,726.54 | | 1,477,474.32 |
| Other bank balances | | | | |
| Margin money | | 505,016.00 | | 2,913,000.00 |
| Total | | 781,742.54 | | 4,390,474.32 |
| Note 19 Other Current Assets | | | | |
| Prepaid Expenses | | 482,360.18 | | 440,534.00 |
| | | 482,360.18 | | 440,534.00 |

NOTES FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount In Rs.)

| | For the Period Ended 31 March, 2016 | For the year ended 31 March, 2015 |
|---|--|--------------------------------------|
| Note 20 Revenue from operations | | |
| Sale of Products & Services | | |
| Sale of Products | 91,475,590.49 | 131,096,879.92 |
| Sale of services | 336,612.72 | |
| Total | <u>91,812,203.21</u> | <u>131,096,879.92</u> |
| Sale of products comprises OF | | |
| <u>Manufactured goods</u> | | |
| Hose Pipe | 9,670,363.00 | 14,977,577.00 |
| Moulded Goods | 986,005.00 | 868,336.00 |
| Rubber Sheet | 68,906,536.49 | 98,731,084.00 |
| Extruded Goods | 11,912,686.00 | 16,519,883.00 |
| Total - Sale of manufactured goods | <u>91,475,590.49</u> | <u>131,096,880.00</u> |
| <u>Traded goods</u> | | |
| Total - Sale of traded goods | | |
| Total - Sale of products | | |
| Sale of services comprises | 336,612.72 | |
| Total - Sale of services | <u>336,612.72</u> | <u>-</u> |
| Sales to related parties | | |
| FOURESS ENGINEERING (INDIA) LTD | | |
| Note 21 Other income | | |
| Dividend income: | | |
| from current investments | | |
| others | 6,133.80 | 6,177.30 |
| from long-term investments | - | |
| Interest on Fixed Deposit | 185,652.00 | 425,975.00 |
| Profit on sale of fixed asset | - | 41,317.00 |
| Other operating revenues: | 813,104.36 | 1,456,840.87 |
| Miscellaneous Income | 43,010.99 | 49,224.89 |
| Unclaimed credit balances written back | | |
| Total | <u>1,047,901.15</u> | <u>1,979,535.06</u> |
| | <u>1,047,901.15</u> | <u>1,979,535.06</u> |

OTHER OPERATING INCOME INCLUDES

RENT FROM RELATED PARTY

FOURESS ENGINEERING (INDIA) LTD

NOTES FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount In Rs.)

| | For the year ended 31 March, 2016 | For the year ended 31 March, 2015 |
|--|--------------------------------------|--------------------------------------|
| Note 22 Cost of materials consumed | | |
| Opening stock | 5,745,064.00 | 6,886,621.56 |
| Add: Purchases | 42,849,182.58 | 81,312,355.06 |
| | <u>48,594,246.58</u> | <u>88,198,976.62</u> |
| Less: Closing stock | 2,392,061.00 | 5,745,064.00 |
| Cost of material consumed | <u>46,202,185.58</u> | <u>82,453,912.62</u> |
| Material consumed comprises: | | |
| Natural Rubber | 3,755,052.00 | 9,608,349.00 |
| Other Rubber | 14,353,515.01 | 28,390,872.00 |
| Chemicals | 10,761,108.97 | 22,296,816.00 |
| G. I. Wire | 429,560.02 | 671,194.00 |
| Fabrics | 3,888,357.54 | 6,222,468.00 |
| Stores & Sundries | 2,802,560.00 | 3,030,424.00 |
| Others | 10,212,032.04 | |
| Total | <u>46,202,185.58</u> | <u>70,220,123.00</u> |
| Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade | | |
| Inventories at the end of the year: | | |
| Finished goods | 4,382,822.00 | 7,291,109.00 |
| Work-in-progress | 44,269,419.00 | 43,236,313.00 |
| | <u>48,652,241.00</u> | <u>50,527,422.00</u> |
| Inventories at the beginning of the year: | | |
| Finished goods | 7,291,109.00 | 5,052,326.00 |
| Work-in-progress | 43,236,313.00 | 38,550,403.00 |
| | <u>50,527,422.00</u> | <u>43,602,729.00</u> |
| Net (increase) / decrease | <u>1,875,181.00</u> | <u>(6,924,693.00)</u> |
| Note 24 Employee benefits expense | | |
| Salaries and wages | 27,692,053.77 | 30,908,037.24 |
| Contributions to provident and other funds | 2,945,920.00 | 3,692,737.00 |
| Staff welfare expenses | 1,563,808.31 | 1,757,846.82 |
| Gratuity | 800,000.00 | 800,000.00 |
| Total | <u>33,001,782.08</u> | <u>37,158,621.06</u> |
| Note 25 Finance costs | | |
| (a) Interest expense on: | | |
| (i) Borrowings | 7,501,279.46 | 7,706,607.00 |
| (ii) Trade payables | | |
| (iii) Others | 3,790,137.72 | 3,887,208.27 |
| Total | <u>11,291,417.18</u> | <u>11,593,815.27</u> |

