

RIL/SECTL/2023/  
26/08/2023



The Manager,  
Listing Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai- 400 001**

Dear Sir/Madam,

**Sub: Intimation of Annual Report for Financial Year 2022-23 and Notice of 30th Annual General Meeting – Reg.**

This is with reference to our letter dated 14-08 2023, wherein the Company had informed that the 30th Annual General Meeting ("AGM") of the Company is scheduled to be held on Thursday, the 21<sup>st</sup> September, 2023 at 11:00 a.m. (IST) through video conference or other audio-visual means, in compliance with relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI"), from time to time.


Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the Notice convening the 30th AGM and the Annual Report of the Company, including the Standalone and Consolidated Financial Statements, Directors report, Corporate Governance Report etc, for the financial year 2022-23.

In accordance with the relevant circulars issued by MCA and SEBI, the Notice of the AGM and the Annual Report of the Company for the financial year 2022-23 is being sent through electronic mode to all those members of the Company whose email addresses are registered with the Company and/or Depository Participant(s). The Notice of the AGM along with Annual Report for the financial year 2022-23 is also uploaded on the Company's website at <https://www.rubfila.com/annual-report> and on website of Central Depository Services (India) Limited at [www.evotingindia.com](http://www.evotingindia.com).

We request you to kindly take the above information on record and treat this as compliance with SEBI Listing Regulations.

Thanking You,

Yours Sincerely,  
For RUBFILA INTERNATIONAL LTD

  
**N N PARAMESWARAN**  
CFO & Company Secretary



30<sup>th</sup>

Annual Report 2022-23



**RUBFILA**  
International Limited



CIN : L25199KL1993PLC007018

NIDA Menonpara Road, Kanjikode P.O.  
Palakkad - 678 621, Kerala, India.  
Tel : +91 491 2567261-64 Fax : +91 491 2567260  
Email : info@rubfila.com, rubfila@gmail.com  
Website : www.rubfila.com

## THIRTIETH ANNUAL REPORT 2022 - 23

# CORPORATE INFORMATION

### BOARD OF DIRECTORS

**HARDIK B PATEL**  
Chairman

**BHARAT J DATTANI**  
Director

**D G RAJAN**  
Director

**DHIREN S SHAH**  
Director

**SAMIR K SHAH**  
Director

**PATRICK M DAVENPORT**  
Director

**R CHITRA**  
Director

**S H MERCHANT**  
Director

**G KRISHNA KUMAR**  
Managing Director

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

Statutory Auditors  
**M/s. Mohan & Mohan Associates**  
Chartered Accountants,  
A-21, Jawahar Nagar,  
Thiruvananthapuram - 695003

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

Cost Auditors  
**M/s. AJITH SIVADAS & Co.**  
Cost Accountants, Palakkad

Tax Auditors  
**M/s. MUKESH M. SHAH & Co.**  
Chartered Accountants, Ahmedabad

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



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# Notice of 29<sup>th</sup> Annual General Meeting

Notice is hereby given that the 30th Annual General Meeting of the Members of Rubfila International Limited (CIN: L25199KL1993PLC007018) will be held on Thursday, the 21st Day of September 2023 at 11.00 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business: -

## **ORDINARY BUSINESS:**

01. To receive, consider and adopt.
  - a) a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Report of the Board of Directors and Independent Auditors Report thereon and;
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2023, together with the Report of the Auditors thereon
02. To declare a final dividend of Rs. 1.20/- per equity share of Rs. 5/- each for the Financial Year ended 31st March, 2023.
03. To appoint a Director in place of Mr. Hardik B Patel (holding DIN 00590663), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.
04. To appoint a Director in place of Mr. Dhiren S Shah (holding DIN 01149436), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.

## **SPECIAL BUSINESS:**

### **05. To ratify the remuneration payable to Cost Auditors for the year 2023-24.**

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

**"RESOLVED THAT** pursuant to the provision of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), M/s. Ajith Sivasdas & Co, Cost Accountants, Palakkad (FRN: 102805) were appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2024, be paid remuneration of Rs.50,000/- plus applicable taxes and re-imbursment of out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized severally to

do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Palakkad  
Date: 14-08-2023

By Order of the Board of Directors  
RUBFILA INTERNATIONAL LTD

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

**Notes: -**

1. In view of the ongoing COVID-19 pandemic and pursuant to General Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022, 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and all other relevant circulars issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India (SEBI) vide its circular nos. SEBI/HO/DDHS/P/ CIR/2022/0063 dated May 13, 2022, SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2 / CIR/ P/2021/11 dated January 15, 2021, and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as 'SEBI Circulars'), the Company is convening the 30th AGM through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.rubfila.com](http://www.rubfila.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 02/2022 dated May 05, 2022 and MCA Circular No. 10/2022 dated December 28, 2022
8. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special



Business to be transacted at the Meeting is annexed hereto.

9. The relevant details, pursuant to Regulations 26(4), 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
10. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 14-09-2023 through email to rubfila@gmail.com and the same will be replied by the Company, suitably.
12. The Share Transfer Books and the Register of Members shall remain closed from 15th September 2023 to 21st September 2023 both days inclusive.
13. The Board of Directors have recommended a dividend @ 24% (Rs.1.20/- per Equity Share of Rs.5/- Fully paid-up) of the paid-up capital for the year. If approved at the Annual General Meeting, the same will be paid to the shareholders who holds shares:
  - a) In dematerialized mode, based on the beneficial ownership details to be received from National Securities Depository Limited and Central Depository Services (India) Limited as on 14-09-2023.
  - b) In physical mode, if their names appear in the Company's Register of Members after giving effect to all valid transfers in physical form lodged with the Company and its Registrar and Transfer Agents on or before 14-09-2023.
14.
  - (a) The unpaid/unclaimed dividends for the financial year 2012-13, 2013-14 and 2014-15 were transferred to IEPF Account. Further unpaid/unclaimed dividends for the financial year 2015-16 will be transferred to Investor Education and Protection Fund (IEPF). It may be noted that no claim shall lie against the Company u/s 124(6) of the Companies Act, 2013 for unpaid/unclaimed dividends once such dividends have been transferred to such Fund.
  - (b) Members are advised to prefer their claims for unpaid/unclaimed dividends, if any, for the years from 2015 - 16 onwards, directly to the Company/RTA. Members may please note that the balance of unclaimed dividend for financial year 2015 - 16 will become due for transfer to IEPF on 29-10-2023 and on failure to claim the same before the due date, the Company is under an obligation to transfer of the equity shares to IEPF.
  - (c) Members may note that in terms of the provisions of Section 124 (6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2013 (IEPF Rules) the equity shares of the Company in respect of which dividend entitlement has remained unclaimed or unpaid for a consecutive period of 7 (seven) years or more are required to be transferred by the Company to IEPF. As per the records of the Company, unclaimed/ unpaid dividends for the financial year 2015-16 is due for transferring to IEPF. The Company has sent a specific communication to the latest available addresses of the shareholders whose dividends are lying unclaimed for the last 7 (seven) consecutive years or more, inter alia, providing the details of shares being transferred to IEPF. In order to prevent the shares being transferred to IEPF, you are requested to do any of the following before 28th October, 2023.
    1. Encash the unclaimed dividend(s) listed above. In order to claim the unclaimed dividends please send us a written application along with a copy of PAN Card and the original un-encashed dividend warrant or duly filled in indemnity bonds to the Company's Registered Office i.e. NIDA, Kanjikkode, Palakkad, Kerala – 678 621.

2. Furnish specific order of Court or Tribunal or Statutory Authority restraining any transfer of such shares or payment of dividend in respect of such shares.
15. Members are requested to intimate immediately change of address, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be.
16. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.rubfila.com](http://www.rubfila.com) under the head 'Investor Relations'. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to the Company/RTA in case the shares are held in physical form
17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or the Company's Registrars and Share Transfer Agents, M/s Integrated Registry Management Services Private Limited for assistance in this regard.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.
19. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents.
20. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, Members holding shares in physical form are requested to provide bank account details to the Company and its Registrar and Share Transfer Agents. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. Any changes in such bank mandate must be advised only to the Depository Participant of the Members.
21. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.rubfila.com](http://www.rubfila.com) / investors, websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com)
22. In terms of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014 as amended, the Company is providing the facility to its Members holding shares in physical or dematerialized form as on the cut-off date, 14-09-2023, to exercise their rights to vote by electronic means (the 'Remote e-voting') on any or all of the business specified in the accompanying notice. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL. Details of the process and manner of Remote e-voting are being sent to all the Members along with the Notice. If any person who is not a member/ceased to be a member as on the cut-off date should treat this notice for information purpose only.

23. The Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
24. The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
25. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice
26. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 30th AGM and the Annual Report for the year ended 31st March, 2023 including therein the Audited Financial Statements for the Financial Year 2022- 23, which are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 30th AGM and the Annual Report for the Financial Year 2022-23 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below: -
  - a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card by email to Company email id rubfila@gmail.com.
  - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
27. Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:
 

Members whose email addresses are not registered with the depositories can register the same for obtaining login credentials for e-voting for the resolutions proposed in this Notice in the following manner:

  - a) For Physical Shareholders- Please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card by email to Company email ID: rubfila@gmail.com.
  - b) For Demat Shareholders- Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account Statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card to the Company email ID: rubfila@gmail.com. It is clarified that for permanent registration of email address, the Members are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants.
  - c) The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.
28. The instructions of shareholders for remote e-voting and e-voting during AGM and joining meeting through VC / OAVM are as under:
  - (i) The voting period begins on 18-09-2023 at 9.00 a.m. and ends on 20-09-2023 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized

form, as on the cut-off date 14-09-2023 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) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/ EasiRegistration">https://web.cdslindia.com/myeasi./Registration/ EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</li> </ol>

Individual shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (i) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders & physical shareholders**.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	<p>Enter your 10digit 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"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
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"> <li>● 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).</li> </ul>

- (v) (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the 'RUBFILA INTERNATIONAL LIMITED' on which you choose to vote.

- (ix) 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.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiv) 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.

(xv) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [rubfila@gmail.com](mailto:rubfila@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

29. Instructions for shareholders attending the AGM through vc/oavm & e-voting during meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the meeting through laptops / IPads for better experience.
5. Further shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

6. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before 14-09-2023 mentioning their name, demat account number/folio number, email id, mobile number at rubfila@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before 14-09-2023 mentioning their name, demat account number/folio number, email id, mobile number at rubfila@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For physical shareholders- please provide necessary details like Folio No., name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card by email to info@gmail.com or kalyan@integrated-india.in
  2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to info@gmail.com or kalyan@integratedindia.in
- If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
  - All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43
30. M/s. SVJS & Associates, Company Secretaries, Kochi, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
  31. During the 30th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 30th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 30th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility,



eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 30th AGM.

32. The Scrutinizer shall after the conclusion of e-Voting at the 30th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 30th AGM, who shall then countersign and declare the result of the voting forthwith.
33. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.rubfila.com](http://www.rubfila.com) / investors and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
34. All documents referred to in the accompanying Notice and the explanatory statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days except Sundays upto and including the date of the Annual General Meeting of the Company. Members may also note that the Notice and Annual Report of the Company for the Financial Year 2022-23 are available on Company's website at [www.rubfila.com](http://www.rubfila.com).

# Statement as per **Section 102 of Companies Act 2013**

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

## **Item No.5**

In accordance with the provisions of Section 148 of the Act, read with The Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board on recommendation of the Audit Committee had appointed M/s. Ajith Sivasdas & Company, Cost Accountants as the Cost Auditors of the Company for the financial year 2023 - 24 for a remuneration of Rs. 50,000/- as audit fee payable to the Cost Auditors plus applicable taxes and reimbursement of out of pocket expenses.

Accordingly, consent of the Members is being sought for passing the ordinary resolution as set out in item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2023 - 24.

The resolution as set out in item no. 5 of this Notice is accordingly recommended for your approval.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out in the item no. 5 of the accompanying Notice.

Place: Palakkad  
Date: 14-08-2023

By Order of the Board of Directors  
RUBFILA INTERNATIONAL LTD

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

Particulars of Directors who are proposed to be appointed/ re-appointed at the meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) are given below:

Name of the Director	Mr. Hardik B Patel	Mr. Dhiren S Shah
DIN No.	00590663	01149436
Age & Date of Birth	41 / 10-01-1982	67/ 29-04-1956
Type of appointment	Director retiring by rotation	Director retiring by rotation
Date of first Appointment	25-05-2021	23-09-2009
Experience and Areas of Specialization	Investment Banking, Equity Brokerage & Wealth advisory services	Finance
Qualifications	MBA	M.Com, LL.B, FCA,CWA
Terms & Conditions of Appointment	Non-Executive	Non-Executive
Remuneration last drawn	Nil	Nil
No. of Shares Held in the Company	4267009	Nil
No. of Board Meetings attended during Financial Year 2022-23	4	4
List of Directorship held in outside Public Limited Companies	1	Nil
Chairman/member of the Committee of the Board of Directors of other Companies*	Nil	Nil
Relation with Key Managerial Personnel and Directors	Nil	Nil
Justification for appointment	Expertise in Investment Banking, Equity Brokerage & Wealth advisory services	Expertise in Finance & Management

\*Chairmanship and membership of the Audit Committee and the Stakeholders' Relationship Committee are only considered.

#### FOR THE ATTENTION OF THE MEMBERS

- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and the Company's share transfer agents M/s Integrated Registry Management Services Private Limited, 2nd Floor, "Kences Towers", No.1, Ra-

makrishna Street, North Usman Road, T. Nagar, Chennai – 600017. Ph: 044-28140801 – 3. Email: corpsevr@integratedindia.in in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

**2. Sending notices and documents to shareholders through email:**

As a part of “Green Initiative” in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc. to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company M/s. Integrated Registry Management Services Private Limited at their postal / email address given above. Please give the details in the attached format for registering your email ID. Those holding shares in demat form are requested to register their email IDs with their Depository Participants.

**3. Making payment of dividend through NECS /NEFT:**

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

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

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

Year	% of share Paid up value
2012-13	12
2013-14	12
2014-15	15
2015-16	10
2016-17	15
2017-18	20
2018-19	20
2019-20	24
2020-21	26
2021-22	35

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

unpaid and unclaimed amounts on the website of the Company ([www.rubfila.com](http://www.rubfila.com)). Shareholders who have not encashed their dividend warrants for any of the years 2015-16 to 2021-22 are requested to get the warrants revalidated by the Bank, since the outstanding dividend will be transferred to Investor Education and Protection Fund.

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

By Order of the Board of Directors  
RUBFILA INTERNATIONAL LTD

Place: Palakkad  
Date:14-08-2023

*N.N. Parameswaran*  
CFO & Company Secretary

# Directors' Report

## TO THE MEMBERS OF RUBFILA INTERNATIONAL LIMITED

It is our pleasure to present the 30th Annual Report and the audited Annual Accounts for the year ended 31st March 2023. The consolidated performance of the company and its subsidiary has been referred to wherever required.

### Financial Results

The Summarized standalone and consolidated results of your company and its subsidiary are given in the table below: -

₹ in Lakhs

Particulars	Financial Year ended			
	Standalone		Con solidated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Revenue from Operations	37080.92	41665.32	45707.62	47674.57
Other Income	467.67	397.61	662.51	462.11
<b>Total Income</b>	<b>37548.59</b>	<b>42062.93</b>	<b>46370.13</b>	<b>48136.68</b>
Operating Expenditure	33682.15	35517.72	41967.49	41182.75
<b>Operating Profit Before Depreciation, Interest and Tax</b>	<b>3866.44</b>	<b>6545.21</b>	<b>4402.64</b>	<b>6953.93</b>
Finance Cost	6.86	4.27	15.11	22.04
Depreciation and Amortization Expenses	697.35	563.27	862.90	719.82
<b>Profit Before Exceptional Items</b>	<b>3162.23</b>	<b>5977.67</b>	<b>3524.63</b>	<b>6212.07</b>
Exceptional Items	-	197.44	-	197.44
<b>Profit Before Tax</b>	<b>3162.23</b>	<b>5780.23</b>	<b>3524.63</b>	<b>6014.63</b>
Tax Expenses				

a) Current Tax	666.02	1354.18	741.62	1416.77
b) Deferred Tax	156.92	121.90	187.71	133.51
<b>Profit after Tax</b>	<b>2339.29</b>	<b>4304.15</b>	<b>2595.30</b>	<b>4464.33</b>
Other Comprehensive Income	30.12	50.77	24.70	60.08
<b>Total Comprehensive Income</b>	<b>2369.41</b>	<b>4354.92</b>	<b>2620.00</b>	<b>4524.43</b>
<b>Basic EPS</b>	<b>4.37</b>	<b>8.02</b>	<b>4.83</b>	<b>8.34</b>
<b>Diluted EPS</b>	<b>4.37</b>	<b>8.02</b>	<b>4.83</b>	<b>8.34</b>

## Performance Review

### Rubfila International Ltd

In a year when the world economy faced headwinds and challenges, Indian economy remained resilient showing its inherent strengths. This was the year when USA and Europe went into a recession which had its consequential impact on the economies of many countries around the world. India was one of the rare spots where everything did not go for a downward spin though it faced challenges on various fronts like geopolitical tensions, supply chain constraints, trade imbalances, rising energy prices etc.

After two years of facing severe turbulence due to Covid, the world entered into a period of steadiness during the year 2022-23. While the inflationary trends in the prices of raw materials and other inputs softened, the prices still remained at higher levels compared to the pre-pandemic days. Exporters were relieved that international shipping costs declined to almost the levels of pre-covid days by the third quarter of the year. But these factors did not convert into overall positive environment since demand slumping across the board. To tide over the headwinds, many large companies resorted mass layoffs and this in turn led to more dip in consumptions.

Rubber thread is an intermediary material used by the garment industry fortunes of which suffered badly during the year. Tiruppur, the hosiery capital of India, usually sees huge inflow of orders during the June-July months for the Christmas shopping season in USA and Europe, but struggled this year with lack of orders. Factories were either closed or operations down sized for a major part of the year and thousands of people lost their jobs due to this. With such negative sentiments running high in the market, demand for rubber threads suffered and Rubfila had to scale down production during the second and third quarters of the year.

Despite these adverse scenario, the company navigated the tough environment through prudent management practices and ended the year with a turnover of ₹ 37548.59 lakhs, a drop of 11% over ₹ 42062.93 lakhs posted last year. In line with the sales, profits also dipped from ₹ 4304.15 lakhs to ₹ 2339.29 lakhs this year. This was a result of the lack of demand garment market. At the same time, exports showed positive trends with the company targeting more countries and succeeding in wooing more customers to its fold. The company is confident of on boarding more customers for exports helping it scale up the top line..

During the year 2022-23, Rubfila passed another milestone in the form of commissioning one more production line enhancing the capacity by another 2500 MT per annum at the Tamil Nadu plant. With this, the total installed annual capacity stands at 27500 MT. The company also ventured into manufacturing carton boxes to meet to the captive demand and commissioned the plant in May, 2023. The carton unit will have spare capacity after meeting the captive demand and plans are afoot to sell cartons to external customers adding another revenue stream for the company.

The Company has been striving hard in its efforts to preserve the environment, and as a part of the green ini-

tatives, has set up a 1 MW solar power generating facility at the Tamil Nadu plant which is expected to help the company save on the power charges.

#### **Premier Tissues India Ltd:**

Premier Tissues India Ltd (PT), the wholly owned subsidiary of Rubfila, had a brisk growth in sales during the year and cemented its position further in the Indian tissue industry. The sector saw some correction in the prices of raw materials, though it remained at higher levels compared to the pre-pandemic period. Availability of waste paper, the major raw material also softened a bit leading to price corrections. At the customer end, institutional sales contribute a major segment of the industry and with so many companies continuing with the 'Work from Home (WFH)' mode, there was severe dip in the consumption of tissue paper. Indian tissue industry is dominated by a large number of players in the unorganized sector, who used to cater to the needs of institutional customers. But with WFH, affecting consumption in this segment these fringe players were forced to look elsewhere like general retail for business. While entering the retail segment without a popular brand name remained a tough proposition for these players, this led to retailers demanding higher margins or lower prices pressuring the established players like Premier. This was a major reason why the industry could not pass on the higher costs to the consumers. The entry barriers in this segment are so low that every year many new players enter the industry hoping to make it big. At the same time, the industry also sees many units closing down after incurring huge losses. The presence of a such large number of unorganized players competing on price affects the ability of the industry to command healthy margins in the market.

Premier in the past one year had expanded its sales infrastructure reaching out to more unrepresented regions. With addition of new members in the sales force and added focus, they achieved a revenue of ₹8627.69 lakhs, a growth of 43.5% over past year's sale of ₹ 6010.25 lakhs. Profits during the period also was higher at ₹ 256.98 lakhs against ₹161.19 lakhs in the previous year.

#### **Consolidated Figures:**

The consolidated revenue from operations of Rubfila and Premier Tissues for the year was ₹.46370.13 lakhs with the profit before tax (PBT) at ₹ 3524.63 lakhs. The consolidated profits after tax (PAT) during the year was ₹ 2595.30 lakhs compared to ₹ 4,464.35 lakhs in the past year.

The financial statements of the company have been prepared in accordance with Ind AS, as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act.

#### **Dividend**

Your Directors have recommended a dividend of 24% (₹1.20 per share of face value ₹5/-) for the year subject to the approval of shareholders at the ensuing Annual General Meeting. This will result in a total payout of ₹651.21 lakhs for the year as compared to ₹949.68 lakhs in 2021-22.

Pursuant to the provisions of Section 124(5) of the Act, the dividend which remained unclaimed/unpaid for a period of seven years from the date of transfer to unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Your company has uploaded the details of unclaimed/ unpaid dividend for the financial year 2012-13 onwards at its website [www.rubfila.com](http://www.rubfila.com) and at the website of the Ministry of Corporate Affairs [www.iepf.gov.in](http://www.iepf.gov.in) and the same gets revised/updated from time to time pursuant to the provisions of IEPF (Uploading of Information Regarding Unpaid and Unclaimed Amount Lying with Companies) Rules, 2012.

Further, the unpaid dividend amount pertaining to the financial year 2015-16 will be transferred to IEPF during the Financial Year 2023-24.

As on March 31, 2023, the unclaimed amounts with respect to the dividend are as under:



Particulars	Unclaimed Amount (in lakhs)	Date of transfer to the Investor Education and Protection Fund (IEPF)
Dividend FY 2015-16	14.79	29.10.2023
Dividend FY 2016-17	21.62	14.10.2024
Dividend FY 2017-18	29.29	21.10.2025
Dividend FY 2018-19	28.35	20.10.2026
Dividend FY 2019-20	35.52	16.10.2027
Dividend FY 2020-21	16.64	23-08-2028
Dividend FY 2021-22	17.36	30-10-2029

### Transfer of Equity Shares

Pursuant to the provisions of Section 124(6) of the Act and the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs on September 7, 2016 and subsequently amended vide notification dated February 28, 2017, all the equity shares of the company in respect of which dividend amounts have not been paid or claimed by the shareholders for seven consecutive years or more are required to be transferred to demat account of IEPF Authority. Upon transfer of such shares, all benefits (like dividend, bonus, split, consolidation etc.), if any, accruing on such shares shall also be credited to the Account of IEPF and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the demat account of IEPF Authority can be claimed back by the shareholder by following the procedure prescribed under the aforesaid rules.

Your company has sent individual notice to all the members who have not been paid or who have not claimed dividend for seven consecutive years and has also published the notice in the leading English and Malayalam newspapers.

The details of the nodal officer appointed by the company under the provisions of IEPF are disseminated in the website of the company viz., [www.rubfila.com](http://www.rubfila.com).

### Capital Expenditure

As on 31st March 2023, the gross fixed assets of the company stand at ₹22,301.69 lakhs and net fixed assets at ₹ 14,746.11 lakhs. Capital additions during the year amounted to ₹ 2,776.19 lakhs, which include addition to Building ₹421.66 lakhs, Plant & Machinery and other assets amounting to ₹ 2,354.53 lakhs and Capital Work in Progress of ₹137.63 lakhs.

### Future Prospects

#### Rubfila International Ltd

Rubber threads industry has been growing over the past many years, but it faced hurdles in the past year due to recession in Europe and America and in other countries in general. China also faced low demand due to stringent Covid related lock down issues cutting down on consumption. Inner wear industry, which ultimately consumes rubber threads in the form of elastic tapes was on a consistent growth path in India over the past decade. Though the Indian inner wear industry continues to grow, this was at a slower pace than the previous years.

Rubfila has currently eleven lines of production in the two units based in Kerala and Tamil Nadu and has an annual installed capacity to manufacture 27500 MT of threads. This is the largest capacity in the country and is one of the large capacities in the world too.