NOTES FORMING PART OF PROFIT AND LOSS ACCOUNT

| | (Amount In Rs.) | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended 31 March, 2016 | For the year ended 31 March, 2015 |
| Note 26 : Other expenses | | |
| Power and fuel | 5,233,436.00 | 7,232,900.00 |
| Water | 287,920.00 | 441,655.00 |
| Repairs and maintenance - Buildings | 48,269.96 | 262,735.16 |
| Repairs and maintenance - Machinery | 471,639.90 | 975,112.24 |
| Repairs and maintenance - Others | 207,316.15 | 236,876.90 |
| Insurance | 379,576.15 | 502,317.53 |
| Rates and taxes | 479,976.67 | 389,024.00 |
| Travelling and conveyance | 3,113,383.25 | 3,911,065.98 |
| Printing and stationery | 318,137.47 | 396,077.60 |
| Freight and forwarding | 1,721,586.20 | 3,131,774.22 |
| Sales commission | 894,221.98 | 1,189,374.12 |
| Legal and professional | 1,771,432.16 | 1,299,112.00 |
| Payments to auditors (Refer Note (i) below) | 505,000.00 | 505,000.00 |
| Loss on fixed assets sold / scrapped / written off | 518.00 | |
| Miscellaneous expenses | 86,100.90 | 12,222.00 |
| Excise Duty / Service Tax | - | 209,370.23 |
| Repairs to electricals & other F.E. | 98,029.23 | 200,129.05 |
| Labour & Service Charges | 3,806,054.45 | 4,749,214.00 |
| Rental Hire Charges | 271,602.20 | 277,981.34 |
| Sales Tax | - | 174,391.00 |
| Repairs to Maint. To vehicles | 92,594.01 | 123,364.99 |
| Postage & Telegrams | 732,127.01 | 785,900.54 |
| Advertisement & Business Promotion | 51,921.00 | 48,752.00 |
| Service Charges & Staff Recruitment | 39,396.42 | 29,893.00 |
| Sundry Debit Balances Written Off (Net) | 91,362.43 | (4,373.89) |
| Export Exps. | 969,460.79 | 953,554.30 |
| Inspection & Testing Fees | 94,820.25 | 71,060.85 |
| Bank Charges | 911,909.23 | 1,390,188.22 |
| Director's Sitting Fees | 44,000.00 | 43,000.00 |
| Donation | 11,948.00 | 10,303.00 |
| Books & Periodicals | 4,561.00 | 3,216.00 |
| Octroi | 459,304.57 | 862,180.66 |
| Membership & Subscription | 44,752.00 | 164,748.00 |
| Total | <u>23,242,357.38</u> | <u>30,578,120.04</u> |

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 and 2013. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy as explained below:

b) Going Concern: The Financial Statements have been prepared on the basis of going concern concept. The company has incurred cash loss for the last two years and has continued losses even in the first quarter of the current year. The management has taken various corrective steps, to reverse the situation including funding by the promoters. The management has worked out a long term plan to revive the unit by modernization and infusion of working capital.

c) 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*.

d) Sales(Revenue Recognition):

Sales include sales of products and services.

e) 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 on the useful life of the Assets in accordance with the provisions of Section 205(2) of the companies act, 2013 at the rates applicable in Schedule II of the said act.

As regards determining life of all assets, same has been taken based on certificate issued by Apte and Associates, Chartered Engineers as per his certificate dated 13.07.2015. Original purchase cost and depreciation upto 31.03.2014 are taken from fixed assets register maintained by the company in XLS form and current year depreciation is determined on SLM basis on WDV as on 01.04.14 and based on remaining useful life of an assets determined and certified by Apte & Associates

f. Inventories:

Raw materials at cost (FIFO basis) are on exclusive method, WIP & Finished Goods at cost.

g. 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.

h. Research and Development: Recurring expenditure on Research and Development is charged to revenue.

i. Retirement benefits:

- a) For provision for gratuity & Leave Encashment, there are no changes in Policy during the year.
- b) Company's contribution to provident fund is charged to Profit & Loss Account.

j. Interest on Borrowings:

The interest on working capital is charged against the profits for the year in which it is incurred.

k. Foreign Currency Transactions:

Foreign currency transactions are accounted at the exchange rates prevailing at the date of the transaction. 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. Further monetary asset are not restated by applying the exchange rate as on 31st March, 2016

l. 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.

m. 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. 5,47,853/- (Previous Year Rs.9,11,389/-) on stock lying at the year end. 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 payable till the manufactured goods are removed from the factory premises.

4. Deferred Tax:

(a) 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 | 51,91,927 | (2,00,987) | 49,90,940 |
| Adjustments to DTL past liability towards depreciation | 0 | 101 | 101 |
| 2 Leave Encashment | (2,71,353) | 87,761 | (1,83,592) |
| 3 Gratuity Liability as AS 15 | (23,42,499) | (24,865) | (23,67,364) |
| | 25,78,075 | (1,37,990) | 24,40,085 |

5. Contingent Liability not provided for:

| (In Rupees) | | |
|--|---------------|---------------|
| | 2015-16 | 2014-15 |
| (a) Guarantees given by Bank on behalf of the Company | 10,10,000/- | 2,56,559/- |
| (b) Letters of Credit issued by Bank on behalf of the Company | 7,01,666/- | 1,08,48,967/- |
| (c) Excise – Rubberised Textile Fabric/Furnace Oil (including Penalty) | 68,91,001/- | 68,91,001/- |
| (d) Excise – Rubberised Coated Fabrics – Ordiance Parachute Factory, Kanpur | 4,13,990/- | 2,06,995/- |
| (e) Excise – Silicone Transparent Tubing under 9018 instead of 3917 (including Penalty) | 74,14,244/- | 74,14,244/- |
| (f) Excise – V. B. House | 1,20,458/- | - |
| (g) Excise – Capital Goods | 2,20,626/- | - |
| (h) Sales Tax FY 2008-09 (CST & MVAT)(Ex-parte order based on Sales & Purchase no set off has been considered) | 6,20,91,665/- | 6,06,61,949/- |
| Sales Tax FY 2009-10 (CST & MVAT) | 29,29,854/- | 29,29,854/- |
| Sales Tax FY 2010-11 (CST & MVAT) | 31,49,093/- | 31,49,093/- |
| Sales Tax FY 2011-12 (CST & MVAT) | 7,99,907/- | 0 |

6. a) 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.1,39,82,236/- (Previous Year Rs. 1,41,60,252/-) 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. 08.09.2010 have recommended winding of the said. This order of BIFR was set aside by AAIFR vide its order dated 06.09.2012 and also directed BIFR to consider the scheme submitted by The Cosmos India Rubber Works (P.) Ltd of Revival cum merger with the Company. No hearings have taken place in this matter during the last 18 Months because of changes in Companies Act.

The said Company has since suspended manufacturing activities and the chances of immediate recovery of the Company's dues are doubtful. However, No provision has been made in view of pending final decision by BIFR on revival Scheme.

- b) The company has investment of Rs. 21 Lakhs being 48.84% in Cosmos India Rubber Works Pvt Ltd and by virtue of the same the said company is an Associate. M/s Cosmos India Rubber Works Pvt Ltd is under BIFR and therefore the Company's investment is under severe Long Term Restriction that significantly impairs its ability to transfer funds to the company. In view of these exceptional circumstances the company has followed AS – 13 and made adequate provision for the impairment of its Investment. The company has not consolidated financial statement of Cosmos India Rubber Works Pvt Ltd its Associate Company in view of the above exception provided in AS-23.
7. 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.
8. 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.

9. Gratuity Provision:

As per the working of Independent Actuarial Valuer M/s K.A.Pandit, the Projected Benefit Obligations of the Company in respect of gratuity benefits as on 31.03.2016 is Rs 150.07 lacs, against which the Company has made provision of Rs 100.56 lacs and for the the balance Rs 49.51 lacs no provision has been made, As per LIC Fund available is Rs..0.32 lacs, hence gratuity fund available with LIC is not sufficient to cover up existing gratuity liability to the extent of Rs.148.72lacs. To the extent of shortfall of Rs. 49.51 lacs the provisions of the revised AS-15 are not complied with the gratuity LIC policy has been lapsed and the management is in process of renewing the same

Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation.