The industry faces a few challenges due to factors like latex prices, increase in manufacturing capacity world-wide growth in the usage of alternate materials etc. China also has become active in the industry with twenty production lines being operated now. This has dampened the Chinese sales of the Malaysian/Thailand companies and they have been forced to dump the product at lower prices in other markets to shore up the sales.

The single biggest challenge Indian rubber thread industry faces is the difference in the prices of natural latex in India and South East Asia where the world leaders of this industry are based. Historically, except for a few occasions, the Indian latex prices have always been ruling at higher levels compared to the international prices. Companies in South East Asia have access to this lower priced latex helping them to have a competitive advantage in the market. This poses a severe challenge for the Indian rubber thread companies in the Indian and international markets. India has Free Trade Agreements (FTA) with Malaysia and Thailand and rubber threads, among other products from these countries can be imported at concessional duties. Indian rubber thread companies are forced to benchmark their selling prices against the imports restricting their ability to pass on the higher costs to the customers.

The Indian rubber thread industry has witnessed growth in output with most of the players investing in additional capacities. Currently, the total installed capacity available is higher than the Indian market size and this is bound to lead to price war in the short to medium term till consolidation happens. In the current circumstances, margins are expected to be under pressures in the medium term.

Irrespective of these challenges, Rubfila has grown in the domestic market and has remained as the market leader. Exports also has seen an uptick and the company has succeeded in acquiring new customers overseas. 'Rubfil', the brand of the company has been in the market for about 40 years, first through the original Malaysian promoter and then through Rubfila and enjoys a strong equity in the international market. With more capacities added in the last year, expanding the customer base in the overseas market is a major objective which the company is confident of achieving.

#### **Premier Tissues (Indi) Ltd**

India has one of the lowest per capita consumptions of tissue paper products in the world at around 250 gm compared to the world average of 5.2 kg. The larger share of the Indian market comes from 'Away From Home (AFH)' consumption happening at institutions like hotels, restaurants, offices, airports, hospitals etc. Tissue papers were not considered as an essential item till recently in India, but that appears to be changing with tissues becoming a part of the monthly grocery purchases. With the income level rising and the changes in lifestyle, the industry is poised to grow at a very healthy rate in the long term.

Premier as a brand commands utmost respect in the tissue market and the company has been successful in leveraging the same to its advantage. Sales grew by a healthy 44% in the past year and this momentum is expected to continue in the current year too. South India continues to be a stronghold for the company with major share of sales coming from the region. While the sales in the Western India is also healthy, the region offers more potential which needs to be tapped further. Sales in the North and Eastern regions remain weak due to constraints in getting the right sales team and issues related to logistical costs. These are being addressed and moving forward the company is confident of growing the sales at a healthy rate.

A good sales infrastructure is mandatory for a consumer product company to succeed. This consists of an agile sales team, a wide network of distributors, stockists etc. The wider the distributor network, the wider the company can reach out to a large number of retailers and in turn customers. Premier is in the process of expanding its sales network in areas where its presence is not to the desired level, particularly in the northern and eastern regions.

Tissues are low margin products and with the plant located at Mysore, logistical costs to regions beyond South India makes the product not competitive in these markets. To address this issue, Premier is planning to set up exclusive satellite conversion centers closer to the regional markets. These will be asset light models with investments coming from third parties and operations handled by them based on the standards specified by Premier. One such center is at the final stages of commissioning in the Eastern region which will cater to the east and north markets. Another conversion center is in the pipeline near to Mumbai so that low margin products like

napkins can be produced for the western market. With these arrangements, the company expects to wider the points of availability at competitive prices acceptable to the markets.

India is currently the fifth largest economy in the world and the government has initiated steps to convert India into a \$ 5 trillion economy in the next few years. As per the current trends, the per capita income is estimated to jump by 70% to touch \$4000 by 2030. This is bound to result in more employment opportunities, a rise of per capita income and growth in consumption across all the spectrums. Naturally, tissue sector is bound to be benefited in line with the projections and even a modest growth of another 250 gm in the per capita consumption will double the size of the industry. Premier, as the leading brand, is well equipped to tap into any growth happening in the industry elevating the company to improve its performance metrics.

## **Directors' Responsibility Statement**

### **The Directors report that**

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the period ended 31st March 2023.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on a going concern basis.
- v. The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **Listing on Stock Exchanges**

Your company's shares are listed on the BSE Ltd. The company has paid Listing Fee for the year 2023-24.

## **Declaration of Independent Directors**

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. Samir K. Shah (DIN 01714717), Mr. Patrick M Davenport (DIN 00962475), Ms. R. Chitra (DIN 01560585), Mr. S. H. Merchant (DIN 00075865) and Mr. D. G. Rajan (DIN 00303060) have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as an Independent Director during the year.

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

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs Manesar.

Further, the Independent Directors of the company met once during the year on 28-03-2023 to review the per-

formance of the Non-executive directors, Chairman of the company and performance of the Board as a whole

### **Particulars of Loans, guarantees or investments**

Pursuant to Section 186 of the Companies Act, 2013 your company has not directly or indirectly -

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

The Company's investment in its subsidiary (net of provisions) stood at ₹ 3200.14 lakhs as at March 31, 2023. The details of Investments, Loans or Guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note to the Financial Statements.

### **Deposits**

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

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

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

### **Related Party Transactions**

All contracts/ arrangements / transaction entered by the company during the financial year were in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder and according to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All transactions entered into with the Related Parties during the financial year under the review were on an arm's length basis and were in the ordinary course of business.

Other than the above, there are no materially significant Related Party transactions made by the company with its Promoters, Directors, Management or their relatives that could have had a potential conflict with the interests of the company at large.

All Related Party Transactions were placed before the Audit Committee and also before the Board for their approval. The transactions entered into pursuant to the approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The company had framed a policy on materiality of related party transactions and on dealing with related party transactions. The policy as approved by the Board is uploaded on the company's website: <https://rubfila.com/policies.php> The Form AOC-2 containing the particulars of contracts or arrangements with related parties made during the period under review is annexed herewith as "Annexure D"

The Members may refer to Note to the Standalone Financial Statements which sets out the related party disclosures as per the Accounting Standards.

### **Corporate Social Responsibility:**

At Rubfila, the Board of Directors, the Management and all employees consider society as an extended arm of business with a major stake and are duty bound in contributing for the development of society.

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your company has constituted a CSR Committee and framed a policy which details the areas that can be supported under the CSR Policy. A few focussed areas for providing CSR support have been identified such as healthcare, education, rural development, sustainable livelihood, social empowerment & welfare, Arts and Culture etc. The policy also includes providing support to the highly needy individual beneficiaries who are in real distress for healthcare, housing etc, but this is done with utmost care after ample due diligence.

During the year, company carried out several initiatives under the CSR program directly. A report on CSR activities is attached as Annexure C forming part of this report. CSR policy of the company is available on the website [www.rubfila.com](http://www.rubfila.com).

The CSR activities are overseen by a committee of Directors comprising of Mr. Bharat J. Dattani (DIN 1462746), Mr. G Krishna Kumar (DIN 01450683) and Mr. Patrick M Davenport (DIN 00962475) on a regular basis.

In the year under review, the company spent ₹66.84 lakhs towards various CSR expenditures.

A report on the Corporate Social Responsibility activities is annexed to this report.

## **Directors and Key Managerial Personnel**

### **Composition of the Board**

The Board of Directors of the company comprises of 9 directors as on the date of report. Your Board comprises Mr. Hardik B Patel (DIN 00590663) as Chairman, Mr. G. Krishna Kumar, (DIN 01450683) as Managing Director (Executive), Mr. Bharat J. Dattani (DIN 00608198) and Mr. Dhiren S. Shah (DIN 01149436) as non-executive, Non-independent Directors and five Non-executive Independent Directors namely Mr. D. G. Rajan (DIN 00303060), Mr. Patrick M Davenport (DIN 00962475), Ms. R. Chitra (DIN 01560585), Mr. S. H. Merchant (DIN 00075865) and Mr. Samir K. Shah (DIN 01714717). The details of composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, CSR Committee, Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

In accordance with the Companies Act, 2013, Mr. Hardik B Patel (DIN 00590663) and Mr. Dhiren S Shah (holding DIN 01149436) retire by rotation and being eligible offer themselves for re-appointment in the ensuing Annual General Meeting.

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

Necessary information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of directors to be appointed and re-appointed at the ensuing Annual General Meeting are given in the Annexure to the Notice convening the Annual General Meeting scheduled to be held on 21-09-2023.

None of the Directors of your company are disqualified for being appointed as directors, as specified in Section 164(2) and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

The Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are the persons of high integrity and repute. They fulfill the conditions specified in the Act and the Rules made thereunder and are independent of the Management.

Mr. G. Krishna Kumar, (DIN 01450683) Managing Director (Executive) and Mr. N N Parameswaran, Company Secretary and the Chief Financial Officer are the KMPs of the Company.

## **Performance Evaluation**

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

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

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

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

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

The salient features of the Nomination and Remuneration policy are as follows:

- a. The policy has been framed in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. The policy spells out the criteria for determining qualifications, positive attributes, independence of a Director and the remuneration of Directors, Key Managerial Personnel and Senior Management including functional heads.
- c. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- d. No Independent Director shall hold office for more than two consecutive terms of maximum 5 years each. In the event the same person is to be appointed as an Independent Director after two consecutive terms of five years, a cooling period of 3 years is required to be fulfilled.
- e. The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the company.
- f. The remuneration/ commission shall be in accordance with the statutory provisions of the Companies Act, 2013 and the rules made thereunder for the time being in force.
- g. Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the company, will be made if there are specific reasons to do so in an individual case.
- h. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s)

etc. shall prevail upon the provisions hereunder and the Nomination and Remuneration Committee shall amend this Policy accordingly.

## **Auditors**

### **Statutory Auditors**

Shareholders in their meeting held on 27-09-2022 appointed M/s. Mohan & Mohan Associates, Chartered Accountants, Thiruvananthapuram having Firm Registration No. 02902S as the Statutory Auditors of the Company for a term of five years to hold office from the conclusion of the Twenty Ninth Annual General Meeting (AGM) of the Company until the conclusion of the Thirty Fourth AGM to be held in the year 2027

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

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

### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 M/s. SVJS & Associates, Company Secretaries, was appointed to undertake the Secretarial Audit of the company and its material subsidiary for the year ended March 31, 2023. The Secretarial Auditors have submitted their report and the Board took note of the same. The Secretarial Audit Report is annexed herewith.

Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the company has submitted the Secretarial Compliance Report from Practicing Company Secretaries on compliance of all applicable SEBI Regulations and circulars/guidelines issued there under with the Stock Exchange within the prescribed due date.

### **Management Comments to the observations of the Secretarial Auditors**

- 1) *The Statutory Auditor had submitted the necessary documents before the Institute of Chartered Accountants of India and was awaiting to be peer reviewed.*
- 2) *The delay in reporting the gifting of shares between the two close relatives the promoters group is only due to an overlook on the part of the staff members of the designated persons as they did not construe gifting a transaction to reported to the Company. Besides, the transaction was done when the designated person did not have any unpublished price sensitive information.*

### **Cost Auditors**

M/s. Ajith Sivadas & Co. Cost Accountants was appointed as Cost Auditors for the year 2022-23. The remuneration payable for the Financial Year 2023 – 24 will be ratified in the ensuing Annual General Meeting.

### **Internal Auditors**

The Board has appointed M/s. Pratapkaran Paul & company, Chartered Accountants, Chennai as the Internal Auditors of the company pursuant to Section 138 of the Companies Act, 2013 for the year 2022 – 23.

### **Disclosures:**

#### **Particulars of employees:**

No employee of the company was in receipt of remuneration exceeding the amount prescribed under 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014. The company is not paying any commission to its Directors. A Statement giving the details required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended March 31, 2023, is annexed to this report.

#### **Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has established a Vigil Mechanism and has adopted a whistle blower policy for the directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct.

The whistle blower policy of the company is available in the following web link: <https://rubfila.com/policies.php>

#### **Risk Management Policy:**

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

The Risk Management policy of the company is available in the following weblink: <https://rubfila.com/policies.php>

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

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

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

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

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

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

No options have been granted during the financial year 2022-23 and also no option granted earlier and in force in the same period, has been exercised by any of the grantees

#### **Change in the Nature of Business**

There was no change in the nature of business of the company during the Financial Year 2022-23

- i) Material changes and commitments affecting the financial position of the company which have occurred between the end of the Financial Year of the company to which the financial statements relate and the date of the report.

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

#### **Significant or Material Orders passed by Regulators / Courts / Tribunals**

There were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.



A claim from Customs for Rs.391.73 Lacs towards duty drawback is pending before the Hon'ble CESTAT since 2008 and interest thereon is not ascertainable at this point. Company is confident for a favourable verdict in the matter.

Company has been providing progressively towards unknown liabilities and as on 31st March, 2023 such provision stands at Rs.989 Lacs.

### **Subsidiaries, Joint Ventures and Associate Companies**

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the company has prepared its Consolidated Financial Statement including its subsidiary Premier Tissues (India) Limited which is forming part of the Annual Report.

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

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

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

The Annual Audited Accounts of the Subsidiary company and the related detailed information will be made available to the Shareholders of the company at the Registered Office of the company and on the company website [www.rubfila.com](http://www.rubfila.com) under the section Investor Relations.

### **Internal Financial Controls**

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

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

### **Extract of Annual Return**

Pursuant to sub-section 3(a) of Section 134 and subsection (3) of Section 92 of the Companies Act, 2013, read with Rule 11 and 12 of the Companies (Management and Administration) Rules, 2014, copy of Annual Return as at March 31, 2023 is hosted on the website of the company in the following web link <https://rubfila.com/investors.php>

### **Cost Records**

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

### **Secretarial Standards**

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

### **Management Discussion Analysis Report**

Management Discussion Analysis Report for the year under review as stipulated under SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

### **Corporate Governance**

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

### **Issue of Sweat Equity Shares**

The company has not issued Sweat Equity Shares during the year under review and hence the disclosure as required under Section 54 read with rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014 is not required to be made.

### **Equity Shares with Differential Voting Rights**

The company has not issued Equity Shares with differential voting rights and hence the disclosure as required under Section 43 read with rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required to be made.

### **Change in nature of business by the subsidiaries:**

There are no significant changes in the nature of business carried on by the subsidiaries of the company wherein the impact of such changes is 10% or more of the consolidated turnover or consolidated net worth of Rubfila International Limited.

Details of application made or any proceeding pending under the insolvency and bankruptcy code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year – Not Applicable

Details of difference amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof – Not Applicable

### **Appreciation and Acknowledgement**

The Board of Directors places on record its sincere thanks to the Government of India, various State Governments and regulatory authorities in India.

Your Directors acknowledge with gratitude the co-operation and assistance given by Kerala State Industrial Development Corporation Ltd, M/s. Integrated Registry Management Services Pvt Ltd, and other agencies of the Central and State government and Stock Exchanges for their wholehearted support.

The Directors record their sincere gratitude to the company's shareholders, esteemed customers and all other well-wishers for their continued patronage.

Your Directors also wish to place on record the sincere appreciation of services rendered by the employees at all the levels for the company's success.

For and on behalf of Board of Directors

Palakkad.  
14-08-2023

**Hardik B Patel**  
DIN 00590663  
Chairman

# ANNEXURE – A TO THE DIRECTORS' REPORT

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

### (Form AOC-1)

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

### Part "A" Subsidiaries

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

01.	Serial Number	01
02.	Name of the subsidiary	Premier Tissues India Ltd
03.	The date since when subsidiary was acquired	08-11-2018
04.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as the holding Company.
05.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Same as the holding Company.
06.	Share capital	Rs.1124.09 Lacs
07.	Reserves and surplus	Rs.2905.99 Lacs
08.	Total assets	Rs.5385.95 Lacs
09.	Total Liabilities	Rs.1355.86 Lacs
10.	Investments	Rs.500.00 Lacs
11.	Turnover	Rs.8627.68 Lacs
12.	Profit before taxation	Rs.363.36 Lacs
13.	Provision for taxation	Rs.106.40 Lacs
14.	Profit after taxation	Rs.256.97 Lacs
15.	Proposed Dividend	Nil
16.	Extent of shareholding (in percentage)	100%

01. Names of subsidiaries which are yet to commence operations - Nil

02. Names of subsidiaries which have been liquidated or sold during the year. - Nil

**Part "B" Associates and Joint Ventures:**

Statement pursuant to Section (129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - Nil

Palakkad  
14-08-2023

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

**Hardik B Patel**  
DIN 00590663

**G.Krishna Kumar**  
DIN 01450683

**N N Parameswaran**  
Chief Finance Officer & Company Secretary

# ANNEXURE – B

## TO THE DIRECTORS' REPORT

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

#### A. CONSERVATION OF ENERGY

- a) Continuous monitoring and review/rework of heating and cooling systems done so as to cut down on energy usage.
- b) The leading energy company of the country was commissioned to audit the heating system to advise on fuel consumption and further possible improvements.
- c) 1 MW solar power generation plant has completed implementation at the Tamil Nadu facility which will reduce the dependency on traditional fuel power sources.
- d) Premier Tissues, the wholly owned subsidiary commissioned a 550 kw solar power generation unit in its Mysore facility in line with the company's plans to rely more on renewable energy.

Additional investment and proposal if any : Nil

- i) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production : Above initiatives have resulted in overall reduction in the consumption of power and fuel. It also has reduced the dependence of the company on conventional sources of power since a portion of the power used by the company is from renewable sources.

#### B. TECHNOLOGY ABSORPTION

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

Research and Development:

- 1) Specific areas of Research and Development Activities carried out by the Company : Nil
- 2) Benefits derived as a result of the above Research and Development work : N.A.

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

#### C. FOREIGN EXCHANGE EARNINGS & OUT GO

(Rs. in lacs)

1) FOREIGN EXCHANGE EARNINGS		
a) Export of HRLRT	:	9,864.09
2) FOREIGN EXCHANGE OUT GO		
a) Raw materials	:	1844.03
b) Capital Purchase	:	360.07
c) Sales Commission	:	13.66
d) Spares	:	39.44
e) Sitting Fee	:	1.21
f) Others	:	1.65

For and on behalf of Board of Directors

Palakkad.  
14-08-2023

**Hardik B Patel**  
DIN 00590663  
Chairman

# ANNEXURE – C

## TO THE DIRECTORS' REPORT

### Annual Report on Corporate Social Responsibility activities:

1. Brief outline on CSR Policy of the Company : RUBFILA's CSR Policy articulates an approach and commitment to sustainable and inclusive social development by improving the quality of life of the communities it serves. With Corporate Social Responsibility (CSR) seen an integral part of the business objectives, the company remains committed to support the inclusive growth of the marginalized / under-privileged sections of the society.

2. Composition of CSR Committee:

Sl. No.	Name of the Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Mr. Bharat J Dattani	Chairman	4	4
2.	Mr. G. Krishna Kumar	Member	4	4
3.	Mr. Patrick M Davenport	Member	4	3

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company : <http://www.rubfila.com/Aboutus/CSR Policy>  
<http://www.rubfila.com/investors>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : N.A
5. Details of the amount available for set off in pursuance of sub rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules,2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set off from preceding financial years (in Rs.)	Amount required to be set off for the financial year, if any (in Rs.)
1.	2018 – 2019	2.18	Nil
2.	2019 – 2020	Nil	9.00
3.	2020 – 2021	1.60	Nil
4.	2021 - 2022	11.91	Nil
	TOTAL	15.69	9.00

6. Average Net profit of the company as per section 135(5) : Rs. 3,931.21 Lacs
7. (a) Two percent of average net profit of the company as per section 135 (5) : Rs. 78.62 Lacs
- (b) Surplus arising out of the CSR projects of programmes or activities of the previous financial years : Rs. 6.69 Lacs
- (c) Amount required to be set off for the financial year, if any : Nil
- (d) Total CSR obligation for the financial year : Rs. 71.93 Lacs
8. (a) CSR amount spent or unspent for the financial year : Nil
- (b) Details of CSR amount spent against ongoing projects for the financial year : Nil
- (c) Details of CSR amount spent against other than ongoing projects for the financial year :

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Testing machine for Sickle Cell Disease at Community Health Centre, Agali, Attappadi, Palakkad Dist, a prominent tribal area.	Promoting Public Health Care and Sanitation	Yes	Kerala	Palakkad	6.44	Yes	-	-
2.	Medicines to Community Health Centre, Agali, Attappadi, Palakkad Dist., a prominent tribal area.	Promoting Public Health Care and Sanitation	Yes	Kerala	Palakkad	13.26	Yes	-	-



3.	Medicine Store Room and other basic infrastructure and amenities for the newly set up Dialysis Unit at the District Hospital, Palakkad	Promoting Public Health Care and Sanitation	Yes	Kerala	Palakkad	8.99	Yes	-	-
4.	Sanitary Napkin Incinerator & Vending Machine to Govt APHSS, Elapully and Govt THSS, Sholayur, Agali, Palakkad Dist. To promote menstrual hygiene among girls.	Promoting Public Health Care and Sanitation	Yes	Kerala	Palakkad	2.24	Yes	-	-
5.	Paliative Care activities at Primary Health Centre, Marutha Road, Kottekkad, Palakkad Dist.	Promoting Public Health Care and Sanitation	Yes	Kerala	Palakkad	0.18	Yes	-	-
6.	Surgery for Extrophy Epispadias Complex on 2-year-old boy from a financially poor family in Palakkad.	Promoting Public Health Care and Sanitation	Yes	Kerala	Palakkad	1.50	Yes	-	-
7.	Sanitary / Hygiene Kits provided to Tribal hamlets in and around Manarkkad, Palakkad Dist. To promote basic hygiene in daily life.	Promoting Public Health Care and Sanitation	Yes	Kerala	Palakkad	7.15	Yes	-	-
8.	Support for the economically distressed in the society	Eradicating hunger, poverty and malnutrition	Yes	Kerala	Palakkad	1.70	Yes	-	-
9.	Support for a Transgender Person from financially distressed background for setting up a dwelling.	Rural Development	Yes	Kerala	Palakkad	1.15	Yes	-	-

10.	Medicines and basic amenities to the Old Age Home at Palakkad Dist.	Rural Development	Yes	Kerala	Palakkad	6.51	Yes	-	-
11.	Amenities / support for the members of Palakkad junior football team which consists of members hailing from poor families.	Promotion of nationally recognised sports in rural areas to support youth to excel in their sports streams	Yes	Kerala	Palakkad	0.75	Yes	-	-
12.	School Bags / study aids to the students hailing from tribal/poor families at the Govt Vocational Higher Secondary School, Kanjikode, Palakkad	Promoting Education	Yes	Kerala	Palakkad	0.59	Yes	-	-
13.	Tables and Benches to the Govt Lower Primary School, Kanjikode, Palakkad, where children from tribal and poor families study.	Promoting Education	Yes	Kerala	Palakkad	4.51	Yes	-	-
14.	Financial support for the education of three economically backward B-Tech Students in Palakkad Dist.	Promoting Education	Yes	Kerala	Palakkad	1.05	Yes	-	-
15.	Setting up of Class Rooms and providing education to the underprivileged children in Palakkad Dist.	Promoting Education.	Yes	Kerala	Palakkad	10.00	Yes	-	-
16.	Ceiling fans and Amplifier to Govt. High School, Madathukulam, Dindigul Dt., Tamil Nadu	Promoting Education	Yes	Tamil Nadu	Dindigul	0.56	Yes	-	-

17.	Setting up of Capability Exploration and Enhancement Program (CEEP) centre for nurturing talents of Children beyond academics along at GVHSS Kanjikode, Palakkad Dist.	Promoting Education	Yes	Kerala	Palakkad	5.50	Yes	-	-
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- (d) Amount spent on Administrative Overheads : Nil
- (e) Amount spent on Impact Assessment, if applicable : Nil
- (f) Total amount spent for the Financial Year : Rs. 72.10 Lacs
- (g) Excess amount for set off, if any : Rs. 0.17 Lacs

Sl. No.	Particulars	Amount
(I)	Two percent of average net profit of the company as per section 135(5)	Rs. 78.62 Lakhs
(II)	Total amount spent for the financial year	Rs. 72.10 Lakhs
(III)	Excess amount spent for the financial year[(iii)-(i)]	Rs. (6.52) Lakhs
(IV)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. 6.69 Lakhs
(V)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 0.17 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years : Nil
- (b) Details of CSR amount spent in the financial year for ongoing Projects of the preceding financial year(s) : Nil
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details) : Nil
- (a) Date of creation or acquisition of the capital asset(s). : N.A.
- (b) Amount of CSR spent for creation or acquisition of capital asset : N.A.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : N.A.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : N.A.