- i) Reconciliation of opening and closing balances of Defined benefit Obligation:

| | (Rs. In Lakhs) | |
|---|----------------|----------------|
| Gratuity Funded | 2015-16 | 2014-15 |
| Defined Benefit Obligation at beginning of the year | 127.68 | 109.99 |
| Current Service Cost | 6.66 | 5.39 |
| Interest Cost | 10.09 | 10.30 |
| Actuarial (gain)/loss | 11.99 | 6.82 |
| Benefit paid | (6.35) | (4.82) |
| Defined Benefit obligation at the year end | 150.07 | 127.68 |

- ii) Reconciliation of opening and closing balances of fair value of Plan Assets

| | 2015-16 | 2014-15 |
|--------------------------------|----------------|----------------|
| Gratuity Funded | 2015-16 | 2014-15 |
| Fair value of plan assets | 0.32 | 3.42 |
| Expected return on plan assets | 0.03 | 0.30 |
| Actuarial gain or loss | 0 | (0.13) |

| | | |
|---------------------------------------|--------|--------|
| Employer Contribution | 1.00 | 1.55 |
| Benefits paid | (6.35) | (4.82) |
| Fair value of plan assets at year end | 1.35 | 0.32 |
| Actual return on plan assets | 6.38 | 0.17 |

iii) Reconciliation of fair value of assets and obligations

Compensated assets

| Gratuity Funded | As at 31st March, 2016 | As at 31st March, 2015 |
|--|--|--|
| Fair value of plan assets | 1.35 | 0.32 |
| Present value of obligation | (150.07) | (127.68) |
| Amount to be recognized in balance sheet | (148.72) | (127.35) |

iv). Expense to be recognized during the year

| Gratuity Funded | 2015-16 | 2014-15 |
|--------------------------------|----------------|----------------|
| Current Service Cost | 6.66 | 5.39 |
| Interest Cost | 10.09 | 10.00 |
| Expected Return on plan Assets | 0.03 | 0 |
| Actuarial gain or loss | 11.99 | 6.94 |
| Net cost | 28.77 | 22.34 |

Investment details

| | As At 31st March,2016 | | As At 31st March,2015 | |
|--------------------|---|-------------------|---|-------------------|
| | Rs. In lakhs | % invested | Rs. In lakhs | % invested |
| Insurance policies | 1.35 | | 0.32 | |

Actuarial assumptions :

| Gratuity (Funded) | 2015-16 | 2014-15 |
|--|----------------|----------------|
| Mortality Table | | |
| Discount rate (per annum) | 7.99% | 7.90% |
| Expected rate of return on plan assets (per annum) | 7.99% | 7.90% |
| Rate of escalation in salary (per annum) | 5% | 5% |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical result of return on plan assets and the Company's policy for plan assets management.

Amounts recognized in current year and previous years

| Particular | As at 31st March | |
|--|------------------------------------|-------------|
| | 2016 | 2015 |
| Gratuity | | |
| Defined benefit obligation | 150.07 | 127.68 |
| Fair value of plan assets | 0.32 | 0.32 |
| (Surplus) /Deficity in the plan | 148.72 | 127.35 |
| Actuarial (gain) / loss on plan obligation | 11.99 | 6.82 |
| Actuarial gain / (loss) on plan assets | 0 | (0.13) |

10. Provisions for Leave Encashment: Company has retained the policy as per last year relating to Leave encashment with regard to staff/managers and accordingly provisions for leave is revised from Rs.8,64,770/- as on 31.3.2015 to Rs.8,36,770/- as on 31.3.2016, as per which an employee is eligible for maximum 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.
11. No provision is made of Rs.18 lacs and Rs. 14.95 Lacs in the previous year on account of interest payable to associate concern of M/S B Fouress Pvt. Ltd. And M/s Fouress Engineering India Private Limited respectively, Loss will increase to that extent
12. No provision is made for service tax payable on GTA and Other services which are payable on RCM, quantum of liability is not worked out.
13. Related Party : Transactions during the year with related parties –

| S.No. | Name of the Party | Transaction | Relationship | Amount |
|-------|----------------------|-------------|--------------|-----------|
| 01 | Mr. Sameer Shetty . | Loans | Director | 87,00,000 |
| 02 | Mrs. Sucharita Hegde | Loans | Director | 71,00,000 |

14. Other expenditure includes payment to Auditors as under:

| | | (In Rs.) | |
|--------------|------------------------|-----------------|-----------------|
| | | 2015-16 | 2014-15 |
| 1. | Audit fee | 2,00,000 | 2,00,000 |
| 2. | Taxation Matters | 75,000 | 75,000 |
| 3. | Tax Audit Fees | 80,000 | 80,000 |
| 4. | Fees for Certification | 1,00,000 | 1,00,000 |
| 5. | Fees for VAT Audit | 50,000 | 50,000 |
| Total | | 5,05,000 | 5,05,000 |

15. 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.
16. The previous year figures are regrouped/ reclassified wherever necessary to confirm to current year presentation

In terms of our report attached.