11. Specify the reason(s), if the Company has failed to spend two

percent of the average net profit as per Section 135 (5) : N.A

Palakkad  
14-08-2023

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

**G. Krishna Kumar**  
DIN 01450683  
Managing Director

**Bharat J Dattani**  
DIN 00608198  
Chairman CSR Committee

# ANNEXURE – D

## AOC – 2

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

### 1. Details of Contracts or arrangement or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship : N.A
- (b) Nature of contracts / arrangements / transactions : N.A
- (c) Duration of the contracts / arrangements / transactions : N.A
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any, : N.A
- (e) Justifications for entering into such contracts or arrangements or transactions : N.A
- Date(s) of approval by the Board : N.A
- (f) Amount paid as advances, if any : N.A
- (g) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : N.A

### 2. Details of material contracts or arrangements or transactions at arm's length basis

- (1) Name(s) of the related party and nature of relationship : M/s. Premier Tissues India Limited (Subsidiary Company)
  - (a) Nature of contracts / arrangements / transactions : Sale/ Purchase of Materials
  - (b) Duration of the contracts / arrangements / transactions : 01.04.2022 to 31.03.2023
  - (c) Salient terms of the contracts or arrangements or transactions including the value, if any, : Sale of Materials : Rs. 3.71 Lacs  
Purchase of Material : Rs. 12.75 Lacs
  - (d) Date(s) of approval by the Board : 05-11-2019
  - (e) Amount paid as advances, if any : Nil
- (2) Name(s) of the related party and nature of relationship : M/s.PAT Financial Consultants Pvt Ltd (Companies in which Directors are Interested)
  - (f) Nature of contracts / arrangements / transactions : Inter Corporate Deposit
  - (g) Duration of the contracts / arrangements / transactions : 12 months

- (h) Salient terms of the contracts or arrangements or transactions including the value, if any, : Intercorporate Deposit / Loan upto an amount of ₹ 35,00,00,000/- for a tenure of 12 months at competitive rate of interest
- (i) Date(s) of approval by the Board : 12-11-2021
- (j) Amount paid as advances, if any : ₹ 25,75,00,000/-

For and on behalf of Board of Directors  
RUBFILA INTERNATIONAL LIMITED

**Hardik B Patel**  
DIN 00590663  
Chairman

Palakkad.  
14-08-2023

# ANNEXURE – E

## TO THE DIRECTORS REPORT

Details pertaining to the Remuneration as required under Section 197 (12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sl. No.	Particulars	Name of Directors / KMP	
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company excluding Managing Director for the Financial Year.	Mr. G. Krishna Kumar, Managing Director	48.7:1
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Mr. G. Krishna Kumar, Managing Director	6%
		Mr. N. N. Parameswaran, Chief Financial Officer & Company Secretary	6%
3.	The percentage Increase / Decrease in the median remuneration of the employees.	No Change	
4.	The number of permanent employees on the rolls of the Company.	265	
			<b>March 31, 2023</b>
5.	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration of employees excluding KMP	6.30%
		Average increase in remuneration of KMP	6%
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended March 31, 2023 is as per the Remuneration Policy of the Company.	

For and on behalf of Board of Directors  
RUBFILA INTERNATIONAL LIMITED

**Hardik B Patel**  
DIN 00590663  
Chairman

Palakkad.  
14-08-2023

Form No. MR-3

# Secretarial Audit Report

## FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) As informed to us, the following other laws are specifically applicable to the Company:
- 1. The Factories Act, 1948;
  - 2. The Air (Prevention and Control of Pollution) Act, 1981;
  - 3. The Water (Prevention and Control of Pollution) Act, 1974;
  - 4. The Environment (Protection) Act, 1986;
  - 5. Battery (Management and Handling) Rules, 2001;
  - 6. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 1989; and
  - 7. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

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

- 1. *The auditor of the Listed Entity is not peer reviewed as per Regulation 33 (1) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- 2. *On 22/11/2022: Mr. Ruchit Bharat Patel gifted 2948380 shares to his mother, Mrs. Minal Bharat Patel. However the same was reported to the Company on 10/01/2023 as prescribed under Regulation 7 of SEBI (PIT) Regulations, 2015.*
- 3. *The Company has not submitted Annual Report in XBRL Mode for the year ended March 31, 2022 within the prescribed time as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with BSE Circular dated February 08, 2019.*
- 4. *The Financial results for the Quarter ended 30th June 2022, approved by the Board on 11th August, 2022 were published in English newspaper on 14th August 2022. The newspaper advertisement for Annual General Meeting held on 27.09.2022 was made on 07.09.2022 which is less than 21 days.*

**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 were no changes in the composition of the Board of Directors 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.

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

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

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

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

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

For SVJS & Associates  
Company Secretaries

Kochi  
14.08.2023  
UDIN: F003067E000797432  
Peer Review Certificate No.648 /2019

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

# 'Annexure A'

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

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2023 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/ professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates  
Company Secretaries

Kochi  
14.08.2023  
UDIN: F003067E000797432  
Peer Review Certificate No.648 /2019

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

Form No. MR-3

# Secretarial Audit Report

## FOR THE FINANCIAL YEAR ENDED 31.03.2022

[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  
**Premier Tissues (India) Limited**  
No 41, 1st Floor, Leelavathi Mansion  
6th Cross, Margosa Main Road  
Malleswaram, Bangalore,  
Karnataka – 560 003.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Premier Tissues (India) Limited [CIN: U85110KA1998PLC023512]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) As informed to us, the following other laws are specifically applicable to the Company:
  1. The Factories Act, 1948;
  2. The Air (Prevention and Control of Pollution) Act, 1981;
  3. The Water (Prevention and Control of Pollution) Act, 1974;

4. The Environment (Protection) Act, 1986;
5. Battery (Management and Handling) Rules, 2001;
6. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 1989;
7. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards relating to Board (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;

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

In respect of other laws specifically applicable to the Company we have relied on information / records produced by the Company during the course of our audit and the reporting is limited to that extent.

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

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

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

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

For SVJS & Associates  
Company Secretaries

Sd/-

**Lekha Ashok**  
Partner  
FCS: 8152  
CP No: 9011

Bangalore  
11.08.2022  
UDIN: F008152E000841226

# 'Annexure A'

To  
The Members  
**Premier Tissues (India) Limited**  
No 41, 1st Floor, Leelavathi Mansion  
6th Cross, Margosa Main Road  
Malleswaram, Bangalore  
Karnataka – 560 003

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2023 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/ professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates  
Company Secretaries

Sd/-

**Lekha Ashok**  
Partner  
FCS: 8152  
CP No: 9011

Bangalore  
11.08.2022  
UDIN: F008152E000841226

# Certificate of Non-Disqualification of Directors

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	SHAUKAT HASANALI MERCHANT	00075865	15/09/2017
2	DURAI SWAMY GUNASEELA RAJAN	00303060	26/06/2020
3	HARDIK BHARAT PATEL	00590663	25/05/2021
4	BHARAT JAMNADAS DATTANI	00608198	08/09/2005
5	PATRICK MICHAEL DAVENPORT*	00962475	26/09/2015
6	DHIREN SHAH SHEVANTILAL	01149436	28/01/2009
7	GOPINATHAN PILLAI KRISHNA KUMAR	01450683	27/10/2007
8	CHITRA RAMAKRISHNAN*	01560585	13/02/2015
9	SAMIR KIRITKUMAR SHAH	01714717	26/09/2015

\*The details of registration of Independent Directors with the data bank of the Indian Institute of Corporate Affairs were not made available for verification.

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

For SVJS & Associates  
Company Secretaries

Kochi  
14.08.2023  
UDIN: F003067E000797421  
Peer Review Certificate No.648 /2019

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



# Report on **Corporate Governance**



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

Rubfila affirms that adoption of the good Corporate Governance practices in all its dealings, operations and actions is sine qua non for enhancement of overall shareholder value and protection of interests of all its stakeholders including customers, employees, lenders, suppliers, government and the community in which it operates. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023 in terms of regulations 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations") as amended from time to time.

## **2. BOARD OF DIRECTORS**

(a) Composition of the Board and category of Directors

As on 31st March, 2023, the Company's Board consists of nine Directors having considerable professional experience in their respective fields. The Board has been constituted as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013. The Board functions either as a full Board or through various committees constituted to oversee specific areas. Policy formulation, setting up of goals, evaluation of performance and control functions vest with the Board. The composition and category of the directors along with their attendance of Board meetings and shareholdings in the Company as on 31st March, 2023 are given below:

Name	Category of Directors	No. and percentage of shares held as on 31st March, 2023	No. of Outside Directorships held in Indian Public Limited Companies	No. of Outside Committee positions held in Audit / Stakeholders Relationship Committees		Directorship in other listed entity
				Member	Chairman	
Mr. Hardik B Patel (DIN 00590663)	Chairman Non-Executive Non-Independent (Promoter)	4224096 7.78%	1	1	Nil	Digjam Ltd
Mr. G. Krishna Kumar (DIN 01450683)	Managing Director Executive	58571 0.11%	Nil	Nil	Nil	-
Mr. Bharat J. Dattani (DIN 00608198)	Non-Executive Non-Independent	Nil	Nil	Nil	Nil	-
Mr. Dhiren S Shah (DIN 01149436)	Non-Executive Non-Independent	Nil	Nil	Nil	Nil	-
Mr. Samir K Shah (DIN 01714717)	Non-Executive & Independent	Nil	Nil	Nil	Nil	-
Mr. Patrick M Davenport (DIN 00962475)	Non-Executive & Independent	Nil	Nil	Nil	Nil	-
Mrs. R. Chitra (DIN 01560585)	Non-Executive & Independent	Nil	Nil	Nil	Nil	-
Mr. S. H. Merchant (DIN 00075865)	Non-Executive & Independent	13000 0.02%	Nil	Nil	Nil	-
Mr. D.G. Rajan (DIN 00303060)	Non-Executive & Independent	15900 0.03%	4	1	4	<ul style="list-style-type: none"> <li>• Balaji Telefilms Ltd</li> <li>• Digjam Ltd</li> <li>• IFGL Refractories Ltd</li> <li>• Lotte India Corporation Ltd</li> </ul>

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

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

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

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

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

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

- None of the directors of the Company were members in more than ten committees or act as chair-person of more than five committees across all listed entities in which he is a director.
- None of the Independent Directors of the Company held directorships in more than seven listed companies

The Companies Act, 2013 read with relevant Rules made thereunder, facilitates the participation of the Director in the Board/ Committee meetings through video conferencing or other audio mode. However, none of the Directors have availed such a facility during the period under review.

The Senior Management team has confirmed to the Board of Directors that no material and commercial transactions have been entered into between the Company and members of Senior Management team, where they have personal interest.

- i. No. of Directorship, Membership and Chairmanship held by the Directors in the Board and Committees of other companies & details of Directorship held by the Directors in other Listed Companies as on March 31, 2023.

Name & Position of the Director	Category	Directorship on Board and Membership / Chairmanship of Board Committees in other companies as on March 31, 2023		
		Director	Committee Member	Committee Chairman
Hardik B Patel Chairman	Non-Executive Independent	1	Nil	Nil
D G Rajan Director	Non-Executive Independent	4	1	4

- ii. Details of Directorship held by the Directors in other Listed Companies as on March 31, 2023.

Name of the Director	Name of the Company	Category of Directorship	Position
Hardik B Patel	Digjam Ltd	Non-Executive and Non-Independent	Chairman
D G Rajan	Digjam Ltd	Non-Executive and Independent	Independent Director
	Balaji Telefilms Ltd	Non-Executive and Independent	Independent Director
	IFGL Refractories Ltd	Non-Executive and Independent	Independent Director
	Lotte India Corporation Ltd	Non-Executive and Independent	Independent Director

**a) Board Meetings:**

The Board of Directors meets normally once in a quarter to consider among other business, the quarterly performance of the Company and financial results. 5 (Five) Board Meetings were held during the Financial Year 2022-23 on 19/05/2022, 11/08/2022, 14/11/2022, 04/02/2023. The attendances of the members of the Board in the aforementioned meetings are as follows:

Name of Director	Attendance of Directors			
	19.05.2022	11.08.2022	14.11.2022	04.02.2023
Mr. Hardik B Patel	√	√	√	√
Mr. G. Krishna Kumar	√	√	√	√
Mr. Bharat J Dattani	√	√	√	√
Mr. Dhiren S Shah	√	√	√	√
Mr. Samir K Shah	x	x	√	√
Mr. Patrick M Davenport	√	√	√	x
Mrs. R. Chitra	√	√	√	√
Mr. S. H. Merchant	√	√	√	√
Mr. D. G. Rajan	√	√	√	√

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

**b) Performance evaluation of Directors:**

The Board of directors have approved and laid down the criteria for performance evaluation of all Directors by the Nomination and Remuneration committee. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated at the separate meetings of Independent Directors and Non-Independent Directors held on 31.03.2023. The criteria for performance evaluation are as follows:

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

- Level of commitment to roles and fiduciary responsibilities as a Board Member.
- Attendance and active participation.
- Ability to think proactive, strategic and laterally.

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

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

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

List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board and the names of directors who have such skills / expertise / competence:

Sl. No.	Name	Special Knowledge / Practical Experience
1	Mr. Hardik B Patel (DIN 00590663)	Finance / Economics /Governance / Compliance
2	Mr. G Krishna Kumar (DIN 01450683)	Projects / Technology / Operations/ Management
3	Mr. Bharat J Dattani (DIN 00608198)	Finance / Economics /Governance / Compliance
4	Mr. Dhiren S Shah (DIN 01149436)	Finance / Economics /Governance / Compliance
5	Mr. D.G. Rajan (DIN 00303060)	Finance / Economics /Governance / Compliance
6	Mr. Patrick M Davenport (DIN 00962475)	Finance / Economics /Governance / Compliance
7	Mrs. R. Chitra (DIN 01560585)	Economics / Governance / Social Work
8	Mr. S. H. Merchant (DIN 00075865)	Legal / Economics / Governance / Compliance
9	Mr. Samir K Shah (DIN 01714717)	Finance / Economics /Governance / Compliance

**c) Code of Conduct:**

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

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

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

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

During the year under review, the Independent Directors meeting was held on 28-03-2023 has:

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

**e) Qualified and Independent Audit Committee:**

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit committee interacts with the Internal Auditors, Independent Auditors, Secretarial Auditors and Cost Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

**3. COMMITTEES OF BOARD**

**a) Audit Committee:**

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

All members of the Audit Committee have accounting and financial management expertise. 5 Audit Committee Meetings were held during the period under review viz., 19/05/2022, 11/08/2022, 14/11/2022 and 04/02/2023. The Company Secretary acts as the Secretary to the Audit Committee. The attendances of the members of the Committee in the aforementioned meetings are as follows:

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

Name of Director	Attendance of Directors			
	19.05.2022	11.08.2022	14.11.2022	04.02.2023
Mr. D. G. Rajan	√	√	√	√
Mr. Patrick M. Davenport	√	√	√	x
Mr. Dhiren S. Shah	√	√	√	√
Mr. Samir K. Shah	x	x	√	√

## Terms of reference of Audit Committee

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

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

Where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year : Not Applicable.

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

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

The Committee comprises of Mr. Patrick M Davenport as Chairman and Mr. Samir K. Shah, and Mr. Dhiren S. Shah as members. Mr. N. N. Parameswaran, being Company Secretary & Compliance Officer acts as Secretary to the Committee to discharge the function of the Committee.

During the year, the committee met on 4 times viz; 19/05/2022, 11/08/2022, 14/11/2022 and 04/02/2023. Attendance of Stakeholder's Relationship Committee meetings is as below:

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



Name of Director	Attendance of Directors			
	19.05.2022	11.08.2022	14.11.2022	04.02.2023
Mr. Patrick M. Davenport	√	√	√	x
Mr. Dhiren S. Shah	√	√	√	√
Mr. Samir K. Shah	x	x	√	√

Composition of the Committee is available on Company's website : [www.rubfila.com/investors](http://www.rubfila.com/investors).

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

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

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

Pursuant to Regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the status of investor complaints received and redressed during the financial year 2022-23 as follows:

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

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

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

The CSR Committee comprises of Mr. Bharat J. Dattani (DIN 00608198) as the Chairman and Mr. G. Krishna Kumar (DIN 01450683), Mr. Patrick M Davenport (DIN 00962475) Directors as members. The Company Secretary acts as a Secretary to the Committee.

#### Key Responsibilities of the CSR Committee:

- Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken.
- Review the Company's performance in the area of CSR.
- Evaluate the social impact of the Company's CSR activities.

- Review the CSR Report, with the management, before submission to the Board for approval.
- Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent for the intended purpose only.

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

During the year Committee met four times, viz; 19/05/2022, 11/08/2022, 14/11/2022 and 04/02/2023. Attendance of CSR Committee meetings is as below:

Name of Director	Mr. Bharat J. Dattani	Mr. Patrick M Davenport	Mr. G. Krishna Kumar
No. of Meetings attended	4	3	4

Name of Director	Attendance of Directors			
	19/05/2022	11/08/2022	14/11/2022	04/02/2023
Mr. Bharat J. Dattani	√	√	√	√
Mr. Patrick M Davenport	√	√	√	x
Mr. G. Krishna Kumar	√	√	√	√

#### d) Nomination and Remuneration Committee

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

During the period under review the Committee met four times, viz., 19/05/2022, 11/08/2022, 14/11/2022 and 04/02/2023. Attendance of Nomination and Remuneration Committee is as below:

Name of Director	Mr. Patrick M Davenport	Mr. Hardik B Patel	Mr. S. H Merchant
No. of Meetings attended	3	4	4

Name of Director	Attendance of Directors			
	19/05/2022	11/08/2022	14/11/2022	04/02/2023
Mr. Patrick M Davenport	√	√	√	x
Mr. Hardik B Patel	√	√	√	√
Mr. S. H Merchant	√	√	√	√

#### Terms of Reference

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

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

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

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

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

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

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

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

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

Details of remuneration paid to the Directors are as follows:

₹ in Lakhs

Name of the Director	Business relationship with the Company	Salary, benefits, bonus etc paid during the year 2022-23	Sitting fees (for Board and its committees)
Mr. Hardik B Patel	Chairman	-	1.40
Mr. G. Krishna Kumar	Managing Director	90.47	-
Mr. Bharat J. Dattani	Director	-	1.40
Mr. Dhiren S Shah	Director	-	1.80
Mr. Samir K Shah	Independent Director	-	0.45
Mr. Patrick M Davenport	Independent Director	-	1.35
Mr. D. G. Rajan	Independent Director	-	1.80
Mrs. R. Chitra	Independent Director	-	1.40
Mr. S. H. Merchant	Independent Director	-	1.40

#### 4. GENERAL BODY MEETINGS:

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

Year	AGM	Venue	Date	Time	No. of Special Resolutions
2018 -19	AGM	SKM Auditorium, Kanjikode	21/09/2019	11.00 a.m.	Nil
2019-20	AGM	Video Conferencing	10/09/2020	11.00 a.m.	3
2020-21	AGM	Video Conferencing	24/08/2021	11.00 a.m.	2
2021-22	AGM	Video Conferencing	24/09/2022	11.00 a.m.	1

No postal Ballot was conducted during the last Four years.

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

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

Date of General Meeting	Details of Special Resolutions passed
19-04-2017	Alteration of Articles of Association of the Company.
19-04-2017	Issue of Warrants on Preferential Allotment Basis to Promoters and PAC.
28-06-2019	Issue of Warrants on Preferential Allotment Basis to Promoters and PAC
28-02-2020	Approval of Related Party Transactions.
10-09-2020	Issue of Equity Shares on Preferential basis to Promoters
10-09-2020	Appointment of Mr. D. G. Rajan as an Independent Director
10-09-2020	Reappointment of Mr. Samir K Shah as an Independent Director
24-08-2021	Amendment to the Object Clause in Memorandum of Association of the Company
24-08-2021	Approval for giving Intercorporate Loans / Deposits
24-09-2022	Reappointment of Mr. Shaukat Hasanali Merchant as an Independent Director

#### MEANS OF COMMUNICATION

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

#### 5. DISCLOSURES:

##### a) Related Party Transactions:

All transactions with related parties were in the ordinary course of business and at arm's length. The com-

pany has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

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

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

**b) Vigil Policy (Whistle Blower Policy)**

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

**c) Policy for determining Material Subsidiaries**

The particulars of the subsidiary Company of the Company

Sl. No.	Name of Company	CIN	Subsidiary Associate	% of Shares held	Applicable Section
1	Premier Tissues (India) Limited	U85110KA-1998PLC023512	Subsidiary	100%	2 (87)

The Company has framed a Policy on Material Subsidiaries which is available on the link [www.rubfila.com/investors](http://www.rubfila.com/investors).

The Company monitors the performance of the subsidiary company, inter alia, by the following means.

- Financial Statements of the subsidiary company are reviewed regularly by the Company's Audit Committee and the Board.

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

**d) Disclosure of Accounting Treatment**

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

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

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

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

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

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

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

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

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

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

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

**k)** Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years: Nil

**6. GENERAL SHAREHOLDER INFORMATION:**

- i) Annual General Meeting Date : 21st September, 2023
- ii) Venue of meeting : Video Conferencing (VC) / Other Audio Visual Means (OAVM)
- iii) Time of meeting : 11.00 A.M.
- iv) Financial Year : 2022 - 23
- v) Book closure date : 15th September, 2023 to 21st September, 2023  
(both days inclusive)
- vi) Dividend recommended for the year: 24 %
- vii) Dividend Payment date : Dividend shall be paid within 30 days of AGM
- Viii) Listing on stock exchange : BSE Limited, Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001  
(The listing fees for the financial year  
2023-24 were duly paid to BSE Limited within time)
- xi) Stock Code : 500367

x) Market price Data (Face value of Rs.5) :

Month	Month's High Price	Month's Low Price
April - 2022	98.00	88.55
May - 2022	92.35	77.25
June - 2022	88.90	74.00
July - 2022	83.85	76.35
August -2022	103.80	76.55
September -2022	105.00	85.00
October - 2022	95.50	73.00
November -2022	96.90	77.00
December - 2022	82.90	72.80
January - 2023	82.00	72.50
February - 2023	76.90	63.25
March - 2023	72.25	60.98

**k) Distribution of shareholding:**

Sl. No.	Category of shares	No. of Holders	% to Holders	No. of Shares	% to Shares
1	Upto - 500	39229	90.46	4233157	7.80
2	501 - 1000	2109	4.86	1672499	3.08
3	1001 - 2000	1010	2.33	1502928	2.77
4	2001 - 3000	310	0.71	785710	1.45
5	3001 - 4000	151	0.35	551114	1.02
6	4001 - 5000	144	0.33	685958	1.26
7	5001 - 10000	197	0.45	1453815	2.68
8	10001 and Above	214	0.49	43382348	79.94
	<b>Total</b>	<b>43364</b>	<b>100.00</b>	<b>54267529</b>	<b>100.00</b>

**l) Dematerialization of shares and liquidity:**

The company has arranged agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialization of shares through Integrated Registry Management Services Private Limited. The Shareholding Pattern as on 31/03/2023 is as follows:

Category	No. of Shares held	% of Shareholding
Promoters	31021869	57.16
Mutual Funds/ UTI / Fin. Institutions / Banks	Nil	Nil
Bodies Corporate	Nil	Nil
Public Individuals	23245660	42.84
<b>Total</b>	<b>54267529</b>	<b>100.00</b>

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

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

(Share Transfer / Dematerialization and communication regarding Share Certificates and Change of Address)

M/s. Integrated Registry Management Services P Ltd  
 2nd Floor, "Kences Towers",  
 1, Ramakrishna St., North Usman Road,  
 T. Nagar, Chennai – 600 017  
 Tel : (044) 28140801 – 03  
 Fax : (044) 28142479  
 E-mail : kalyan@integratedindia.in

**n) Share Transfer System:**

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

**o) Auditors' Remuneration**

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

₹ in Lakhs

Payment to Statutory Auditors	4.00
Payment to all the entities in the Statutory Auditors network firms	-
Total	4.00

**p) Certificate of Non-disqualification of Directors**

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



**q) Utilization of funds raised through preferential allotment**

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

**r) UNCLAIMED/ UNPAID DIVIDENDS**

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

Year	% of share Paid up value
2012 - 2013	12
2013 - 2014	12
2014 - 2015	15
2015 - 2016	10
2016 - 2017	15
2017 - 2018	20
2018 - 2019	20
2019 - 2020	24
2020 - 2021	26
2021 - 2022	35

Members wishing to claim unclaimed dividends are requested to correspond with the Company Secretary of the Company, at the registered office. Members are requested to note that dividends which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 124 of the Companies Act, 2013 and Rules made thereunder, be transferred to the Investor Education and Protection Fund. Further, pursuant to the provisions of section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividend remain unpaid / unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. The Company has uploaded the details of unpaid and unclaimed amounts on the website of the Company ([www.rubfila.com](http://www.rubfila.com)). Shareholders who have not encashed their dividend warrants for any of the years 2015-16 to 2021-2022 are requested to get the warrants revalidated by the Bank, since the outstanding dividend will be transferred to Investor Education and Protection Fund.