For J R Jain & Co
Chartered Accountants

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

Thane, 12th August 2016.

On behalf of the Board of Directors

Smita H. Shetty
Sameer S. Shetty
Sucharita R. Hegde
Ashok Shety
F. S. Broacha
Laxman S. Shetty



THE RUBBER PRODUCTS LIMITED

CIN: L25100MH1965PLC013379

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

50TH ANNUAL GENERAL MEETING-Thursdays, 29th September, 2016

Form MGT-11 PROXY FORM

[Pursuant to Section 105(6) of the Company Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule, 2014

| |
|--|
| Name Of the Member (s) : |
| Registered Address : |
| Email ID : |
| DP ID No. * Cliaint ID No. */ Folio No.: |

I/We, being the Member(s) ofshares of M/s, Rubber Products Limited, hereby appoint

(1) Name:

Address:

.....

E-Mail ID: Signature:, or failing him

(2) 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 50th Annual General Meeting of the Company to be held on Thursday 29th September, 2016 at 10.00 a.m. at Plot No. C- 44, Road No. 28, Wagle Industrial Estate, Thane - 400 604 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolution | For | Against |
|----------------|---|-----|---------|
| 1. | Consider and adopt Audited Financial Statements, Reports of the Directors and Auditors for the year ended 31st March,2016 | | |
| 2. | Re-appointment of Mr. Sameer Shetty who retires by rotation | | |
| 3. | Ratification of appointment of Auditors and fixing their remuneration | | |

*Applicable for investors holding shares in electronic form

Signed this.....day of2016.

Signature of Shareholder

Signature of Proxy holder(s)

| |
|---------------------------|
| Affix Revenue Stamp |
|---------------------------|

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
- This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as/she thinks appropriate.
- For the Resolutions, Explanatory Statement and Note, please refer to the Notice of the 48th Annual General Meeting.
- Please complete all details including details of member(s) in above box before submission.



THE RUBBER PRODUCTS LIMITED

CIN: L25100MH1965PLC013379

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

50TH ANNUAL GENERAL MEETING-Thursdays, 29th September, 2016

ATTENDANCE SLIP

| | |
|-----------------------|------------|
| Name of the Member | DP ID** |
| Address of the Member | Clint Id** |
| | Folio No. |

| |
|---|
| Full Name of the member/Proxy attending the meeting |
|---|

I hereby record my presence at the 50th ANNUAL GENERAL MEETING of the Company being held at Plot No. C- 44, Road No. 28, Wagle Industrial Estate, Thane - 400 604 on Thursday, 29th September, 2016 at 10.00 A.M.

| |
|---|
| SIGNATURE OF THE ATTENDING MEMBER/PROXY |
|---|

** Applicable for investors holding shares in electronic form.

Note:

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance, duly signed.
2. Shareholder/Proxy holder is requested to bring their copies of the Annual Report and Accounts with them to the Meeting.

ELECTRONIC VOTING

The Company is providing electronic voting (e-voting) facility for the Resolutions contained in the Notice convening the Annual General Meeting on Thursday, 29th September, 2016 at 10.00 A.M. The procedure for e-voting has been mentioned in the aforesaid Notice. Your USER ID and Password for e-voting purposes are given below:

| Electronic Voting Event Number | User ID | Password |
|--------------------------------|---------|----------|
| | | |

MOST IMPORTANT

IMPORTANT COMMUNICATION TO MEMBERS HOLDING SHARES IN PHYSICAL MODE

The company needs to update the records of shareholders who are holding shares physically.

Members are therefore requested to kindly furnish the details as here under to the Company's Registrar & Share Transfer Agents.

| | |
|---|-------------------------|
| Full Name | |
| Name of first Joint Holder | |
| Name of Second Joint Holder | |
| Folio No as appearing on the share Certificate | |
| Share Certificate No(as appearing on the share Certificate) | |
| Distinctive No. (as appearing on the share Certificate) | |
| Complete Postal Address with PIN Code | |
| Email ID; | |
| PAN(Please Attach copy of PAN Card) | |
| Contact Details | Telephone No. |
| | Mobile No. |
| Specimen Signature | First Name Holde |
| | Joint Holder |
| | Joint Holder |

BOOK - POST

To,



If undelivered please return to :

THE RUBBER PRODUCTS LIMITED

CIN: L25100MH1965PLC013379

REGISTERED OFFICE:

Plot No. C- 44, Road No. 28,

Wagle Industrial Estate,

Thane - 400 604.

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