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

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

**t) There were no outstanding GDR/ADR/warrants or any convertible instruments as at and for the year ended March 31, 2023.**

**u) Plant Locations:**

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

ii) RUBFILA INTERNATIONAL LTD  
371/3, Swaminathapuram,  
Palani Main Road, Madathukulam (po),  
Palani Taluk, Dindigul District,  
Tamil Nadu – 642 113

**v) Any query on Annual Report may please be forwarded to:**

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

**w) Bank Details**

Members holding shares in physical form are requested to notify the following to the Registrar & Transfer Agents: particulars of their bank account – name of the bank, branch with complete postal address, account number, MICR and IFSC to facilitate electronic payment. Members holding shares in Dematerialized form and not opted for remittance of dividend through NECS are requested to notify the above details to their respective Depository Participants (DPs).

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

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

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

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

- (a) They have reviewed the Financial Statements and the Cash Flow statement for the year and that to the best of their knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading; and
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company pertaining to the financial report and they have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

- (d) They have indicated to the auditors and the Audit Committee:
- i) significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**We hereby declare that:**

"The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2022-23 in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015"

# CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members

## **RUBFILA INTERNATIONAL LIMITED**

1. The accompanying Corporate Governance Report prepared by RUBFILA INTERNATIONAL LIMITED having CIN: L25199KL1993PLC007018 and having registered office at New Industrial Development Area, Menon Para Road, Kanjikode, Palakkad, Kerala - 678621 (hereinafter referred to as 'the Company'), contains details as required by the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2023.

### **Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### **Our Responsibility**

4. The procedures for verification that have been selected depend on judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The key procedures performed include:
  - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors w.r.t. executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Directors' Register as on March 31, 2023 and verified that at least one independent woman director was on the Board during the year;
  - iv. Obtained and read the minutes of the annual general meeting held on September 27, 2022;
  - v. Obtained and read the minutes of the Board of Directors and the committees of the Board of Directors, held April 1, 2022 to March 31, 2023;
  - vi. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
  - vii. Performed necessary inquiries with the management and also obtained necessary specific representa-

tions from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this certificate did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### **Opinion**

5. Based on the procedures performed by us, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2023 except as follows:
  - a) The auditor of the Listed Entity is not peer reviewed as per Regulation 33 (1) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - b) The Company has not submitted Annual Report in XBRL Mode for the year ended March 31, 2022 within the prescribed time as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with BSE Circular dated February 08, 2019.
  - c) The Financial results for the quarter ended 30th June 2022 which was approved by the Board on 11th August, 2022 was published in English language newspaper on 14th August 2022.

### **Other matters and Restriction on Use**

6. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose.

We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For SVJS & Associates  
Company Secretaries

Kochi  
14.08.2023  
UDIN: F003067E000797443  
Peer Review Certificate No.648 /2019

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

# Management Discussion and Analysis of Operations

Even as the world was slowly limping back to normalcy after the Covid pandemic, Russia – Ukraine war happened acting as the biggest recent geopolitical event disrupting the economic recovery. America and Europe fell into recession, the effects of which reflected in many other countries too. Additionally, China's strict protocols for Covid control and the resultant shutdowns of factories there led to severe strains in the supply chain systems playing havoc all over the world. A large number of countries were left trying to tackle high inflations with not much success. To add to the misery, big corporations across the world laid off thousands of employees as a means for them to smoothen the pain of slowdown. Together, all these led to slowing of international trade, piling up of inventory everywhere and slowing the economic recovery after the catastrophic pandemic period. Global growth slowed down during the year and is projected to remain subdued in the next couple of years.

India, as cited by International agencies, was one of the few exceptions in this gloomy scenario and the country staged a full recovery from the pandemic inflicted damages and set itself on a pre-pandemic growth path. Data shows that there was an increase in private consumption leading to escalation in production related activities. Government, in a bid to crank growth, initiated more spending on capital expenditure directly impacting economic activities across a host of domains. Various agencies as well as the economic survey of 2022-23 projects a growth of 6.5% for the year 2024. Despite this, it is a fact that recovery remained muted in a few areas, particularly where performance was linked to exports to Europe and America.

Rubfila caters to the needs of garment industry and demand fluctuations in the sector had directly affected the fortunes of the company during the year under review. Tiruppur, the hosiery capital of India as well as other hosiery clusters of the country were badly affected with America and Europe falling into recession. Data shows that demand for the Christmas shopping season in the western countries plummeted compared to the previous years. Demand for rubber threads also suffered due to this affecting the growth prospects of the industry. The second and third quarters of the year saw huge drop in orders and the company was forced to downsize capacity utilization to the level of 50% in a few months.

With this as the background, Rubfila posted a sales of ₹ 37548.59 lakhs with a net profit of ₹ 2339.29 lakhs, a drop from the respective figures of the previous year. The consolidated sales combining the figures of the subsidiary M/s. Premier Tissues India Ltd, was ₹.46370.13 lakhs with the net profit at ₹.2595.30 lakhs.

## **A) INDUSTRY STRUCTURE AND DEVELOPMENT:**

### **Market Scenario :**

The year had started on a good note with the domestic market doing well, but towards the end of the first quarter, demand had become sluggish. Shortage in the availability of yarn and its exponential rise in prices crippled the hosiery industry. Adding to the woes, the prolonged Ukraine – Russia war dampened the fortunes of the market, especially in Tiruppur, which is more dependent on hosiery exports. But with a large capacity helping to spread the costs, the company managed to sustain the profitable operations, though on a lower margin level.

With a larger production capacity, the company had been on its way to expand the overseas customer base

and succeeding too. The brand 'Rubfil', had built a strong equity with the customers over the past forty years, first through the Malaysian company Rubfil.Sdn,Bhd and then by Rubfila since the 1995. Rubfila has established itself as a major force in the international market and exports sales has been on an upswing which is expected to continue in the future.

At the same time, challenges remain due to factors like increased competition from the domestic market, disparity in the Indian and international latex prices, lower import duties in India due to Free Trade Agreements (FTA), increase in consumption of spandex as an alternate material etc. Margins pressures are expected to continue in the medium term till stability occurs on a few areas.

## **OPPORTUNITIES AND THREATS:**

### **Opportunities for the Company are:**

1. Brand 'Rubfil' is well known in the international market and the company had limited its presence to a few markets due to capacity constraints till recently. With added manufacturing capacity, exports sales is on an upswing and the company plans to tap into markets remaining untapped so far.
2. Growth of innerwear market is an opportunity to be tapped

### **Threats:**

1. Imports from Malaysia and Thailand which enjoy lower duty regime under FTA with those countries is a continuing threat.
2. Stress in Chinese economy affects the rubber thread market since this forces the major players to dump the excess stock in other markets like India at much lower prices.
3. Indian latex prices continue to be higher than international prices and this disparity is a major threat for the Indian companies to remain competitive.
4. Government continues to restrain free imports of latex into the country making it difficult to be at par with the leading international players who have access to latex at lower prices.
5. Climate changes are affecting the tapping cycles of rubber leading to drop in production and availability and hence prices too.
6. Addition in manufacturing capacity in India could lead to price war in the near to medium term.
7. Market for spandex, an alternate material to rubber thread, is also growing in consumption and the growth in the elastic tape market is shared with this material.

### **Premier Tissues India Ltd (Wholly-owned Subsidiary):**

Tissue paper market in India is on a growth path with the product becoming an essential material for the common man on the street. Consumption of tissue paper happens at various points of daily life and it is estimated that the market is growing at around 12% p.a. Per capita tissue consumption in India remains one of the lowest in the world even behind nations like Bangladesh and Sri Lanka. With rise in income and change in life styles, consumption is growing and this could catch up with the levels of other countries soon. The fact that major consumption is happening at 'away from home (AFH)' spaces like restaurants, offices, airports etc is a major boost since the growth will secular and independent of the income levels of individual persons.

Premier Tissues India Ltd, enjoys premium status for its brand "PREMIER" in the Indian tissue market. Premier has posted a quantum jump in sales during the year and further consolidated its position in the market. While the raw materials prices started softening, the market continued to face headwinds in the form of price cutting from unorganised players. But with renewed focus on creation of a better sales infrastructure, the company managed to cloak a healthy growth. The brand which was strong in the South Indian states consolidated its position further in the region. Sales from western and eastern regions are also showing growth while the northern

region has trailed in sales. The company is progressively padding up the sales infrastructure in these areas so as to make the presence of the brand wider and achieve further sales.

## **OUTLOOK:**

### **Rubfila International Ltd**

The rubber thread industry is facing headwinds in view of the macro economic factors which exists in India as well as internationally. Russia-Ukraine war which is going on for the past eighteen months has been a major dampener on demand creation. The after-effects of war have been visible on a host of sectors driving up prices of items like food, oil etc. Large sections of supply chain systems were affected leading to high inflationary trends everywhere. It was assessed that people chose to cut down on expenses leading to contraction in demand which led to crisis for many industries.

Rubber thread industry is expected to face challenges in the near to medium term on account of these macro factors. Demand slump, capacity additions in India, higher latex prices, China becoming active in rubber thread industry are some of the factors which can impact on pricing as well as demand for the product.

Indian latex price, as is the norm in the past, have mostly been at higher levels compared to international prices. Kerala, which is the largest producer of rubber in India, faced extended summer this year affecting output leading to much higher prices for latex. Malaysia and Thailand have FTAs with India helping their products to be imported here at concessional duties of 5% or less. Indian players are compelled to use the landed cost of imported rubber thread as the benchmark for pricing in the domestic market pressuring the margins. Climate change and its effect on latex prices due to disruptions in output may act as a critical factor in the coming years for the industry to remain competitive in the Indian and international markets.

Irrespective of this, Rubfila has the strengths to weather these adverse situations through a combination of factors like cost management , scale, market standing in the domestic and international market, agility to respond to customer needs etc. The company has been extending the customer base internationally, a strength which is expected to help it overcome the temporary setbacks in the market.

### **Premier Tissues India Ltd**

Premier is highly optimistic about the prospects of the tissue industry in India. The per capita consumption of the item remaining at very low levels at just 250gm, lower than even low income countries like Bangladesh, Sri Lanka etc. With the economy and the per capita income projected to grow in the coming years, tissue industry is set to reap handsome benefits. Till a few years back, tissue was considered to be a luxury item in the country with the consumption limited to the high income groups, but the products are seen as essential items by the general public, In addition to this, indirect consumption which happens at points like restaurants, hotels, airports, offices etc drive the consumption to a much higher level.

Premier has been the pioneer in introducing the tissue culture in the country and it has seen the business growing in the past two years. The company has retained its strong position in the South Indian market in the past year also and is building on its strength to further its business in the region. North and East India have been weak markets for the company since the sales infrastructure had been weak from the beginning. Efforts are on to build a sound network of sales team and distributors in these regions which will help to shore up the sales and the presence of the brand there.

Tissue is a low margin product which faces stiff competition from a large number of unorganised players all over the country. Premier with its plant at Mysore has the disadvantage of high freight charges when it transports the product to the north and eastern markets making it not competitive. To address this issue, the company has set up an exclusive conversion centre in West Bengal for catering to the North and East markets. This is expected to help spread the presence of the brand widely in this region and increase the sale. Another conversion centre is being planned near to Mumbai to cater to the Western region which also will make the products competitive when pitted against the local brands from the area.



With the addition of sales force and distributors in unrepresented areas and with the satellite conversion centres, Premier expects the sales to move up with increased profitability.

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

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

**C) FINANCIAL AND OPERATIONAL PERFORMANCE:**

Please refer Board Report on performance review.

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

Rubfila considers its employees as its prime assets and a vital key to success. It believes that the quality or lack of quality of the people can make or kill a company. It is committed to maintain a professional environment to nurture and enable people to grow in their careers along with the company.

The employee – employer relationship at Rubfila continues to be cordial. The company constantly strives to strengthen its human resources in alignment with the business needs and continues to engage them through various initiatives to learn and develop. Development of human resources is one among the key objectives of the company and it is keen on identifying talent, train and nurture it to manage higher responsibilities.

**E) RISK MANAGEMENT**

The company has set up a robust risk management framework to identify, monitor and minimize risk and also to identify business opportunities. The Audit Committee functions as the Risk Management Committee too. The Committee assists the Board in its oversight of various risks, analyse risk exposure related to specific issues and review the risk profile..

# **Standalone** Financial Statement

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# Independent Auditors' Report

## To the members of Rubfila International Limited Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Rubfila International Limited (the 'Company'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements ("the financial statements") give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, Management Discussion and Analysis, and Report on Corporate Governance and Business Responsibility and Sustainability Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express

any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We have nothing to report in this regard.

### **Responsibilities of Management and those charged with governance for the standalone financial statements.**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the standalone financial statements**

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

As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and,

based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

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

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

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

### **Other Matter**

The standalone financial statements of the Company for the year ended March 31, 2023, were audited by another firm of chartered accountants under the Act who, vide their report dated May 19, 2022, expressed an unmodified opinion on those standalone financial statements.

### **Report on other legal and regulatory requirements**

As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in

“Annexure B”.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, has disclosed the impact of pending litigations on its financial position as at 31 March 2023 in the standalone financial statements;
  - ii. the Company, has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities (‘the intermediaries’), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (‘the Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (‘the Funding Parties’), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (‘Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act. The Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

Trivandrum  
29 May 2023

**Annexure A referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Rubfila International Limited on the standalone financial statements for the year ended 31 March 20232**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i a A The Company is maintaining proper records showing full particulars, including quantitative details and situation of its property, plant and equipment and investment property.
- B The Company has maintained proper records showing full particulars of intangible assets
- b The Company has a regular program of physical verification of its property, plant and equipment (PPE) and investment property under which the assets are physically verified in a phased manner over a period of three years by the management, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment, and investment property were verified during the year and no material discrepancies were noticed on such verification
- c The title deeds of all the immovable properties classified as PPE including investment properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except for the one mentioned in note no 2.1

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
Property in Udumelpet	₹8.47 Lakhs	M/s.Sri Amaravati Venkatesa Paper and Boards Ltd	No	2018-2019	Title deed not issued due to unsettled liabilities of the previous owner.

- d The Company has chosen cost model for its Property, Plant and Equipment and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise. The Company has not revalued its property, plant and equipment or intangible assets during the year.
- e Based on the information and explanations furnished to us no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii a The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- b The Company has no working capital loans sanctioned by banks hence the requirement of quarterly statements, are not applicable.



iii a The Company has provided inter corporate loans to the following companies during the year.

Nature of the company	Loans Granted ₹	Balance outstanding ₹
Unrelated company	Nil Lakhs	Nil
Related company not being a subsidiary. Associate or a joint venture	1,200 lakhs	2,575 Lakhs
Interest accrued on above		19.68 Lakhs

Other than this the company has not made any investments nor provide any guarantee or security during the year.

- b In our opinion, and according to the information and explanations given to us the loans given and terms and conditions of the grant of loans (including in earlier years) are, prima facie, not prejudicial to the interest of the Company.
  - c In respect of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has been stipulated and the repayment/ receipt of principal and interest are regular.
  - d There is no overdue amount in respect of loan granted to such companies.
  - e No loans granted by the company has fallen due during the year.
  - f The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- v In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company
- vi The Central Government has specified maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete
- vii a In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
  - b According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except disputed duty drawback of Rs. 391.73 Lakhs as mentioned in note no 40.
- viii According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of account.

- ix
  - a The company is a zero-debt company and hence there has no defaults in repayment of loans or borrowings or in the payment of interest thereon to any lender.
  - b According to the information and explanations given to us including representations received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
  - c The company has not raised any money by way of term loans during the year and hence the clause regarding utilisation of loans is not applicable.
- x
  - a The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
  - b According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially, or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi
  - a To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
  - b No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
  - c According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company..
- xiii In our opinion and according to the information and explanations given to us, all transactions entered by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.
- xiv
  - a In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.
  - b We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.
- xvi The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company
- xvii The Company has not incurred cash losses in the current financial year or in the preceding financial years.
- xviii There has been no resignation of the statutory auditors during the year however the previous auditors have retired by rotation and in preparation of this report we have considered the report of the previous auditor.
- xix According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information

accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx According to the information and explanations given to us, although the Company fulfilled the criteria as specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- xxi The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

Trivandrum  
29 May 2023

## **Annexure B to The Independent Auditor's Report – 31 March 2023**

### **Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

(Referred to in paragraph (A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of Rubfila International Limited (RIL) ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013..

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with respect to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with respect to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with respect to standalone financial statements included obtaining an understanding of internal financial controls with respect to standalone financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

## **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

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

## **Inherent Limitations of Internal Financial Controls**

with reference to Standalone Financial Statements Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Mohan & Mohan Associates**  
Chartered Accountants  
Firm No.02092 S

**R.Suresh Mohan**  
(Partner)

Mem No. 13398.

UDIN: 23013398BGXYWK5590

Thiruvananthapuram  
29 May 2023

## Standalone Balance Sheet as at 31 March 2023

₹ in Lakhs

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>1. Non-current assets</b>			
Property, plant and equipment	2	14,691.38	12,691.35
Capital work-in-progress	3	137.63	297.84
Other intangible asset	4	54.73	2.80
Investment property	5	128.15	128.15
Financial assets			
Investments	6	3,200.14	3,200.14
Other financial assets	7	313.53	283.38
Other non-current asset	8	423.68	403.18
		<b>18,949.24</b>	<b>17,006.84</b>
<b>2. Current assets</b>			
Inventories	9	2,372.44	1,888.82
Financial assets			
Trade receivables	10	4,439.39	5,305.01
Cash and cash equivalents	11	376.02	705.51
Bank balance other than cash and cash equivalents	12	17.37	383.22
Loans	13	2,575.00	1,975.00
Other financial assets	14	21.84	19.43
Current tax Asset (Net)	15	26.74	-
Other current assets	16	100.79	232.34
		<b>9,929.59</b>	<b>10,509.33</b>
<b>Total Assets</b>		<b>28,878.83</b>	<b>27,516.17</b>
<b>Equity &amp; Liabilities</b>			
<b>1. Equity</b>			
Equity Share capital	17	2,713.38	2,713.38
Other equity (Reserves & Surplus)	18	21,635.72	20,215.98
		<b>24,349.10</b>	<b>22,929.36</b>
<b>2. Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions (non Current)	19	1,267.52	1,135.29

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities (Net)	35.1	722.05	555.01
Other non-current liabilities	20	3.70	2.50
		<b>1,993.27</b>	<b>1,692.80</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade Payables outstanding dues of:	21		
Micro enterprises and small enterprises		49.72	0.02
Creditors other than micro enterprises and small enterprises		1,722.15	2,051.75
Other financial liabilities	22	336.67	464.96
Current tax liabilities (Net)	23	-	-
Other current liabilities	24	318.11	245.09
Provisions	25	109.81	115.53
		<b>2,536.46</b>	<b>2,894.01</b>
<b>Total Liabilities</b>		<b>28,878.83</b>	<b>27,516.17</b>

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361                  DIN:1450683  
Chairman                          Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023

## Standalone Statement of Profit and Loss for the year ended 31 March 2023

₹ in Lakhs

Particulars	Note	Period ended 31 March 2023	Year ended 31 March 2022
<b>I Income</b>			
Revenue from operations	26	37,080.92	41,665.32
Other income	27	467.67	397.61
<b>Total income</b>		<b>37,548.60</b>	<b>42,062.94</b>
<b>II Expenses</b>			
Cost of materials consumed	28	27,427.39	30,184.19
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	-364.13	-250.91
Employee benefit expense	30	1,726.38	1,519.44
Finance costs	31	6.86	4.27
Depreciation and amortisation expense	32	697.35	563.27
Other expenses	33	4,892.51	4,064.99
<b>Total expenses</b>		<b>34,386.36</b>	<b>36,085.25</b>
<b>III Profit before exceptional items &amp; tax</b>		<b>3,162.24</b>	<b>5,977.69</b>
<b>IV Exceptional items</b>	34	-	197.44
<b>V Profit before tax</b>		<b>3,162.24</b>	<b>5,780.25</b>
<b>VI Tax expense</b>			
Current tax	35	666.02	1,354.18
Deferred tax	35.1	156.92	121.90
<b>VII Profit for the year</b>		<b>2,339.30</b>	<b>4,304.17</b>
<b>VIII Other Comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss (net)			
i. Remeasurements gain/losses on defined benefit plans	36	40.24	67.85
ii. Income tax relating to above	35.1	-10.12	-17.08
<b>Total other Comprehensive income for the year</b>			
<b>IX Total Comprehensive income for the year</b>		<b>2,369.42</b>	<b>4,354.94</b>
<b>X Earnings per share (of ₹ 5/- each):</b>			
Basic & Diluted in Rs. Ps	37	<b>4.37</b>	<b>8.02</b>
Diluted in Rs. Ps		<b>4.37</b>	<b>8.02</b>

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

<b>Hardik Bharat Patel</b>	<b>G Krishna Kumar</b>
DIN01100361	DIN:1450683
Chairman	Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023



## Standalone statement of changes in equity for the year ended 31 March 2023

### I Equity

₹ in Lakh

Particulars	No. of Shares	Amount
<b>Issued Share Capital</b>		
Balance as at 1 April 2021	49467529	2,473.38
Changes in Equity Share capital during the year	-	-
<b>Balance as at 31 March 2022</b>	<b>54267529</b>	<b>2,713.38</b>
Changes in Equity Share capital during the year	-	-
<b>Balance as at 31 March 2023</b>	<b>54267529</b>	<b>2,713.38</b>

### II. Other Equity

Particulars	Share Application Money	Securities Premium	General Reserves	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as at 01 April 2021</b>	-	<b>4,114.25</b>	<b>641.06</b>	<b>11,933.78</b>	<b>-122.63</b>	<b>16,566.47</b>
Profit for the Year				4,304.21		4,304.21
Payment of dividends				-705.48		-705.48
Transfer to General Reserve						-
Preferential issue of shares	-					-
Other comprehensive income					50.78	50.78
<b>Balance as at 31 March 2022</b>	-	<b>4,114.25</b>	<b>641.06</b>	<b>15,532.52</b>	<b>-71.85</b>	<b>20,215.99</b>
Profit for the year	-			2,339.30	-	2,339.34
Payment of dividends	-	-	-	-949.68	-	-949.68
Other comprehensive income	-	-	-	-	30.12	30.12
<b>Balance as at 31 March 2023</b>	-	<b>4,114.25</b>	<b>641.06</b>	<b>16,922.14</b>	<b>-41.73</b>	<b>21,635.72</b>

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361              DIN:1450683  
Chairman                      Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023

## Standalone Statement of Cash Flow for the year ended 31 March 2023

₹ in Lakhs

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
<b>I</b>	<b>Cash flow from operating activities</b>		
	<b>Profit before tax</b>	<b>3,162.24</b>	<b>5,780.25</b>
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expenses	697.35	563.27
	Finance costs	6.86	4.27
	Allowance for doubtful debts and advances	14.84	-
	Gain on disposal of property , plant and equipment	-	-
	Fair value adjustment of a contingent consideration	-	-
	Interest income	-227.81	-234.41
	Operating profit before working capital changes	3,653.49	6,113.38
	Adjustments for :		
	(Increase)/decrease in inventories	-483.62	-593.98
	(Increase)/decrease in trade receivables	850.78	-2311.44
	(Increase)/decrease in loans, advance and other assets	-629.94	-39.68
	(Increase)/decrease in other bank balances	365.85	-175.99
	(Increase)/decrease in other assets	129.13	1732.37
	(Increase) / decrease in Trade, other payables and provisions	-167.22	-77.87
	<b>Cash flows from operating activities</b>	<b>3,718.47</b>	<b>4,646.79</b>
	Direct taxes paid (Net of refunds)	-709.42	-1,361.80
	<b>Net cash flow generated from operating activities (A)</b>	<b>3,009.05</b>	<b>3,284.99</b>
<b>II</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment	-2,609.79	-2,608.19
	Proceeds from sale of property, plant and equipment	-	-

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
	Investment in unquoted shares	-	-
	Acquisition of a subsidiary, net of cash acquired	-	-
	Interest received	227.81	234.41
	<b>Net cash flow used in investing activities (B)</b>	<b>-2,381.98</b>	<b>-2,373.78</b>
<b>III</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of equity shares	-0.00	-
	Proceeds from exercise of share options	-	-
	Share Application money received	-	-
	Dividend paid to Equity holders	-949.68	-705.48
	Finance Cost	-6.86	-4.27
	<b>Net cash flow generated from / (used in) financing activities (C)</b>	<b>-956.55</b>	<b>-709.75</b>
	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>-329.48</b>	<b>201.44</b>
	Cash and cash equivalents at the beginning of the year	705.50	504.06
	<b>Cash and cash equivalents at the end of the year</b>	<b>376.02</b>	<b>705.50</b>

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361              DIN:1450683  
Chairman                      Managing Director

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Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023

# Notes to Standalone Financial Statement

for the year ended 31 March 2023

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## A) General Information

Rubfila International Limited (RIL) is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

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

The standalone financial statements for the year ended 31 March 2023 were approved by the Board of Directors and authorized for issue on 29 May 2023.

The Company is a public limited company and is listed on the Bombay Stock Exchange (BSE). The Company has its registered office at New Industrial Development Area, Kanjikode Palakkad-678621.

## B) Basis of preparation of financial statements

### (i) Statement of Compliance

"These standalone financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

The accounting policies are applied consistently to all the periods presented in the financial statements.

### (ii) Basis of preparation and presentation

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

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

- a) Certain financial assets / liabilities measured at fair value and
- b) defined benefit plans - plan assets measured at fair value;

c) Any other item as specifically stated in the accounting policy.

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

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

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Standalone Statement of Profit and Loss.

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

### **(iii) Use of Estimate and judgment**

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

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

#### **Property, plant and equipment:**

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

#### **Impairment of non-financial Assets:**

For calculating the recoverable amount of non-financial assets, the company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the company is required to estimate the cash flows to be generated from using the asset..

#### **Impairment of financial assets:**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### **Defined benefit plans:**

The cost of the defined benefit plan and other postemployment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (refer Note 35)

## Recognition and measurement of provisions and contingencies

The company has estimated the timings of cash outflows, if any, in respect of the contingent liabilities pending resolution of the respective proceedings, as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. (refer Note 39)

## C) Summary of Significant Accounting Policies

### 1 Property, Plant and Equipment (PPE)

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

"Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital Work-in-progress includes expenditure incurred till the assets are put into intended use. Capital Work-in-Progress are measured at cost less accumulated impairment losses, if any."

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

Spare parts procured along with the Plant and Equipment or subsequently which has a useful life of more than 1 year and considering the concept of materiality evaluated by management are capitalised and added to the carrying amount of such items. The carrying amount of items of PPE and spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores and spares' forming part of the inventory.

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

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

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives prescribed under the schedule II to the Companies Act, 2013 except for the list of assets mentioned in the following table, where useful life is estimated by the management, which is different as compared to those prescribed under the Schedule II to the Companies Act, 2013.

Block of Assets	Estimated life considered for depreciation in years	
	Holding Company	Subsidiary Company
<b>Building</b>		
- Office	58	60
- Factory	28	30
<b>Plant and Machinery</b>		
- Production Line	18	8
- Factory Equipment	9	8
- Lab Equipments	10	8

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

#### **Impairment:**

The carrying amounts of the Company's tangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

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

## **2 Intangible Assets**

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

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

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

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

## **3 Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied

by the company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

The residual value and the useful life of an asset is reviewed at least at each financial year-end based on a tangible valuation and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

#### **4 Investments in subsidiaries**

A subsidiary is an entity that is controlled by the Company. The Company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27- Separate Financial Statements.

#### **5 Impairment**

##### **Impairment of non – Financial Asset**

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

##### **Impairment of Financial Assets:**

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

#### **6 Inventories**

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

(i) Raw materials: Cost includes cost of purchase net of duties, taxes that are recoverable from the Government and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

(ii) Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs if any. Work in progress are valued considering the cost of direct materials only.

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

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow moving items are



subjected to continuous technical monitoring and are valued at lower of cost and estimated net realizable value. When Inventories are sold, the carrying amount of those items are recognized as expenses in the period in which the related revenue is recognized.

## **7 Government Grants, Subsidies and Export incentives**

Government Grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants / subsidy will be received. Export benefits are accounted on receipt basis only.

### **Advance License**

The Company had obtained 7 advance licenses (Previous year 3 Licenses) for duty free import of Raw Materials. Company has met the export obligation in full against the 3 Licences (Previous year 2 Licenses).

## **8 Provisions, Contingent Liabilities and Contingent Assets**

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

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

## **9 Foreign Currency Transactions and Translations**

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

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

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

## **10 Share Capital and Share Premium:**

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

## **11 Dividend Distribution to equity shareholders:**

The Company recognises a liability to make cash distributions to equity holders when the distribution is au-

thorized and the distribution is no longer at the discretion of the Company. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in other equity along with any tax thereon.

## **12 Cash Flows and Cash and Cash Equivalents**

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

## **13 Revenue Recognition**

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

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

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

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

### **a. Sale of Goods:**

Revenue from sale of goods is recognised when is recognized at the moment when control has been transferred to the customer and is measured net of trade discounts, rebates and pricing allowances to customers.

### **b. Export benefits/incentives:**

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

### **c. Other incomes:**

Other incomes are recognised on accrual basis except when there are significant uncertainties. Interest income is recognised on accrual basis using effective interest rate method.

## **14 Employee benefits**

### **a. Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance

incentives etc., are recognised during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

**b. Long term employee benefits:**

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

**c. Defined contribution plans.**

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

**d. Defined benefit plans: gratuity.**

The net present value of the obligation for gratuity benefits are determined by actuarial valuation, conducted annually using the projected unit credit method. The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefits are recognised immediately in Statement of Profit and Loss as past service cost, if any, and net interest on the defined benefit liability/(asset) are recognised in the Statement of Profit and Loss.

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

## **15 Taxation**

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

### **Current tax**

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

### **Deferred tax**

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to

the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

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

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

## **16 Earnings per Share**

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

## **17 Current versus non-current classification**

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

- A liability is classified as current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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

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

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

## **18 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly

observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration.

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

## **19 Financial assets**

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

### **Investments in subsidiaries**

Investments in equity shares of subsidiaries are carried at cost less impairment. Impairment is provided for on the basis explained in Paragraph (5) of Note C above.

### **Financial assets other than above**

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

### **Initial recognition and measurement**

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

### **Subsequent measurement**

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

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

### **Financial assets measured at amortized cost**

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

### **Financial assets at fair value through OCI (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, an irrevocable election is made to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognised in the other comprehensive

income (OCI).

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

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

#### **Derecognition**

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

### **20 Financial liabilities**

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

#### **Initial recognition and measurement**

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

#### **Subsequent measurement**

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

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

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

#### **Derecognition**

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

#### **Offsetting of financial instruments**

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

### **21 Inter corporate deposits.**

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

### **22 Employee stock option scheme**

Rubfila International Limited – Employee Stock Option Scheme 2017 (RUBFILA ESOS 2017) was approved by the members in their meeting held on 15th September, 2017 for granting 1500000 options to the eligible employees of the Company in one or more tranches. The company has received in-principle approval from BSE for the allotment of 1500000 equity shares of Rs.5/- under the above scheme vide its letter dt.03-07-

2018. The list of eligible employees has been approved by the company and the total options to be granted as per the list is 670000 Nos. The date of grant of options is August 1, 2018 which needs to be exercised within one year. Option granted under this RUBFILA ESOS 2017 would vest after One Year but not later than Four Years from the date of grant of such Options

### **23 Recent Accounting Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

“IndAS16–Property Plant and equipment- The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

IndAS 37–Provisions, Contingent Liabilities and Contingent Assets– The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that related directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Amendments to Ind AS 109 – Financial Instruments The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The adoption of amendments to Ind AS 109 did not have any material impact on the standalone financial statements.

### **24 Standards notified but not yet effective**

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the ‘Rules’) which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company’s accounting policy already complies with the now mandatory treatment.

## 2 Property, plant and equipment

₹ in Lakhs

Particulars	Freehold Land	Building	Plant & equipment	Furniture & fixtures	Vehicles	Office Equipment	Computers & accessories	Total
<b>Gross carrying amount</b>								
As at 1 April 2021	1,219.44	3,280.01	11,787.27	45.69	78.35	59.74	78.57	<b>16,549.07</b>
Additions during the year	1.55	723.14	2,275.68	2.88	10.03	3.28	17.74	<b>3,034.30</b>
Disposals	1.26	-	3.19	-	5.28	-	-	<b>9.73</b>
As at 31 March 2022	1,219.73	4,003.15	14,059.76	48.57	83.10	63.02	96.31	<b>19,573.64</b>
Additions during the year	-	421.66	2,195.60	1.33	88.68	8.29	5.02	<b>2,720.57</b>
Disposals	-	-	16.10	-	49.34	-	-	<b>65.45</b>
<b>As at 31 March 2023</b>	<b>1,219.73</b>	<b>4,424.81</b>	<b>16,239.25</b>	<b>49.90</b>	<b>122.44</b>	<b>71.31</b>	<b>101.33</b>	<b>22,228.76</b>
<b>Amortization</b>								
As at 1 April 2021	-	520.71	5,633.54	29.64	40.77	34.51	67.49	<b>6,326.66</b>
Charge for the year	-	92.58	444.90	2.05	9.56	6.16	6.20	<b>561.45</b>
Disposals	-	-	0.81	-	5.01	-	-	<b>5.82</b>
As at 31 March 2022	-	613.29	6,077.63	31.69	45.32	40.67	73.69	<b>6,882.29</b>
Charge for the year	-	109.64	554.15	1.95	11.97	7.53	8.63	<b>693.86</b>
Disposals	-	-	2.73	-	36.04	-	-	<b>38.77</b>
<b>As at 31 March 2023</b>	<b>-</b>	<b>722.93</b>	<b>6,629.05</b>	<b>33.64</b>	<b>21.25</b>	<b>48.20</b>	<b>82.32</b>	<b>7,537.38</b>
<b>Net carrying amount</b>								
As at 31 March 2022	1,219.73	3,389.86	7,982.13	16.88	37.78	22.35	22.62	<b>12,691.35</b>
As at 31 March 2023	1,219.73	3,701.87	9,610.21	16.26	101.19	23.11	19.01	<b>14,691.38</b>

**2.1** Of the entire extent of 113.15 acres of land procured by the company in Midapadi and Pushpathur village in Dindigul district, Palani Taluk, Tamil Nadu, the company is not in possession of registered deed for a parcel of land admeasuring to 0.912 acres from the registration department due to lack of consensus regarding valuation of property. Further, land mutation has not been carried out for the above land by the revenue authorities.



### 3 Capital Work in progress

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Capital work-in-progress	137.63	297.84
<b>Total</b>	<b>137.63</b>	<b>297.84</b>

#### 3.1 Movement of Capital work in progress

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
As at 1 April 2021	6.65	6.65
Additions during the year	1391.16	1,391.16
Less capitalised during the year	900.59	900.59
As at 31 March 2022	297.84	497.22
Additions during the year	2,411.35	4,057.15
Less capitalised during the year	2,571.57	4,256.53
<b>As at 31 March 2023</b>	<b>137.63</b>	<b>297.84</b>

#### 3.2 Capital work in progress aging Schedule

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Less than 1 year	137.63	98.45
1-2 year	-	-
2-3 year	-	-
more than 3 years	-	-
<b>Total</b>	<b>137.63</b>	<b>98.45</b>

#### 4 Intangible Assets - computer software

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Gross carrying amount</b>		
As at 1 April 2021	15.63	15.63
Additions during the year	1.68	1.68
Disposals	-	-
As at 31 March 2022	17.31	17.31
Additions during the year	55.62	-
Disposals	-	-
As at 31 March 2023	<b>72.93</b>	<b>17.31</b>
		-
<b>Amortization</b>		
As at 1 April 2021	12.69	12.69
Charge for the year	1.82	1.82
Disposals	-	-
As at 31 March 2022	14.51	14.51
Charge for the year	3.70	-
Disposals	-	-
As at 31 March 2023	<b>18.21</b>	<b>18.21</b>
		-
<b>Net carrying amount</b>		
As at 31 March 2022	<b>2.80</b>	<b>2.80</b>
As at 31 March 2023	<b>54.73</b>	-

#### 5 Investment Property

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Free hold Land		
11.87 Acres in Coimbatore District Pollachi Taluk Tamil Nadu	128.15	128.15
<b>Total</b>	<b>128.15</b>	<b>128.15</b>

## 6 Investments in subsidiary

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Investments in equity shares of subsidiary companies Unquoted, fully paid up (measured at cost)		
<b>M/s Premier Tissues India Ltd</b>		
1,12,40,854 unquoted and non traded Equity Shares of face value Rs.10 Each (Previous year 56,20,427 unquoted and non traded Equity Shares face value Rs 10/- each fully paid up	3,200.14	3,200.14
Percentage of interest	100%	100%

## 7 Other financial assets (Non current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Unsecured, considered good at amortised cost</b>		
Security Deposits	109.36	80.13
<b>Earmarked Balances with banks</b>		
Margin money deposits with bank	35.78	35.01
Unpaid Dividend Accounts	144.67	168.24
Others	23.72	-
<b>Total</b>	<b>313.53</b>	<b>283.38</b>

## 8 Other non - current Asset

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Advances	250.25	229.76
Vat Credit Receivable*	173.42	173.42
<b>Total</b>	<b>423.68</b>	<b>403.18</b>

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

## 9 Inventories

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Raw Materials	809.88	892.76
(b) Work in Progress	322.65	328.51
(c) Finished Goods	779.77	415.64
(d) Stores & Spares	460.14	251.91
<b>Total</b>	<b>2,372.44</b>	<b>1,888.82</b>

## 10 Trade Receivables (Current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	<b>4,454.23</b>	5,305.01
Receivables from related parties	-	-
Trade receivables- Credit Impaired	-	-
Less: Allowance for doubtful debts	14.84	-
Total receivables	<b>4,439.38</b>	<b>5,305.01</b>
<b>Break-up of security details</b>		
Secured, considered good	-	-
Unsecured considered good	4,435.85	5,305.01
Credit impaired	18.38	-
<b>Total</b>	<b>4,454.23</b>	<b>5,305.01</b>
Allowance for doubtful debts	14.84	-
<b>Total trade receivables</b>	<b>4,439.39</b>	<b>5,305.01</b>

₹ in Lakhs

Disclosure of Debtors	As at 31 March 2023	As at 31 March 2022
(i) Undisputed Trade Receivables – considered good		-
Related parties	-	-
Others	4,439.38	5,305.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		
Related parties	-	-
Others	-	-

Disclosure of Debtors	As at 31 March 2023	As at 31 March 2022
(iii) Undisputed Trade Receivables – credit impaired	-	-
Related parties		
Others	2.80	-
(iv) Disputed Trade Receivables – considered good	-	-
Related parties		
Others	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	
Related parties		
Others		-
(vi) Disputed Trade Receivables – credit impaired		
Related parties	-	-
Others	12.03	-
<b>Total</b>	<b>4,454.23</b>	<b>5,305.01</b>
<b>Ageing of Trade Receivable</b>		
Less than 6 months	-	-
Related parties		
Others	4,435.84	5,305.01
6 months - 1 year	-	
Related parties		
Others	13.77	-
1-2 years	-	
Related parties		
Others	4.62	-
2-3 years	-	
Related parties	-	
Others	-	
More than 3 years	-	-
Related parties	-	
Others	-	
<b>Total</b>	<b>4,454.23</b>	<b>5,305.01</b>

## 10.1 Movement in the expected credit loss allowance

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	-	25.42
Less: balances written off / Recovered during the year		25.42
Add: provision made during the year	14.84	-
<b>Balance at the end of the year</b>	<b>14.84</b>	<b>-</b>

## 11 Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Cash on hand	3.92	4.70
(b) Balances with Banks - In Current Accounts	372.10	700.81
Term deposits	-	-
<b>Total</b>	<b>376.02</b>	<b>705.51</b>

Cash and cash equivalents as per Standalone Statement of Cash Flows is the same amounts stated above

## 12 Bank Balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Term deposits	-	366.58
Unclaimed dividends -Earmarked balances with banks	17.37	16.64
<b>Total</b>	<b>17.37</b>	<b>383.22</b>

## 13 Loans (current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Inter Corporate Deposits</b>		
Secured, Considered Good	2,575.00	1,975.00
Unsecured, Considered Good	-	-
<b>Total</b>	<b>2,575.00</b>	<b>1,975.00</b>

## 14 Other financial assets

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Unsecured, considered good at amortised cost</b>		
Interest Receivable	19.68	15.10
Other Receivable	0.02	0.02
Advances to Employees	2.14	4.31
<b>Total</b>	<b>21.84</b>	<b>19.43</b>

## 15 Current Tax Asset (Net)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Taxation	26.74	-16.66
<b>Total</b>	<b>26.74</b>	<b>-16.66</b>

## 16 Other current assets

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
GST Input Credit	13.49	104.21
Advance to Vendors	12.74	11.43
Export Incentive Script (RODTEP & MEIS)	34.04	84.62
Prepaid Expense	40.53	32.08
<b>Total</b>	<b>100.79</b>	<b>232.34</b>

## 17 Equity Share capital

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Authorised</b>		
7,00,00,000 Equity shares of ₹5 each (7,00,00,000 Equity shares of ₹5 each )	3,500.00	3,500.00
<b>Issued, Subscribed and Paid up capital</b>		
5,42,67,529 Equity shares of ₹5 each	2,713.38	2,713.38

## 17.1

₹ in Lakhs

Reconciliation of the number of shares	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Share Capital</b>				
Shares at the beginning of the year	70000000	3,500.00	70000000	3,500.00
Changes in Authorised Equity Share capital during the year	-	-	-	-
Shares at the end of the year	70000000	3,500.00	70000000	3,500.00
<b>Issued Share Capital</b>				
Shares at the beginning of the year	54267529	2,713.38	54267529	2,713.38
Preferential issue of shares	-	-	-	-
Shares at the end of the year	54267529	2,713.38	54267529	2,713.38

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

The company has one class of equity shares having a par value of ₹5 per share. Each shareholder is eligible for one vote per share held.

## 18 Other equity (Reserves & Surplus)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Reserves &amp; Surplus</b>		
<b>Securities Premium</b>		
As per last Balance Sheet	4,114.25	4,114.25
Add: Premium on Shares issued under preferential issue	-	-
	<b>4,114.25</b>	<b>4,114.25</b>
<b>General Reserves</b>		
As per last Balance Sheet	641.06	641.06
Add: Transferred from Retained Earnings	-	-
	<b>641.06</b>	<b>641.06</b>
<b>Retained Earnings</b>		
As per last Balance Sheet	15,532.52	11,933.79
Add: Profit for the year	2,339.30	4,304.21



Less Appropriations		
Dividend on Equity Shares including taxes	949.68	705.48
Transferred from Retained Earnings	-	-
	<b>16,922.14</b>	<b>15,532.52</b>
<b>Other Comprehensive Income</b>		
Remeasurements of Defined Benefit Plans	-71.85	-122.62
As per last Balance Sheet	30.12	50.77
Add: Movement in OCI (Net) during the year	-41.73	-71.85
<b>Total</b>	<b>21,635.72</b>	<b>20,215.98</b>

#### Nature and purpose of reserves :

1. Securities premium represents amounts received in excess of par value on issue of shares.
2. General reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss.
3. Retained earning : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve , dividends or other distributions paid to shareholders.
4. Remeasurements of defined benefit plans gains / losses arising on remeasurements of defined benefit plans are recognised in the other comprehensive income as per IND AS-19 and shall not be reclassified to the statement of profit or loss in the subsequent years.

## 19 Provisions (non-current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Contingent Liabilities		
Provision for Tripura VAT Receivable	173.42	173.42
Provision for Contingencies	989.00	854.00
Provision for sales tax differential payable	0.54	0.54
Others	23.72	23.72
	<b>1,186.68</b>	<b>1,051.68</b>
Other Provisions :		
Provision for compensated absences	66.62	52.21
Provision for gratuity	14.22	31.40
<b>Total</b>	<b>1,267.52</b>	<b>1,135.29</b>

## Movement of provisions for contingent liabilities

₹ in Lakhs

Particulars	As at 31 March 2023
Balance as at 1st April, 2021	847.96
Provision recognised during the year	
Provision for Contingencies	180.00
Amount utilised / reclassified during the year	-
Amount reversed during the year	
Provision for sales tax differential payable	
Balance as at 31st March, 2022	1,027.96
Provision recognised during the year	
Provision for Contingencies	135.00
Amount utilised / reclassified during the year	-
Amount reversed during the year	-
<b>Balance as at 31st March, 2023</b>	<b>1,162.96</b>

## 20 Other non - current liabilities

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Other advances received	3.70	2.50
<b>Total</b>	<b>3.70</b>	<b>2.50</b>

## 21 Trade payables (current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Dues of Micro enterprises and small enterprises	49.72	0.02
Dues of Creditors other than Micro Enterprises and Small Enterprises	1,722.15	2,051.70
Amounts due to related parties	-	0.05
<b>Total</b>	<b>1,771.87</b>	<b>2,051.77</b>

## 21.1 Trade Payable ageing

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Less than 1 year		
Total outstanding dues of micro enterprises and small enterprises	49.72	0.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Disputed dues of micro enterprises and small enterprises	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-
1 -2 years	-	-
2-3 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>49.72</b>	<b>0.02</b>

## 21.2 Dues to micro enterprises and small enterprises:

Micro & Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to ₹49.72 Lakhs (Previous Year: ₹0.02 Lakhs). The disclosure pursuant to MSMED Act based on the books of account is as under:

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount due and remaining unpaid	49.72	0.02
Interest due on above and the unpaid interest	-	-
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	0.02
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act,2006	-	-
Amount of Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the MSMED Act,2006	-	-

## 22 Other financial liabilities (current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>At amortised cost</b>		
Payable on purchase of Property, Plant & Equipment	77.34	194.83
Payable to Employees	97.29	85.25
Unpaid Dividend	162.04	184.88
<b>Total</b>	<b>336.67</b>	<b>464.96</b>

## 23 Current Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Taxation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 24 Other Current liabilities

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Advance from customers	76.36	80.99
Advance received against sale of Investment property	149.01	-
Statutory dues	91.01	162.09
Others payables	1.73	2.01
<b>Total</b>	<b>318.11</b>	<b>245.09</b>

## 25 Provisions ( Current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Provisions for Employee Benefits</b>		
Provision for salary arrears, bonus & production incentive	0.81	0.59
Provision for Compensated absences	69.84	73.24
Provision for gratuity	39.17	41.70
<b>Total</b>	<b>109.81</b>	<b>115.53</b>

## 26 Revenue from Operations

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue recognition at a point in time		
(a) Sale of Products-Manufactured		
In India	27,023.63	32,897.34
Rest of the world	9,864.09	8,554.85
Scrap sales		
In India	54.06	44.31
<b>Total revenue from contracts with customers</b>	<b>36,941.78</b>	<b>41,496.50</b>
(b) Other Operating Revenues		
Duty Draw backs & Export incentives	139.14	168.82
<b>Total</b>	<b>37,080.92</b>	<b>41,665.32</b>

### 26.1 Reconciliation of Revenue from operations

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract price	37,005.13	41,541.23
Less:-		
Sales returns	55.97	44.41
Others	7.38	0.32
	<b>36,941.78</b>	<b>41,496.50</b>
Other Operating Revenues	139.14	168.82
<b>Total Revenue from operations</b>	<b>37,080.92</b>	<b>41,665.32</b>

## 27 Other Income

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
On deposits with banks and other balances	22.54	10.00
On Inter Corporate Deposits	205.27	224.41
Gain on foreign currency transactions and translations (net)	217.42	142.48
Miscellaneous Income	22.43	20.72
<b>Total</b>	<b>467.67</b>	<b>397.61</b>

## 28 Cost of Materials Consumed

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening Stock	1,364.80	1,066.62
Add: Purchases	27,563.96	30,482.37
Less: Closing Stock	1,501.38	1,364.80
Cost of Materials consumed	27,427.39	30,184.19
Material consumed comprises:		
Latex & Chemicals	27,403.38	30,184.19
Carton Division	24.01	
<b>Total</b>	<b>27,427.39</b>	<b>30,184.19</b>

## 29 Changes in inventories of Finished Goods Work-in-Progress and Stock in Trade

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Closing inventories</b>		
Finished Goods	779.77	415.64
<b>Opening inventories</b>		
Finished Goods	415.64	164.73
<b>Total ((ii) - (i))</b>	<b>-364.13</b>	<b>-250.91</b>

### 30 Employee Benefit Expense

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	1,567.55	1,368.44
Contributions to Provident and Other funds	95.09	87.23
Staff Welfare Expense	63.74	63.77
<b>Total</b>	<b>1,726.38</b>	<b>1,519.44</b>

### 31 Finance Costs

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense others	6.86	4.27
<b>Total</b>	<b>6.86</b>	<b>4.27</b>

### 32 Depreciation and amortisation expense

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment	693.65	561.45
Amortisation on intangible assets	3.70	1.82
<b>Total</b>	<b>697.35</b>	<b>563.27</b>

### 33 Other Expenses

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Power & Fuel	2,579.46	2,099.82
Effluent Treatment Expense	497.30	367.98
Administrative Expenses	217.92	145.82
Office Expenses	41.48	62.63
Repairs & Maintenance	340.14	308.70
Selling Expenses	906.37	770.95
Donations & Contributions	8.88	4.88
CSR Expenses	72.10	66.84

Legal & Professional	50.49	20.68
Payment to Auditors		-
For Statutory audit	4.00	4.00
For Cost Audit	0.50	0.50
Secretarial Expense		
AGM & EGM Expense	11.21	13.49
Directors Sitting Fee	11.00	15.20
Dividend Distribution	4.08	4.57
Provision for Bad and Doubtful Debts	14.84	-
Less: Bad Debts provided in the Previous year recovered	-2.51	-1.07
Provision for Contingencies	135.00	180.00
Loss on derecognition of PPE	0.24	-
<b>Total</b>	<b>4,892.51</b>	<b>4,064.99</b>

### 34 Exceptional Items

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Loss on sale of old Machineries	-	197.44
<b>Total</b>	<b>-</b>	<b>197.44</b>

### 35 Income taxes expense

₹ in Lakhs

Tax expense/(credit) recognized in the Statement of Profit and Loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Current tax</b>	-	-
Provision of Income Tax		
Less: MAT Credit Receivable		
Current Tax - Current Year	666.02	1,354.18
Current Tax - Earlier Years		
Less: MAT credit utilization		
<b>Total current tax expense</b>	<b>666.02</b>	<b>1,354.18</b>



<b>Deferred Tax</b>		
Deferred tax charge/(credit)	156.92	121.90
MAT Credit (taken)/utilised		
<b>Total deferred income tax expense/(credit)</b>	<b>156.92</b>	<b>121.90</b>
<b>Total income tax expense</b>	<b>822.94</b>	<b>1,476.08</b>

### 36 The movement in deferred tax assets and liabilities

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Opening balance</b>	<b>-555.01</b>	<b>-416.03</b>
Opening balance recognized in other comprehensive income		23.19
<b>Tax effect on items constituting deferred tax liabilities</b>		
Arising on account of difference in carrying amount and tax base of PPE and Intangibles	1,068.21	875.78
	<b>1,068.21</b>	<b>875.78</b>
<b>Tax effect on items constituting deferred tax assets</b>		
Compensated absences	34.34	31.57
Provision for Gratuity	13.44	18.40
Provision for Doubtful debts	9.70	5.97
Sales Tax Liability	0.14	0.14
Provision for Contingencies	292.56	258.58
	<b>350.18</b>	<b>314.66</b>
<b>Recognised in other comprehensive income</b>		
Tax expense during the year recognised in other comprehensive income	4.01	-6.11
<b>Net deferred tax liability</b>	<b>-722.04</b>	<b>-555.01</b>
<b>Deferred tax expense for the year</b>	<b>167.03</b>	<b>138.98</b>
<b>Recognised in statement of profit or loss</b>	<b>156.91</b>	<b>121.90</b>
<b>Recognised in other comprehensive income</b>	<b>10.12</b>	<b>17.08</b>

**36.2** Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit / (loss) before income taxes is summarized below:

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Enacted Income Tax rate in India applicable to the Company	25.17%	25.17%
Profit before tax	3,162.24	5,780.25
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	795.87	1,454.77
<b>Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income</b>		
Reversal of temporary differences	-	
Other non deductible expenses	8.92	4.45
Corporate Social Responsibility	18.15	16.82
Other items	-	0.03
<b>Total income tax expense/(credit)</b>	<b>822.94</b>	<b>1,476.08</b>
<b>Effective tax rate</b>	<b>26.02%</b>	<b>25.54%</b>

### 37 Other comprehensive income

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) (i) Items that will not be reclassified to profit or loss (net)	-	
Actuarial Gain /Loss of defined Employee benefit plan	40.24	67.85
Share of OCI of joint venture accounted for using the equity method	-	-
(ii) Income tax relating to items that will not be reclassified to Profit and Loss	-10.12	-17.08
(b) (i) Items that will be reclassified to profit or loss (net)		
(ii) Income tax relating to items that will be reclassified to Profit and Loss	-	
<b>Total</b>	<b>30.12</b>	<b>50.77</b>

### 38 Earnings per share

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Earnings per Share of ₹5 each</b>		
Net Profit for the year ( in ₹ lakhs)	2,369.42	4,354.94
<b>Basic Earnings per Share</b>		
Weighted Average No. of Equity Shares	54,267,529	54,267,529
Basic EPS in Rs. Ps.	4.37	8.02
<b>Diluted Earnings per Share</b>		
Weighted Average No. of Equity Shares	54,267,529	54,267,529
Diluted EPS in Rs. Ps.	4.37	8.02

### 39 Assets Pledged as security

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current Assets	-	-
Non Current assets	-	-
Margin money deposits with bank (refer note 7)	35.78	35.01
<b>Total</b>	<b>35.78</b>	<b>35.01</b>

### 40 Contingent liabilities (to the extent not provided for)

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contingent Liabilities		
Claims against the Company not acknowledged as debts in respect of past disputed liabilities		
Disputed Duty Draw Back (excluding interest)*	391.73	391.73

\*The interest on the duty drawback excess claimed in the years 2001-2003 could not be quantified.

#### 40.1 The company has pending the following litigations with various courts and which in its opinion has no impact on its financial position in the financial statements as on 31 March 2023

Claims for the company	Status
Kerala State Electricity Board Ltd (Financial impact - Rs.65.57 Lacs) Admitted on 2018-2019	Appeal decided in favour of the company by Hnble High Court of Kerala
Claims against the company	Status
Commissioner of Customs, Coimbatore ( Financial Impact - Rs.391.73 Lacs) Admitted on 2008-2009	Tribunal issued orders remanding the case back to the original authority, and to await the Supreme Court decision in a similar case.
Bank of Tokyo, Mumbai / Klen & Marshall (Financial Impact - Rs.9.67 Lacs) Admitted on 2004-2005	Pending for hearing in Hnble High Court of Kerala
Commissioner of GST (Agartala) (Financial Impact - Rs.1054.35 Lacs) Admitted on 2020-2021	Revision Petition before the Commissioner of Taxes, Agartala

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings, as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

#### 41 Commitments

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Capital Commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	401.87	2,377.60
Less: Capital advances and CWIP	122.88	527.60
<b>Net Capital commitments</b>	<b>278.99</b>	<b>1,850.00</b>

#### 42 Corporate social responsibility

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

The Company was required to spend an amount of ₹ 71.94 Lakhs (Previous Year ₹54.94 Lakhs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent ₹ 72.10 Lakhs.

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Gross amount required to be spent	71.94	54.94
Amount spent during the year	72.10	66.84
(i) Construction / Acquisition of any Asset	-	-
(ii) On purposes other than (i) above	72.10	66.84
(Excess)/Short spent*	-0.16	-11.90
<b>Total Eligible Amount</b>	<b>71.94</b>	<b>54.94</b>

The nature of the CSR expenditures are in conducting programs and activities for promoting healthcare and sanitations, promoting education, providing life support to the economically backward individuals etc.

### 43 Disclosures under IND AS 19 - "Employee Benefits"

The company has contributed for Provident fund and superannuation fund as defined contribution plans. The actuary has provided a valuation of Gratuity liability and leave encashment liability in terms of the definition mentioned in para 7 of IND AS -19 the accounting based on the assumptions listed below and determined that there is no shortfall As at 31 March 2023 and for the year ended 31st March 2022.

#### 43.1 During the year, the company has recognised the following amounts in the Statement of Profit and Loss:

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employer's contribution to Provident Fund and Family Pension Fund	84.36	75.17
Employer's contribution to Superannuation Fund	3.78	3.78
Gratuity - Funded	53.39	70.38
Leave Encashment - Unfunded	125.45	136.45

**43.2 The valuation results for the defined benefit gratuity plan as at 31-3-2023 are produced in the tables below:**

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>1. Assumption</b>		
Discount Rate	7.52%	7.54%
Salary Escalation	8.00%	8.00%
Attrition Rate	3.00%	3.00%
<b>2. Table showing changes in the present value of Obligation</b>		
Present value of Obligation as at the beginning of the year	628.32	574.24
Interest Cost	46.66	40.30
Current Service Cost	30.95	36.70
Benefits paid	-19.04	-14.62
Actuarial (gain) / Loss on obligation	-22.18	-8.30
Present value of Obligation as at the end of the year	664.71	628.32
<b>3. Table showing changes in Fair Value of Plan Assets</b>		
Fair Value of Plan assets at the beginning of the year	555.24	430.70
Expected return of Plan assets	42.64	32.67
Contributions	39.70	72.44
Benefits paid	-19.04	-14.62
Actuarial (gain) / Loss on Plan assets	-7.21	34.05
Fair Value of Plan assets at the end of the year	611.33	555.24
<b>4. Table showing fair value of Plan assets</b>	-	-
Fair Value of Plan assets at the beginning of the year	555.24	430.70
Actual return on Plan assets	42.64	32.67
Contributions	39.70	72.44
Benefits paid	-19.04	-14.62
Actuarial (gain) / Loss on Plan assets	-7.21	34.05
Fair Value of Plan assets at the end of the year	611.33	555.24
Funded Status	73.10	73.10
Excess of Actual over estimated return on plan assets	-	-
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)	-	-

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>5. Actuarial (Gain) / Loss recognized</b>	-	-
Actuarial (gain) / loss on obligations	-22.18	-8.30
Actuarial (gain) / Loss on Plan assets	7.21	-34.05
Total Actuarial (gain) / loss for the year	-14.97	-42.35
<b>6. The amounts to be recognized in the Balance Sheet and Statements of Profit / loss</b>	-	-
Present value of Obligation at the end of the year	664.71	628.32
Fair Value of Plan assets at the end of the year	611.33	555.24
Funded Status	73.10	73.10
Net Asset / (Liability) recognised in the Balance Sheet	73.10	73.10
<b>7. Expenses recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	30.95	36.70
Interest Cost	46.66	40.30
Expected Return on Plan assets	42.64	32.67
Net Actuarial (gain) / Loss recognised in the year	-14.97	-42.35
Expenses recognised in the Statement of Profit & Loss	20.00	1.98

### 43.3 The valuation results for the unfunded Leave Encashment as at 31-3-2023 are produced in the tables below:

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>1. Assumption</b>		
Discount Rate	7.52%	7.54%
Salary Escalation	8.00%	8.00%
Attrition Rate	3.00%	3.00%
Proportion of Leave Availment	5.00%	5.00%
Proportion of encashment on separation	95.00%	95.00%
<b>2. Table showing changes in the present value of Obligation</b>		
Present value of Obligation as at the beginning of the year	125.44	113.83
Interest Cost	8.98	7.82
Current Service Cost	40.08	36.85

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Benefits paid	-12.78	-7.55
Actuarial (gain) / Loss on obligation	-25.27	-25.51
Present value of Obligation as at the end of the year	136.45	125.44
<b>3. Table showing changes in Fair Value of Plan Assets</b>		
Fair Value of Plan assets at the beginning of the year	-	-
Expected return of Plan assets	-	-
Contributions	12.78	7.50
Benefits paid	-12.78	-7.50
Actuarial (gain) / Loss on Plan assets	-	-
Fair Value of Plan assets at the end of the year	-	-
<b>4. Table showing fair value of Plan assets</b>		
Fair Value of Plan assets at the beginning of the year	-	-
Actual return on Plan assets	-	-
Contributions	12.78	7.50
Benefits paid	-12.78	-7.50
Actuarial (gain) / Loss on Plan assets	-	-
Fair Value of Plan assets at the end of the year	-	-
Funded Status		
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
<b>5. Actuarial (Gain) / Loss recognized</b>		
Actuarial (gain) / loss on obligations	-25.27	-25.51
Actuarial (gain) / Loss on Plan assets	-	-
Total Actuarial (gain) / loss for the year	-25.27	-25.51
<b>6. The amounts to be recognized in the Balance Sheet and Statements of Profit / loss</b>		
Present value of Obligation at the end of the year	136.45	125.44
Fair Value of Plan assets at the end of the year	-	-
Funded Status	136.45	125.44
Net Asset / (Liability) recognised in the Balance Sheet	136.45	125.44



Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>7. Expenses recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	40.08	36.85
Interest Cost	8.98	7.82
Expected Return on Plan assets	-	-
Net Actuarial (gain) / Loss recognised in the year	-25.27	-25.51
Expenses recognised in the Statement of Profit & Loss	23.79	19.16

#### 44 Segment information

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

The Company has only one primary segment namely Manufacture and sale of Heat Resistant Latex Rubber Thread in the current year. With the venture of the company into paper manufacturing the value of assets amounting to Rs.1030 lakhs recorded in land and capital work in progress amounts pertains to the paper manufacturing segment. On the basis of Geographical revenue, allocated based on the location of the customer. Geographic segment of the company is disclosed as follows: Revenue outside India, ie Sales in Export Market and Revenue with in India, ie, Sales in Domestic Market.

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

₹ in Lakhs

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
	Assets	Revenues	Assets	Revenues
<b>Out side India</b>				
Asia	482.92	6,771.83	801.52	5,652.09
Europe	26.55	486.43	0.02	545.18
Africa	47.50	489.24	-	62.17
America	282.25	2,116.58	187.08	2,295.41
<b>Within India</b>	3,600.17	27,077.70	4,316.95	32,941.65
<b>Total</b>	<b>4,439.39</b>	<b>36,941.78</b>	<b>5,305.57</b>	<b>41,496.50</b>

#### 45 Related party transactions

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

- a Names of related parties and nature of relationship where control exists are as under:
- Subsidiary company M/s Premier Tissues India Limited
- b Names of other related parties and nature of relationship
- Promoter Group Mrs.Minal B Patel  
Mrs.Bharati B Dattani  
Mr.Dhiren S Shah  
Mr.Ruchit B Patel  
Mr.Hardik B Patel  
M/s.Kerala State Industrial Development Corporation Ltd
- Key Management Personnels Mr. Gopinathan Pillai Krishnakumar Managing Director  
Mr. Nurani Neelakantan Parameswaran CFO &CS
- c Companies in which Directors are interested: M/s PAT Financial Consultants Pvt Limited  
Ms/ Finquest Securities PVT Ltd

#### 45.1 Transactions with related parties

Related Party	Nature of Transaction	2022-2023	2021-2022
M/s Premier Tissues India Limited	Sale of Materials	3.70	2.30
	Purchase of Materials	12.75	20.79
Mr. Gopinathan Pillai Krishnakumar	Compensation for services	90.47	87.56
Mr. Nurani Neelakantan Parameswaran	Compensation for services	64.91	61.88
M/s PAT Financial Consultants Pvt Limited	Inter Corporate Deposit	600.00	1,975.00
M/s PAT Financial Consultants Pvt Limited	Interest on Inter Corporate Deposit	205.27	54.54

#### 45.2 Transactions with related parties

Outstanding Balances	Nature of Transaction	As at 31 March 2023	As at 31 March 2022
M/s Premier Tissues India Limited	Payable towards materials purchased	0.05	0.05
M/s PAT Financial Consultants Pvt Limited	Inter Corporate Deposit	2,575.00	1,975.00
M/s PAT Financial Consultants Pvt Limited	Interest on ICD	19.68	15.10

Key Managerial Personnel who are under the employment of the company are entitled to post-employment benefits and other long term employee benefits recognized as per Ind AS 19-'Employee Benefits'

in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

## 46 Fair values

The Management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying values largely due to the short-term maturities of these instruments.

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Financial assets</b>		
<b>Measured at fair value through profit and loss</b>	-	-
<b>Measured at amortised cost</b>		
Investment in subsidiary	3,200.14	3,200.14
Other financial assets - Non current	313.53	283.38
Loans	2,575.00	1,975.00
Other financial assets - Current	21.84	19.43
Trade Receivables	4,439.39	5,305.01
Cash and cash equivalents	376.02	705.51
Other bank balances	17.37	383.22
<b>Financial Liabilities</b>		
<b>Measured at fair value through profit and loss</b>	-	-
<b>Measured at amortised cost</b>		
Trade Payables	1,771.87	2,051.77
Other Financial liabilities	336.67	464.96

## 47 Fair Value hierarchy

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Instruments at FVTOCI	-	-	-	-
Financial Instruments at FVTPL	-	-	-	-
Financial Instruments at Amortized cost	-	393.39	10,549.90	10,943.29
Financial Liabilities	-	-	2,108.54	2,108.54

<b>As at 31 March 2022</b>	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Instruments at FVTOCI	-	-	-	-
Financial Instruments at FVTPL	-	-	-	-
Financial Instruments at Amortized cost	-	1,088.73	10,782.96	11,871.69
Financial Liabilities	-	-	2,516.73	2,516.73

Level 1: Level 1 hierarchy included financial instruments measured using quoted prices. This included listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

## 48 Capital management

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

## 49 Financial risk management

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

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

### 1 Market Risk

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

#### 1a Interest Rate Risk

The company has not availed any loans other than for a short term inter corporate loan, hence

the exposure to interest rate risk is minimal. (Previous year- Nil)

### 1b Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the purchase of materials from abroad and realization on export sales: The impact on the Companies profit before tax due to change in interest rate is given below:-

Unhedged short term exposures

₹ in Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Trade Receivables</b>	<b>783.69</b>	<b>992.17</b>
USD	757.13	992.01
EURO	26.56	0.14
GBP	-	0.02
<b>Trade Payables</b>	<b>68.43</b>	<b>76.52</b>
USD	58.99	65.73
EURO	0	1.77
GBP	9.44	9.02

The sensitivity to a 5% increase or decrease in the exchange rate against INR with all other variables held constant will be ₹45.78 Lakhs (previous year ₹15.88 Lakhs ) The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date. The Company has not entered into any forward contracts or foreign currency hedges to mitigate the risk.

### 1c Price Risk

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

The Company's investments in unquoted securities are susceptible to market price risk arising from uncertainties about future values of investment securities. The company manages the securities price risk through investments in debt funds /intercorporate deposits and by placing limits on individual and total investments.

### 1d Equity Risk

There is no equity risk relating to the Company's equity investments which are detailed in note 4 "Other investments". The Company's equity investments majorly comprises of strategic investments rather than trading purposes.

## 2 Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company is exposed to credit risk for receivables, cash and cash

equivalents and short term loans.

#### **Cash and cash equivalents and short-term Loans (Loans current)**

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has been transacting for years. The Company has made several Intercorporate loans on security with unrelated/ related companies considering factors such as track record, size of organisation, market reputation and value of the security. The risk is mitigated by the securities and guarantees provided by the companies. Therefore, the company does not expect any material risk except for the ones mentioned in Note 38.1 on account of non-performance by any of the companies to which the loans are given.

#### **Trade Receivables**

The company is exposed to credit risk from its operating activities primarily from trade receivable amounting to ₹.4439.39 Lakhs and ₹.5305.01 Lakhs as of 31 March 2023 and 31 March 2022 respectively. The company has standard operating procedure for obtaining sufficient security where appropriate, as a means of mitigating the risk of financial loss from defaults. No customers accounted for 10% or more of revenue during the reporting periods covered. The credit quality of the company's customers is monitored on an on going basis and assessed for impairment where indicators of such impairment exist. The history of trade receivables shows a negligible provision for bad and doubtful debts. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce the compliance with credit terms.

₹ in Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	-	25.42
Impairment loss recognised	14.84	-
Impairment loss reversed	-	25.42
Balance at the end of the year	14.84	-

### **3 Liquidity Risk**

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company requires funds both for short-term operational needs as well as for long-term growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents provide liquidity both in the short-term as well as in the long-term. The company has a current ratio of 3.91 as on 31 March 2023 (Previous year 3.65). The capital requirements for the expansion plans in Udumelpet for the year is Rs.401.87.Lakhs (Previous year Rs.2377 Lakhs ) and even with that the company expects a minimal liquidity risk.

#### 4 Interest Rate Risk

The Company is a zero-debt company as on 31 March 2023 (Previous year Rs. Nil) and is not exposed to any interest rate risk of short-term or long-term borrowings. There are no foreign currency borrowings made by the company during the reporting periods. The impact on the Companies profit before tax due to change in interest rate is Nil at the close of this financial year.

#### 5 Other Risk

Financial assets of ₹393.39 lakhs (previous year ₹1088.73 Lakhs) as at March 31, 2023 carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the Company has assessed the counterparty credit risk. Trade receivables of ₹4439.39 lakhs as at March 31, 2023 (previous year ₹5305.01 Lakhs) forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering situations due to post COVID-19 outbreak.

This assessment is not based on any mathematical model but an assessment considering the financial strength of the customers in respect of whom amounts are receivable. The Company is in the process of evaluating the potential impact with respect to customers in Domestic Formulation segment which could have an immediate impact. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case. Based on the initial assessment, the company do not expect any abnormal credit loss though supplying to an unorganised sector. The allowance for doubtful trade receivables is Rs, 14.84 Lakhs as at March 31, 2023 (previous year NIL).

### 50 Events after the Reporting Period

The proposed final dividend for Financial Year 2022-23 amounting to Rs. 651.21 Lakhs (Previous year Rs.949.68 Lakhs) will be recognised as distribution to owners during the financial year 2022-23 on its approval by Shareholders. The proposed final dividend per share amounts to Rs 1.20/- (Previous year Rs.1.75/-)

### 51 Other Statutory Information

- i The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii The Company do not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- iii The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- iv The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

- vi The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

## 50 Ratio analysis and its elements

Ratio and basis	As at 31st March 2023	As at 31st March 2022	Variance	Remarks
<b>Current ratio</b> Current assets / Current liabilities	3.91%	3.65%		
<b>Debt- equity ratio</b> Total Debt / Equity	Not applicable as the company is a zero debt company			
<b>Debt service coverage ratio</b> Earnings for debt service*/ Debt Service	Not applicable as the company is a zero debt company			
<b>Return on equity</b> Profit after tax / Shareholders' Equity	9.90%	20.39%	106%	-
<b>Inventory turnover ratio</b> Cost of Goods Sold** / Average inventory	12.70%	18.80%	48%	-
<b>Trade Receivable turnover ratio</b> Revenue from operations / Average trade receivable	7.61%	10.04%	32%	-
<b>Trade Payables Turnover</b> Cost of Goods Sold** / Average trade payables	14.35%	14.55%	1%	-
<b>Net Capital Turnover</b> Revenue from operations / Working capital\$	5.02%	5.47%	9%	-
<b>Net Profit/(Loss) Margin</b> Net Profit/(Loss) after tax / Revenue from operations	6.39%	10.45%	64%	-
<b>Return on Capital employed</b> Earnings Before Interest and tax# / Capital Employed@	12.03%	23.49%	95%	-
<b>Return on Investment</b> Net gain/(loss) on sale/ fair value changes of Current Investment / Average Current Investment	Not applicable as the company has no assets in the nature of investments			



- \* Earnings for Debt Service = Earnings before finance costs, depreciation and amortisation, exceptional items and tax (EBIDTA)/ (Finance cost for the year + Principal repayment of long-term debt liabilities within one year)
- \*\* Cost of Good sold = Cost of materials consumed +Purchases of stock-in-trade + Changes in inventories of finished goods, stock-intrade, work-in-progress and property under development + Manufacturing and operating expenses+Costs towards development of property
- # Earnings before Interest and Tax = Profit after exceptional item and before tax + Finance costs (recognised)
- @ Capital Employed = Average of equity and total borrowings

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

<b>Hardik Bharat Patel</b>	<b>G Krishna Kumar</b>
DIN01100361	DIN:1450683
Chairman	Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023

# **Consolidated** Financial Statement

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# Independent Auditors' Report

## To the members of Rubfila International Limited Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Rubfila International Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated

Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute

of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

### Information other than the financial statements and auditor's report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, Management Discussion and Analysis, Report on Cor-

porate Governance and Business Responsibility and Sustainability Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Management and those charged with governance for the consolidated financial statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments

and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

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

As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud

or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and subsidiary company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

### **Emphasis of Matter**

The holding company has provided for contingencies to the extent of Rs, 135 Lakhs during the year and total accumulated provision of Rs.989 Lakhs as at 31 March 2023 towards liability for uncertainties in the business, regulatory and legal environment, unascertainable on the date of this report. Our opinion is not modified in respect of this matter.

### **Other Matter**

1. The consolidated financial statements of the Company for the year ended March 31, 2022, were audited by another firm of chartered accountants under the Act who, vide their report dated May 19, 2022, expressed an unmodified opinion on those consolidated financial statements.
2. We did not audit the annual financial statements/ financial information of the subsidiary included in the Statement, whose financial information (prior to consolidation adjustments), reflects total assets of Rs.5,385.94

Lakhs as at 31 March 2023, total revenues of Rs.8,822.53 Lakhs, total net profit after tax of Rs. 256.97 Lakhs total comprehensive income of Rs. 251.55 Lakhs, and cash flows (net) Rs. (6.72) Lakhs for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in above. Our opinion, in so far as it relates to the balances and affairs of these subsidiary is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors/Independent firm of Chartered Accountants.

### **Report on other legal and regulatory requirements**

As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph above, on separate financial statements of the subsidiary, we report that the Holding Company and subsidiary company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph above, of companies included in the consolidated financial statements for the year ended 31 March 2023 and covered under the Act we report that there are no qualifications/adverse remarks reported by the other auditors in the Order reports of the company included in the consolidated financial statements for the year ended 31 March 2023 for which such reports have been issued till date and made available to us:

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors / Independent firm of Chartered Accountants on separate financial statements and other financial information of the subsidiary, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary company, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the

Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiary, incorporated in India whose financial statements have been audited under the Act:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
- ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies during the year ended 31 March 2023;
- iv.
  - a. The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or subsidiary company, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
  - b. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, that, to the best of their knowledge and belief, no funds have been received by the Holding Company or its subsidiary company, from any person(s) or entity(ies), ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or subsidiary company, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed by us and that performed by the other auditors of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

Trivandrum  
29 May 2023

#### **Annexure A to The Independent Auditor's Report – 31 March 2023**

#### **Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**



In conjunction with our audit of the consolidated financial statements of Rubfila International Limited (‘the Holding Company’) and its subsidiary (the Holding Company and its subsidiary together referred to as ‘the Group’), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company, which are companies covered under the Act, as at that date.

### **Responsibilities of Management and those charged with governance for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ( the ‘Guidance Note’) issued by the Institute of Chartered Accountants of India (‘the ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 Consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary company, as aforesaid.

### **Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

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

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

### **Inherent Limitations of Internal Financial Controls**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 and based on the consideration of the reports of the other auditors on internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial control over financial reporting criteria established by the Holding Company, its eleven subsidiary company, as aforesaid, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

### **Other Matter**

We did not audit the internal financial controls with reference to financial statements insofar as it relates to the annual financial statements/ financial information of the subsidiary included in the Statement, whose financial information (prior to consolidation adjustments), reflects total assets of Rs.5,385.94 Lakhs as at 31 March 2023, total revenues of Rs.8,822.53 Lakhs, total net profit after tax of Rs. 256.97 Lakhs total comprehensive income of Rs. 251.55 Lakhs, and cash flows (net) Rs. (6.72) Lakhs for the year ended on that date, as considered in the Statement. which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditors whose report have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to the subsidiary company is based solely on the report of the auditors of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Mohan & Mohan Associates**  
Chartered Accountants  
Firm No.02092 S

**R.Suresh Mohan**  
(Partner)

Mem No. 13398.

UDIN: 23013398BGXYWL8463

Thiruvananthapuram  
29 May 2023

## Consolidated Balance Sheet as at 31 st March,2023

₹ in Lakhs

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>1. Non-current assets</b>			
Property, plant and equipment	2	17,368.81	15,321.86
Capital work-in-progress	3	137.63	421.05
Other Intangible Asset	4	61.52	9.19
Right of use of Assets	5	130.05	51.02
Investment Property	6	128.15	128.15
Goodwill	7	32.76	32.76
Financial assets			
Investments		-	-
Other financial assets	8	488.59	367.36
Other non -Cuurent Asset	9	427.06	415.03
		<b>18,774.57</b>	<b>16,746.42</b>
<b>2. Current assets</b>			
Inventories	10	3,542.10	2,944.72
Financial assets			
Trade Receivables	11	4,833.53	5,541.54
Cash and cash equivalents	12	535.57	871.77
Bank balance other than Cash and cash equivalents	13	95.68	491.63
Loans, Current	14	3,075.00	2,475.00
Other financial assets	15	28.35	31.69
Current Tax Asset (Net)	16	32.66	-
Other current assets	17	172.77	336.94
		<b>12,315.66</b>	<b>12,693.29</b>
<b>Total Assets</b>		<b>31,090.23</b>	<b>29,439.71</b>
<b>Equity &amp; Liabilities</b>			
<b>1. Equity</b>			
<b>Equity attributable to owners of Parent</b>			
Equity Share capital	18	2,713.38	2,713.38
Other equity (Reserves & Surplus)	19	22,495.08	20,824.79
		<b>25,208.46</b>	<b>23,538.17</b>

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>2. Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Other financial Liabilities	20	118.34	43.41
Other financial Liabilities	21	47.35	42.20
Provisions ( non Current)	22	1,274.06	1,145.37
Deferred tax liabilities (Net)	39	1,153.72	957.99
Other non -Current Liabilities	23	3.70	2.50
		<b>2,597.17</b>	<b>2,191.47</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade Payable due to :	24		
Micro and small enterprises		124.66	68.28
Other than micro and small enterprises		2,111.06	2,466.78
Lease Liabilities	20	7.23	11.26
Other Financial liabilities	25	433.45	590.47
Current Tax Liabilities (Net)	26	-	30.77
Other Current liabilities	27	497.52	424.80
Provisions	28	110.66	117.71
		<b>3,284.58</b>	<b>3,710.07</b>
<b>Total Liabilities</b>		<b>31,090.21</b>	<b>29,439.71</b>

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361                  DIN:1450683  
Chairman                          Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023

## Consolidated Statement of Profit and Loss for Period ended 31st March,2023

₹ in Lakhs

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
<b>Revenue from Operations</b>			
<b>I Revenue from operations</b>	29	45,707.61	47,674.57
Other Income	31	662.51	462.11
<b>Total Revenue (I + II)</b>		<b>46,370.13</b>	<b>48,136.69</b>
<b>II Expenses</b>			
a. Cost of materials consumed	32	32,536.88	33,379.47
b. Purchase of stock in trade	32	374.28	553.49
c. Changes in inventories of finished goods, work-in- progress and stock in trade	33	(491.19)	(645.75)
d. Employee benefit expense	34	2,964.75	2,462.04
e. Finance costs	35	15.11	17.77
f. Depreciation and amortisation expense	36	862.90	719.84
g. Other expenses	37	6,582.80	5,437.79
<b>Total expense</b>		<b>42,845.53</b>	<b>41,924.65</b>
<b>III Profit before exceptional items &amp; tax</b>		<b>3,524.60</b>	<b>6,212.04</b>
<b>IV Exceptional items</b>	38	-	197.44
<b>V Profit before Tax (V-VI)</b>		<b>3,524.60</b>	<b>6,014.60</b>
<b>VI Tax expense</b>			
(1) Current tax		741.62	1,416.77
(2) Deferred tax	39	187.71	133.51
<b>VII Profit for the year</b>		<b>2,595.27</b>	<b>4,464.32</b>
<b>VIII Other Comprehensive income</b>	40		
Items that will not be subsequently reclassified to profit or loss (net)			
i. Remeasurements gain/losses on defined benefit plans		32.73	77.16

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
ii. Income tax relating to above		(8.03)	(17.08)
<b>X Total Comprehensive income for the year (Comprising profit and other comprehensive income/ (loss) for the year)</b>		<b>2,619.97</b>	<b>4,524.40</b>
<b>XIII Earnings per share (of ₹ 5/- each):</b>			
Basic & Diluted in Rs. Ps	41	<b>4.83</b>	<b>8.34</b>
Diluted in Rs. Ps		<b>4.83</b>	<b>8.34</b>

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361              DIN:1450683  
Chairman                      Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023

## Consolidated Statement of changes in equity for the year ended 31 March 2023

### I Equity

₹ in Lakhs

Particulars	No. of Shares	Amount
<b>Issued Share Capital</b>		
Balance as at 31st March 2022	54267529	2,713.38
Changes in Equity Share capital during the year		
<b>Balance as at 31st March 2023</b>	<b>54267529</b>	<b>2,713.38</b>

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

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

### II. Other Equity

#### Attributable to owners of Rubfila International Limited

₹ in Lakhs

Particulars	Share Application Money	Reserves & Surplus			Other Comprehensive Income	Total
		Securities Premium (refer note 19.1)	General Reserves (refer note 19.2)	Retained Earnings (refer note 19.3)	Remeasurements of Defined Benefit Plans (refer note 19.4)	
<b>Balance as at 1 April 2021</b>	-	<b>4,114.25</b>	<b>641.06</b>	<b>12,385.73</b>	<b>(135.18)</b>	<b>17,005.86</b>
Profit for the Year				4,464.32		4,464.32
Payment of dividends				(705.48)		(705.48)
Other comprehensive income					60.08	60.08
<b>Balance as at 31 March 2022</b>	-	<b>4,114.25</b>	<b>641.06</b>	<b>16,144.58</b>	<b>(75.10)</b>	<b>20,824.79</b>

Particulars	Share Application Money	Reserves & Surplus			Other Comprehensive Income	Total
		Securities Premium (refer note 19.1)	General Reserves (refer note 19.2)	Retained Earnings (refer note 19.3)	Remeasurements of Defined Benefit Plans (refer note 19.4)	
Profit/ (Loss) for the Year	-	-	-	2,595.27	-	2,595.27
Dividends paid including taxes	-	-	-	(949.68)	-	(949.68)
Other Comprehensive Income	-	-	-	-	24.70	24.70
<b>Balance as at 31 March 2023</b>	-	<b>4,114.25</b>	<b>641.06</b>	<b>17,790.17</b>	<b>(50.40)</b>	<b>22,495.08</b>

₹ in Lakhs

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361                  DIN:1450683  
Chairman                          Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023



## Statement of Audited Consolidated Cash Flow Statement for the year ended 31st March, 2023

₹ in Lakhs

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
<b>A</b>	<b>Cash flow from operating activities</b>		
	Net Profit / (Loss) before tax	3,524.62	6,014.63
	<i>Adjustments for:</i>		
	Depreciation and amortisation expenses of Property , plant and equipment and intangibles	851.73	719.84
	Finance costs	6.86	4.27
	Gain on disposal of property , plant and equipment	-	4.48
	Allowance of expected credit Loss	42.41	5.09
	Fair value adjustment of a contingent consideration	-	-
	Interest income	(284.73)	(295.95)
	Interest Expenses	8.25	17.77
		624.52	455.50
	Operating profit / (loss) before working capital changes	4,149.14	6,470.13
	<i>Changes in working capital:</i>		
	(Increase)/decrease in inventories	(597.39)	(975.87)
	(Increase)/decrease in trade receivables	689.87	(2,276.28)
	(Increase)/decrease in loans, advance and other assets	(538.08)	57.37
	(Increase)/decrease in other bank balances	365.85	(85.24)
	(Increase)/decrease in other assets	129.13	1,732.37
	(Increase) / decrease in Trade, other payables and provisions	(247.24)	(28.23)
	<b>Cash generated from operations</b>	<b>3,951.28</b>	<b>4,894.25</b>
	Income tax paid ( Net of refunds)	(941.15)	(1,402.80)
	<b>Cash flow from operating activities (A)</b>	<b>3,010.13</b>	<b>3,491.45</b>

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment	(2,677.07)	(2,946.31)
	(Increase)/decrease in other bank balances	30.09	
	Proceeds from sale of property, plant and equipment	-	1.89
	Interest received	284.73	295.95
	<b>Cash flow from investing activities (B)</b>	<b>(2,362.25)</b>	<b>(2,648.47)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of equity shares	-	-
	Share Application money received	-	-
	Dividend paid to Equity holders	(949.68)	(705.48)
	Finance Cost	(10.16)	(22.04)
	Interest paid on lease liabilities	(4.95)	
	Paymnet of lease liabilities	(19.29)	13.02
	<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(984.08)</b>	<b>(714.50)</b>
	<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(336.20)</b>	<b>128.48</b>
	Cash and cash equivalents at the beginning of the year	871.77	743.29
	<b>Cash and cash equivalents at the end of the year</b>	<b>535.57</b>	<b>871.77</b>

The accompanying notes are an integral part of the financial statements

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361                DIN:1450683  
Chairman                      Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023

# Notes to Consolidated Financial Statement

for the year ended 31 March 2023

1

## A) Group Corporate Information

Rubfila International Limited (RIL) (the "Holding company") is a public limited group domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. M/s Premier Tissues India Limited is the wholly owned subsidiary of the holding company. The holding company and the subsidiary company together referred as the "Group".

The holding company is the largest manufacturer of both Talcum Coated and Silicon Coated Heat Resistant Latex Rubber threads in India. It has adopted internationally accepted quality standards and its products are well received among customers both in India as well as around the world. The subsidiary company is engaged in the business of manufacturing and selling of paper tissues.

The consolidated financial statements for the year ended 31 March 2023 were approved by the Board of Directors and authorized for issue on 29 May 2023.

## B) Basis of preparation of consolidated financial statements

### (i) Statement of compliance

"These consolidated financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI). The accounting policies are applied consistently to all the periods presented in the financial statements."

### (ii) Basis of preparation and presentation

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

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

a) Certain financial assets / liabilities measured at fair value and

- b) Defined benefit plans - plan assets measured at fair value;
- c) Any other item as specifically stated in the accounting policy.

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

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

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the consolidated Statement of Profit and Loss.

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

### **(iii) Principles of consolidation**

Subsidiaries are entities over which the Holding group has control. The Holding company controls an entity when the Holding company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Holding company. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the Holding company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

### **(iv) Use of Estimate and judgment**

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

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

#### **Property, plant and equipment:**

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

#### **Impairment of non-financial Assets:**

For calculating the recoverable amount of non-financial assets, the group is required to estimate the value-

in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the group is required to estimate the cash flows to be generated from using the asset..

#### **Impairment of financial assets:**

The group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### **Defined benefit plans:**

The cost of the defined benefit plan and other postemployment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (refer Note 46)

#### **Recognition and measurement of provisions and contingencies**

The group has estimated the timings of cash outflows, if any, in respect of the contingent liabilities pending resolution of the respective proceedings, as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. (refer Note 42)

### **C) Summary of Significant Accounting Policies**

#### **1 Property, Plant and Equipment (PPE)**

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

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital Work-in-progress includes expenditure incurred till the assets are put into intended use. Capital Work-in-Progress are measured at cost less accumulated impairment losses, if any.

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

Spare parts procured along with the Plant and Equipment or subsequently which has a useful life of more than 1 year and considering the concept of materiality evaluated by management are capitalised and added to the carrying amount of such items. The carrying amount of items of PPE and spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores and spares' forming part of the inventory.

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

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

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives prescribed under the schedule II to the Companies Act, 2013 except for the list of assets mentioned in the following table, where useful life is estimated by the management, which is different as compared to those prescribed under the Schedule II to the Companies Act, 2013.

Block of Assets	Estimated life considered for depreciation in years	
	Holding Company	Subsidiary Company
<b>Building</b>		
- Office	58	60
- Factory	28	30
<b>Plant and Machinery</b>		
- Production Line	18	20
- Factory Equipment	9	8
- Lab Equipments	10	8
- Furnitures & Fixtures		10

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

#### **Impairment:**

The carrying amounts of the group's tangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

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

## **2 Intangible Assets**

On transition to Ind AS, the group has elected to continue with the carrying value of all of intangible assets

recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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

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

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

### **3 Investment properties**

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

The residual value and the useful life of an asset is reviewed at least at each financial year-end based on a tangible valuation and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

### **4 Investments in subsidiaries**

A subsidiary is an entity that is controlled by the group. The group accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27- Separate Financial Statements.

### **5 Impairment**

#### **Impairment of non – Financial Asset**

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

#### **Impairment of Financial Assets:**

The group impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD).

Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date.

The exposure at default is the amount outstanding at the balance sheet date.

## **6 Inventories**

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

(i) Raw materials: Cost includes cost of purchase net of duties, taxes that are recoverable from the Government and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

(ii) Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs if any. Work in progress are valued considering the cost of direct materials only.

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

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

## **7 Government Grants, Subsidies and Export incentives**

Government Grants and subsidies are recognized when there is reasonable assurance that the group will comply with the conditions attached to them and the grants / subsidy will be received. Export benefits are accounted on receipt basis only.

### **Advance License**

The Company had obtained 7 advance licenses (Previous year 3 Licenses) for duty free import of Raw Materials. Company has met the export obligation in full against the 3 Licences (Previous year 2 Licenses).

## **8 Provisions, Contingent Liabilities and Contingent Assets**

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

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

## **9 Foreign Currency Transactions and Translations**

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.



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

#### **10 Share Capital and Share Premium:**

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

#### **11 Dividend Distribution to equity shareholders:**

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

#### **12 Cash Flows and Cash and Cash Equivalents**

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

#### **13 Revenue Recognition**

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

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

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

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

##### **a. Sale of Goods:**

Revenue from sale of goods is recognised when is recognized at the moment when control has been transferred to the customer and is measured net of trade discounts, rebates and pricing allowances to customers.

##### **b. Export benefits/incentives:**

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

**c. Other incomes:**

Other incomes are recognised on accrual basis except when there are significant uncertainties. Interest income is recognised on accrual basis using effective interest rate method.

## **14 Employee benefits**

**a. Short term employee benefits**

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

**b. Long term employee benefits:**

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

**c. Defined contribution plans.**

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

**d. Defined benefit plans: gratuity.**

The net present value of the obligation for gratuity benefits are determined by actuarial valuation, conducted annually using the projected unit credit method. The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefits are recognised immediately in Statement of Profit and Loss as past service cost, if any, and net interest on the defined benefit liability/(asset) are recognised in the Statement of Profit and Loss.

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

## **15 Taxation**

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

**Current tax**

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate

tax) or normal provision of Income Tax Act. Tax on Income for the current year is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

### **Deferred tax**

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

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

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

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

## **16 Earnings per Share**

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

## **17 Current versus non-current classification**

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

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

All other assets are classified as non-current.

- A liability is classified as current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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

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

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

## **18 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of asset and liability if market participants would take those into consideration.

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

## **19 Financial assets**

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

### **Investments in subsidiaries & joint ventures**

Investments in equity shares of subsidiaries and joint venture are carried at cost less impairment. Impairment is provided for on the basis explained in Paragraph (5) of Note C above.

### **Financial assets other than above**

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

### **Initial recognition and measurement**

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

### **Subsequent measurement**

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

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

### **Financial assets measured at amortized cost**

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

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

#### **Financial assets at fair value through OCI (FVTOCI)**

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

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

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

#### **Derecognition**

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

### **20 Financial liabilities**

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

#### **Initial recognition and measurement**

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

#### **Subsequent measurement**

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

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

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

#### **Derecognition**

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

#### **Offsetting of financial instruments**

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

### **21 Inter corporate deposits.**

The Holding company had advanced Inter Corporate loans to companies on short term basis at a specific

rate of interest against security. The inter corporate deposit are advanced to the unrelated / unrelated companies after considering factors such as track record, size of organization, market reputation and value of the security.

## **22 Employee stock option scheme**

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

## **23 Recent Accounting Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

IndAS16–Property Plant and equipment- The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

IndAS 37–Provisions, Contingent Liabilities and Contingent Assets– The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that related directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

### **Amendments to Ind AS 109- Financial Statement**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The adoption of amendments to Ind AS 109 did not have any material impact on the standalone financial statements.

## **24. Standards notified but not yet effective**

The Ministry of Corporate Affairs has vide notification dated 31 March, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 ( the Rules) which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS1, Presentation of financial statements . The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

## 2 Property, plant and equipment

₹ in Lakhs

Particulars	Freehold Land	Building	Plant & equipment	Furniture & fixtures	Vehicles	Office Equipment	Computers & accessories	Total
<b>Gross carrying amount</b>								
As at 1 April 2021	1,499.44	4,489.69	15,073.69	99.84	86.11	108.21	130.58	<b>21,487.56</b>
Additions	1.55	789.41	2,431.25	2.88	10.03	9.16	21.90	<b>3,266.18</b>
Disposals	1.26	-	18.07	-	5.28	-	-	<b>24.61</b>
As at 31 March 2022	1,499.73	5,279.10	17,486.87	102.72	90.86	117.37	152.48	<b>24,729.13</b>
Additions	-	421.66	2,388.23	3.07	88.68	9.10	9.51	<b>2,920.25</b>
Disposals	-	-	16.10	-	49.34	-	-	<b>65.44</b>
<b>As at 31 March 2023</b>	<b>1,499.73</b>	<b>5,700.76</b>	<b>19,859.00</b>	<b>105.79</b>	<b>130.20</b>	<b>126.47</b>	<b>161.99</b>	<b>27,583.94</b>
<b>Amortization</b>								
As at 1 April 2021	-	952.67	7,453.16	77.64	48.37	70.93	116.30	<b>8,719.07</b>
Additions	-	131.27	540.59	4.59	9.56	9.10	7.77	<b>702.88</b>
Disposals	-	-	9.68	-	5.01	-	-	<b>14.69</b>
As at 31 March 2022	-	1,083.94	7,984.07	82.23	52.92	80.03	124.07	<b>9,407.26</b>
Additions	-	150.25	658.06	4.57	11.97	11.30	10.51	<b>846.66</b>
Disposals	-	-	2.73	-	36.04	-	-	<b>38.77</b>
<b>As at 31 March 2023</b>	<b>-</b>	<b>1,234.19</b>	<b>8,639.40</b>	<b>86.80</b>	<b>28.85</b>	<b>91.33</b>	<b>134.58</b>	<b>10,215.15</b>
<b>Net carrying amount</b>								
As at 31 March 2022	1,499.73	4,195.16	9,502.80	20.49	37.94	37.34	28.41	<b>15,321.87</b>
As at 31 March 2023	1,499.73	4,466.57	11,219.60	18.99	101.35	35.14	27.41	<b>17,368.79</b>

**2.1** Of the entire extent of 113.15 acres of land procured by the holding company in Midapadi and Pushpathur village in Dindigul district, Palani Taluk, Tamil Nadu, the group is not in possession of registered deed for a parcel of land admeasuring to 0.912 acres from the registration department due to lack of consensus regarding valuation of property. Further, land mutation has not been carried out for an extent of 87.97 acres of land by the revenue authorities.

### 3 Capital Work in progress

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Capital work-in-progress	137.63	421.05
<b>Total</b>	<b>137.63</b>	<b>421.05</b>

#### 3.1 Movement of Capital work in progress

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
At the beginning of the year	421.05	524.71
Additions during the year	2464.15	4,252.79
Less capitalised during the year	2747.57	4,356.45
<b>At the end of the year</b>	<b>137.63</b>	<b>421.05</b>

### 4 Intangible Assets

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Cost</b>		
At the beginning of the year	56.38	51.20
Additions	57.62	5.18
Disposals	-	-
At the end of the year	<b>114.00</b>	<b>56.38</b>
<b>Amortization</b>		
At the beginning of the year	47.19	43.25
Charge for the year	5.29	3.94
Disposals	-	-
At the end of the year	52.48	47.19
<b>Net Book Value</b>	<b>61.52</b>	<b>9.19</b>



## 5 Right of Use Assets

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Building Cost</b>		
At the beginning of the year	65.13	65.13
Additions	131.45	-
Disposals	41.25	-
At the end of the year	155.33	65.13
<b>Amortization</b>		
At the beginning of the year	14.11	1.09
Charge for the year	11.17	13.02
Disposals	-	-
At the end of the year	25.28	14.11
<b>Net Book Value</b>	<b>130.05</b>	<b>51.02</b>

## 6 Investment Property

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Free hold Land		
11.87 Acres in Coimbatore District Pollachi Taluk Tamil Nadu	128.15	128.15
<b>Total</b>	<b>128.15</b>	<b>128.15</b>

**6.1** The cost of the land has been considered as the fair value of the property and as per the value determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued it is confirmed that there is no impairment losses during the current year (31 March 2022 - Nil). The fair value measurement is categorised in level 3 fair value hierarchy. Agreement for the sale of the property has been executed and an advance of ₹149.01 Lakhs has been received. (refer note no 27)

## 7 Goodwill

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Goodwill arising on business combination	32.76	32.76
<b>Total</b>	<b>32.76</b>	<b>32.76</b>

- 7.1 The Group assesses at each balance sheet date whether there is any indication that goodwill may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated Statement of Profit and Loss.

## 8 Other Financial Assets (Non Current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Security Deposits	284.42	164.11
<b>Earmarked Balances with banks</b>		
Bank Guarantee	35.78	35.01
Unpaid Dividend Accounts	144.67	168.24
Unpaid Dividend Accounts	23.72	-
<b>Total</b>	<b>488.59</b>	<b>367.36</b>

- 8.1 a) Held as lien by banks against bank guarantees amounting to ₹ 23.09 lakhs (Previous year ₹ 23.09 lakhs) in favour of Kerala State Electricity Board Ltd;
- b) Held as lien by banks against bank guarantees amounting to ₹ 12.69 Lacs (Previous year ₹ 11.92 lakhs) in favour of Klen & Marshal Manufacturers and Exporters Ltd in connection with litigation pending before Hnble High Court. (refer note no.43.1 )

## 9 Other Non - Current Asset

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Advance to Suppliers	253.64	233.15
Vat Credit Receivable*	173.42	173.42
Prepaid Expenses	-	8.46
<b>Total</b>	<b>427.06</b>	<b>415.03</b>

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

## 10 Inventories

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Raw Materials	1,062.52	1,161.03
(b) Work in Progress	821.83	706.52
(c) Finished Goods	1,101.62	737.92
(d) Stores & Spares	556.13	339.25
<b>Total</b>	<b>3,542.10</b>	<b>2,944.72</b>

## 11 Trade Receivables (Current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	<b>4,833.53</b>	5,536.50
Receivables from related parties	-	-
Trade receivables- Credit Impaired	25.48	5.09
Less: Allowance for doubtful debts	25.48	5.09
Total receivables	<b>4,833.53</b>	<b>5,536.50</b>
<b>Break-up of security details</b>		
Secured, considered good		
Unsecured considered good	4,833.53	5,536.50
Credit impaired	25.48	5.09
<b>Total</b>	<b>4,859.01</b>	<b>5,541.59</b>
Allowance for doubtful debts	25.48	5.09
<b>Total trade receivables</b>	<b>4,833.53</b>	<b>5,536.50</b>

### 11.1

Disclosure of Debtors	As at 31 March 2023	As at 31 March 2022
(i) Undisputed Trade Receivables – considered good	4,820.23	5,543.91
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	10.64	5.09
(iii) Undisputed Trade Receivables – credit impaired	7.74	-5.09
(iv) Disputed Trade Receivables – considered good	-	

Disclosure of Debtors	As at 31 March 2023	As at 31 March 2022
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	
(vi) Disputed Trade Receivables – credit impaired	-	
<b>Total</b>	<b>4,838.61</b>	<b>5,543.91</b>

## 11.2

<b>Trade receivables aging</b> (outstanding for following periods from due date of payment)	As at 31 March 2023	As at 31 March 2022
Less than 6 months		
Related parties	-	-
Others	4,825.02	5,538.76
6 months - 1 year		
Related parties	-	-
Others	19.57	1.26
1-2 years		
Related parties	-	-
Others	6.03	0.79
2-3 years		
Related parties	-	-
Others	-	7.80
More than 3 years		
Related parties	-	-
Others	8.39	0.39
<b>Total</b>	<b>4,859.01</b>	<b>5,549.00</b>
Less: Allowance for doubtful debts	25.48	5.09
<b>Total trade receivables</b>	<b>4,833.53</b>	<b>5,543.91</b>

Refer Note No.53 for information about credit risk and market risk of trade receivables.

## 11.1 Movement in the expected credit loss allowance

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	5.09	27.84
Less: balances written off / Recovered during the year	22.02	30.59
Add: provision made during the year	42.41	7.84
<b>Balance at the end of the year</b>	<b>25.48</b>	<b>5.09</b>

## 12 Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Cash on hand	4.30	5.01
(b) Balances with Banks		
- In Current Accounts	467.77	809.81
- In short term deposits	63.50	56.95
<b>Total</b>	<b>535.57</b>	<b>871.77</b>

Cash and cash equivalents as per consolidated Statement of Cash Flows is the same amounts stated above.

## 13 Bank Balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
(b) Balances with Banks		
In earmarked deposit accounts- original maturity of more than 3 months	78.31	474.99
- Unpaid Dividend accounts	17.37	16.64
<b>Total</b>	<b>95.68</b>	<b>491.63</b>

## 14 Loans (current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Inter Corporate Deposits</b>		
Secured, Considered Good	3,075.00	2,475.00
<b>Total</b>	<b>3,075.00</b>	<b>2,475.00</b>

## 15 Other financial assets (current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Interest Receivable	23.29	26.78
Other Receivable	2.92	0.02
Advance to Employees	2.14	4.89
<b>Total</b>	<b>28.35</b>	<b>31.69</b>

## 16 Current tax asset (Net)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Taxation	32.66	-
<b>Total</b>	<b>32.66</b>	<b>-</b>

## 17 Other current assets

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
GST Input Credit	20.01	164.44
Advance to Vendors	45.65	33.04
Others	15.82	10.94
Export Incentive Script (RODTEP & MEIS)	34.04	84.62
Prepaid Expense (Unsecured, considered good)	57.25	43.90
<b>Total</b>	<b>172.77</b>	<b>336.94</b>

## 18 Equity Share capital

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Authorised</b>		
7,00,00,000 Equity shares of ₹5 each (7,00,00,000 Equity shares of ₹5 each)	3,500.00	3,500.00
<b>Issued, Subscribed and Paid up capital</b>		
5,42,67,529 Equity shares of ₹5 each (4,94,67,529 Equity shares of ₹5 each)	2,713.38	2,713.38

## 18.1

₹ in Lakhs

Reconciliation of the number of shares	As at 31 March 2023		As at 31 March 2022	
<b>Authorised Share Capital</b>				
Balance as at the beginning of the year	70000000	3,500.00	70000000	3,500.00
Changes in Authorised Equity Share capital during the year	-	-	-	-
Balance as at the end of the year	70000000	3,500.00	70000000	3,500.00
<b>Issued Share Capital</b>				
Balance as at the beginning of the year	54267529	2,713.38	54267529	2713.38
Preferential issue of shares	-	-	-	-
Balance as at the end of the year	54267529	2,713.38	54267529	2,713.38

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

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

The Board of Directors have recommended a Final Dividend of ₹1.20/- per share (on fully paid up share of ₹ 5/- each) for FY 2022-23 and is subject to approval of shareholders in the ensuing Annual General Meeting.

## 19 Other equity (Reserves & Surplus)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Reserves &amp; Surplus</b>		
<b>Securities Premium</b>		
As per last Balance Sheet	4,114.25	2,543.75
Add: Premium on Shares issued under preferential issue	-	1,570.50
	<b>4,114.25</b>	<b>4,114.25</b>
<b>General Reserves</b>		
As per last Balance Sheet	641.06	493.24
Add: Transferred from Retained Earnings	-	-
	<b>641.06</b>	<b>641.06</b>

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Retained Earnings</b>		
As per last Balance Sheet	16,144.58	12,385.73
Add: Profit for the year	2,595.27	4,464.32
Less Appropriations		
Dividend on Equity Shares including taxes	(949.68)	(705.48)
Transferred from Retained Earnings	-	-
	<b>17,790.17</b>	<b>16,144.58</b>
<b>Other Comprehensive Income</b>		
Remeasurements of Defined Benefit Plans	-	-
As per last Balance Sheet	(75.10)	(135.18)
Add: Movement in OCI (Net) during the year	24.70	60.08
	(50.40)	(75.10)
<b>Total</b>	<b>22,495.08</b>	<b>20,824.79</b>

#### Nature and purpose of reserves :

- 19.1** Securities premium represents amounts received in excess of par value on issue of shares.
- 19.2** General reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss.
- 19.3** Retained earning : Retained earnings are the profits that the group has earned till date, less any transfers to general reserve , dividends or other distributions paid to shareholders.
- 19.4** Remeasurements of defined benefit plans gains / losses arising on remeasurements of defined benefit plans are recognised in the other comprehensive income as per IND AS-19 and shall not be reclassified to the statement of profit or loss in the subsequent years.

## 20 Lease Liabilities (Non Current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Lease Liability of office premises and depots		
Non Current	118.34	43.41
Current	7.23	11.26



## 21 Other financial liabilities (non current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Security Deposits	47.35	42.20
Leased Liability	118.34	43.41
<b>Total</b>	<b>165.69</b>	<b>85.61</b>

## 22 Provisions (non-current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Contingent Liabilities		
Provision for Tripura VAT Receivable	173.42	173.42
Provision for unknown liabilities*	989.00	854.00
	<b>1,162.42</b>	<b>1,027.42</b>
Other Provisions :		
Sales Tax Differential Payable	0.54	0.54
Compensated Absences	66.62	62.29
Gratuity	20.76	31.40
Others	23.72	23.72
<b>Total</b>	<b>1,274.06</b>	<b>1,145.37</b>

### 22.1 Movement of Provision for Contingent Liabilities

₹ in Lakhs

Particulars	Amount
Balance as at 1st April, 2021	871.68
Provision recognised during the year	-
Provision for Contingencies	180.00
Amount utilised / reclassified during the year	-
Amount reversed during the year	-
Balance as at 31st March, 2021	1,051.68
Provision recognised during the year	
Provision for Contingencies	135.00

Amount utilised / reclassified during the year	-
Amount reversed during the year	-
<b>Balance as at 31st March, 2023</b>	<b>1,186.68</b>

**22.2 Provision for Tripura VAT Receivable:** The amount receivable as Tripura VAT is towards the VAT refund on operations in Agartala during the financial years 2014-2017 which is still pending for assessment and release of refund. The company has provided for the entire amount receivable due to the uncertainties involved in connection with the assessment of the amount.

**22.3 Provision for Contingencies:** Due to the numerous uncertainties and variables associated with certain assumptions and judgments, and the effects of changes in the regulatory and legal environment, both the precision and reliability of the resulting estimates of the related contingencies are subject to substantial uncertainties. The group regularly monitors its estimated exposure to such loss contingencies and, as additional information becomes known, may change its estimates significantly. However, no estimate of the range of any such change can be made at this time. The group has prudently set aside an amount irrespective of the possible outcome.

**22.4 Provision for sales tax differential payable:** Sale Tax Differential payable of Rs.0.54 Lacs represents the amounts paid by the customers in lieu of Form C (differential tax) which will be offset against any liability arising after an assessment for the year 2014-15 (VAT Authorities, Agartala) and for first three months of 2017-18 (VAT authorities, Kerala).

## 23 Other non-current liabilities

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Other Advances received	3.70	2.50
<b>Total</b>	<b>3.70</b>	<b>2.50</b>

## 24 Trade payables (current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Dues of Micro Enterprises and Small Enterprises	124.66	68.28
Dues of Creditors other than Micro Enterprises and Small Enterprises	2,111.06	2,466.78
<b>Total</b>	<b>2,235.72</b>	<b>2,535.06</b>

## 24.1 Trade payable ageing

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Less than 1 year		
Total outstanding dues of micro enterprises and small enterprises	124.66	68.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,111.06	2,466.85
Disputed dues of micro enterprises and small enterprises	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-
1 -2 years	-	-
2-3 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>2,235.72</b>	<b>2,535.11</b>

### 24.2 Dues to micro enterprises and small enterprises:

Micro & Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the group on the basis of the information available with the group and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to 68.3 Lakhs (Previous Year: 36.62 Lakhs). The disclosure pursuant to MSMED Act based on the books of account is as under:

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount due and remaining unpaid	124.66	68.30
Interest due on above and the unpaid interest	-	-
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	0.02
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act,2006	-	-
Amount of Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the MSMED Act,2006	-	-

## 25 Other financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Payable on purchase of Property, Plant & Equipment	77.34	233.26
Payable to Employees	194.07	172.33
Unpaid Dividend	162.04	184.88
<b>Total</b>	<b>433.45</b>	<b>590.47</b>

Note : There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

## 26 Current tax liabilities

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for taxation	-	30.77
<b>Total</b>	<b>-</b>	<b>30.77</b>

## 27 Other current liabilities

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	250.30	314.64
Advances received from customers	96.48	108.15
Other payables	1.73	2.01
Advance received against sale of Investment property	149.01	-
<b>Total</b>	<b>497.52</b>	<b>424.80</b>

## 28 Provisions(Current)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Provisions for Employee Benefits</b>		
Provision for Salary Arrears, Bonus & Production Incentive	0.81	0.59
Compensated Absences	70.68	75.42
Gratuity	39.17	41.70
<b>Total</b>	<b>110.66</b>	<b>117.71</b>

## 29 Revenue from operations

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) Sale of Products		
Domestic	35,631.09	38,886.76
Exports	9,864.09	8,554.85
Scrap sales	73.29	65.14
(b) Other Operating Revenues		
Duty Draw backs & Export incentives	139.14	168.82
<b>Total</b>	<b>45,707.61</b>	<b>47,675.57</b>

## 30 Reconciliation of revenue from operations

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract price	47,530.65	32,264.47
Less:-		
Sales returns	55.97	44.41
Others	7.38	0.32
	<b>45,568.47</b>	<b>47,485.92</b>
Other Operating Revenues	139.14	189.65
<b>Total Revenue from operations</b>	<b>45,707.61</b>	<b>47,675.57</b>

## 31 Other income

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
On deposits with banks and other balances	36.96	24.64
On Inter Corporate Deposits	247.77	271.31
Gain on foreign currency transactions and translations (net)	220.61	143.48
Miscellaneous Income	157.17	21.70
Unclaimed creditors written off	-	0.98
<b>Total</b>	<b>662.51</b>	<b>462.11</b>

### 32 Cost of materials consumed

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening Stock	1,720.41	1,435.18
Add: Purchases	32,677.27	33,664.70
Less: Closing Stock	1,860.80	1,720.41
<b>Cost of Materials consumed</b>	<b>32,536.88</b>	<b>33,379.47</b>
Material consumed comprises:		
Latex / chemicals	27,403.37	30,184.19
Paper/ chemicals	5,133.51	3,195.28
<b>Total</b>	<b>32,536.88</b>	<b>33,379.47</b>

### 33 Changes In Inventories In finished goods

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Closing Stock</b>		
Finished Goods	1,607.12	1,115.93
<b>Opening Stock</b>		
Finished Goods	1,115.93	470.18
<b>Total</b>	<b>(491.19)</b>	<b>(645.75)</b>

### 34 Employee benefit expense

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries & Wages	2,664.59	2,194.63
Contributions to Provident and Other funds	143.00	134.06
Staff Welfare Expense	157.16	133.35
<b>Total</b>	<b>2,964.75</b>	<b>2,462.04</b>

### 35 Finance cost

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense others	15.11	17.77
<b>Total</b>	<b>15.11</b>	<b>17.77</b>

### 36 Depreciation and amortisation expense

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on tangible assets	846.44	702.88
Amortisation of intangible assets	5.29	3.94
Depreciation on right of use assets	11.17	13.02
<b>Total</b>	<b>862.90</b>	<b>719.84</b>

### 37 Other expense

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Power & fuel	2,945.18	2,398.14
Effluent treatment expense	497.30	367.98
Administrative expenses	507.00	423.54
Office expenses	116.04	109.68
Repairs & maintenance	488.19	443.68
Selling expenses	1,650.71	1,287.47
Donations & contributions	8.88	4.88
CSR expenses	72.10	66.84
Legal & professional	86.69	100.33
Payment to auditors		
For Statutory audit	8.78	9.17
For Cost audit	0.50	0.50
Secretarial expense		
AGM & EGM Expense	11.21	13.49
Directors sitting fee	11.00	15.20

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Dividend distribution	4.08	4.57
Provision for bad and doubtful debts	12.33	-
Provision for contingencies	135.00	180.00
Provision for credit Loss	27.57	7.84
Loss on derecognition of PPE	0.24	4.48
<b>Total</b>	<b>6,582.80</b>	<b>5,437.79</b>

### 38 Exceptional Items

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Loss on sale of old Machinerics	-	197.44
<b>Total</b>	<b>-</b>	<b>197.44</b>

### 39 Income taxes expense

₹ in Lakhs

Tax expense/(credit) recognized in the Statement of Profit and Loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Current tax</b>		
Provision of Income Tax	-	-
Less: MAT Credit Receivable	-	-
Current Tax - Current Year	741.62	1416.77
Current Tax - Earlier Years	-	-
Less: MAT credit utilization	-	-
<b>Total current tax expense</b>	<b>741.62</b>	<b>1,416.77</b>
<b>Deferred Tax</b>		
Deferred tax charge/(credit)	187.71	133.51
MAT Credit (taken)/utilised	-	-
<b>Total deferred income tax expense/(credit)</b>	<b>187.71</b>	<b>133.51</b>
<b>Total income tax expense</b>	<b>929.33</b>	<b>1,550.28</b>



### 39.1 The movement in deferred tax assets and liabilities during the year ended 31 March, 2021 and 31 March, 2022:

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Opening balance</b>	<b>(964.10)</b>	<b>(807.40)</b>
Opening balance recognized in other comprehensive income	<b>(6.11)</b>	<b>23.19</b>
<b>Tax effect on items constituting deferred tax liabilities</b>		
Arising on account of difference in carrying amount and tax base of PPE and Intangibles	1,518.67	1,280.59
	<b>1,518.67</b>	<b>1,280.59</b>
<b>Tax effect on items constituting deferred tax assets</b>		
Compensated absences	34.34	31.57
Provision for Gratuity	13.44	18.40
Expenses allowable on payment basis	12.66	1.83
Provision for Doubtful debts	0.14	5.97
Sales Tax Liability	292.56	0.14
Provision for Contingencies	13.73	258.58
	<b>366.87</b>	<b>316.49</b>
<b>MAT Credit</b>		
Minimum alternate tax credit entitlement		-
<b>Recognised in other comprehensive income</b>		
Tax expense during the year recognised in other comprehensive income	1.92	(6.11)
<b>Net deferred tax liability</b>	<b>(1,153.72)</b>	<b>(957.99)</b>
<b>Deferred tax expense for the year</b>	<b>195.74</b>	<b>150.59</b>
<b>Recognised in statement of profit or loss</b>	<b>187.71</b>	<b>133.51</b>
<b>Recognised in other comprehensive income</b>	<b>8.03</b>	<b>17.08</b>

## 40 Other comprehensive income

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) (i) Items that will not be reclassified to profit or loss (net)		
Actuarial Gain /Loss of defined Employee benefit plan	32.73	77.16
Share of OCI of joint venture accounted for using the equity method	-	-
(ii) Income tax relating to items that will not be reclassified to Profit and Loss	(8.03)	(17.08)
(b) (i) Items that will be reclassified to profit or loss (net)	-	-
(ii) Income tax relating to items that will be reclassified to Profit and Loss	-	-
<b>Total</b>	<b>24.70</b>	<b>60.08</b>

## 41 Earning per share

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Earnings per Share of ₹5 each</b>		
Net Profit for the year ( in ₹ lakhs)	2,619.99	4,524.38
<b>Basic Earnings per Share</b>		
Weighted Average No. of Equity Shares	54,267,529	54,267,529
Basic EPS in Rs. Ps.	4.83	8.34
<b>Diluted Earnings per Share</b>		
Weighted Average No. of Equity Shares	54,267,529	54,267,529
Diluted EPS in Rs. Ps.	4.83	8.34

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

## 42 Assets Pledged as security

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current Assets	-	-
Non Current assets		
Margin money deposits with bank (refer note 8)	35.78	35.01
<b>Total</b>	<b>35.78</b>	<b>35.01</b>

## 43 Contingent liabilities (to the extent not provided for)

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contingent Liabilities		
Claims against the group not acknowledged as debts in respect of past disputed liabilities		
Disputed Duty Draw Back (excluding interest)*	391.73	391.73
Income tax liability that may arise in respect of matters pending	1.15	0.58
Sales tax liability that may arise in respect of matters pending	35.58	33.67

\*The interest on the duty drawback excess claimed in the years 2001-2003 could not be quantified.

### 43.1 The group has pending the following litigations with various courts and which in its opinion has no impact on its financial position in the financial statements as on 31 March 2023

Claims against the company	Status
Commissioner of Customs, Coimbatore ( Financial Impact - Rs.391.73 Lacs) Admitted on 2008-2009	Tribunal issued orders remanding the case back to the original authority, and to await the Supreme Court decision in a similar case.
Bank of Tokyo, Mumbai / Klen & Marshall (Financial Impact - Rs.9.67 Lacs) Admitted on 2004-2005	Pending for hearing in Hnble High Court of Kerala
Commissioner of GST (Agartala) (Financial Impact - Rs.1054.35 Lacs)	Revision Petition before the Commissioner of Taxes, Agartala

It is not practicable for the group to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings, as it is determinable only on receipt of judge-

ments/decisions pending with various forums/authorities.

The group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

## 44 Commitments

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Capital Commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	401.87	2,468.83
Less: Capital advances and CWIP	122.88	527.60
<b>Net Capital commitments</b>	<b>278.99</b>	<b>1,941.23</b>

## 45 Corporate social responsibility

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

The holding company was required to spend an amount of ₹ 71.94 Lakhs (Previous Year ₹54.94 Lakhs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The holding company has during the year spent ₹ 72.10 Lakhs. (previous year ₹66.84 Lakhs) CSR is not applicable for the subsidiary company and hence no CSR expense has met during the year.

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Gross amount required to be spent	71.94	54.94
Amount spent during the year	72.10	66.84
(i) Construction / Acquisition of any Asset	-	-
(ii) On purposes other than (i) above	72.10	66.84
(Excess)/Short spent*	(0.16)	(11.90)
<b>Total Eligible Amount</b>	<b>71.94</b>	<b>54.94</b>

The nature of the CSR expenditures are in conducting programs and activities for promoting healthcare and sanitations, promoting education, providing life support to the economically backward individuals etc.

## 46 Disclosure pursuant to Indian Accounting Standard (Ind AS) 116 “Leases”

### A) Company as a lessee

#### (a) Operating Leases

The subsidiary company has taken office premise and depot premises on lease. These leases are generally renewed on mutual consent and at prevailing market rate and sub-lease is generally restricted. Short term leases and lease of low value items are recognized as an expense on a straight-line basis over the lease term.

Particulars	2022-23	2021-22
Depreciation charge for right of use assets	11.17	13.02
Interest expense on lease liabilities	4.95	4.80
Expenses pertaining to short term leases	27.19	23.10
Expenses relating to leases of low-value assets (excluding short-term leases of low-value assets)	-	-
Total cash outflow for leases	51.43	37.60
Contingent rent expenses	-	-
Additions to right-of-use assets	131.45	-

#### (b) Finance Leases

The subsidiary company has not taken any asset on finance lease during the current year and the previous year.

### B) Company as a Lessor

The subsidiary company has not let out any asset under lease or sub-lease during the current year and the previous year.

## 47 Disclosures under IND AS 19 - “Employee Benefits”

The holding company has contributed for Provident fund and superannuation fund as defined contribution plans. The actuary has provided a valuation of Gratuity liability and leave encashment liability in terms of the definition mentioned in para 7 of IND AS -19 the accounting based on the assumptions listed below and determined that there is no shortfall As at 31 March 2022 and for the year ended 31st March 2021.

**47.1 During the year, the company has recognised the following amounts in the Statement of Profit and Loss:**

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employer's contribution to Provident Fund and Family Pension Fund	84.36	75.17
Employer's contribution to Superannuation Fund	3.78	3.78
Gratuity - Funded	53.39	70.38
Leave Encashment - Unfunded	125.45	42.55

**47.2 The valuation results for the defined benefit gratuity plan as at 31-3-2023 are produced in the tables below:**

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>1. Assumption</b>		
Discount Rate	7.52%	7.00%
Salary Escalation	8.00%	8.00%
Attrition Rate	3.00%	3.00%
<b>2. Table showing changes in the present value of Obligation</b>		
Present value of Obligation as at the beginning of the year	628.32	574.24
Interest Cost	46.66	40.30
Current Service Cost	30.95	36.70
Benefits paid	(19.04)	(14.62)
Actuarial (gain) / Loss on obligation	(22.18)	(8.30)
Present value of Obligation as at the end of the year	664.71	628.32
<b>3. Table showing changes in Fair Value of Plan Assets</b>		
Fair Value of Plan assets at the beginning of the year	555.24	430.70
Expected return of Plan assets	42.64	32.67
Contributions	39.70	72.44
Benefits paid	(19.04)	(14.62)
Actuarial (gain) / Loss on Plan assets	(22.18)	(8.30)
Present value of Obligation as at the end of the year	664.71	628.32

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>4. Table showing fair value of Plan assets</b>	-	-
Fair Value of Plan assets at the beginning of the year	555.24	430.70
Actual return on Plan assets	42.64	32.67
Contributions	39.70	72.44
Benefits paid	(19.04)	(14.62)
Actuarial (gain) / Loss on Plan assets	(7.21)	34.05
Fair Value of Plan assets at the end of the year	611.33	555.24
Funded Status	73.10	73.10
Excess of Actual over estimated return on plan assets	-	-
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)	-	-
<b>5. Actuarial (Gain) / Loss recognized</b>	-	-
Actuarial (gain) / loss on obligations	(22.18)	(8.30)
Actuarial (gain) / Loss on Plan assets	7.21	(34.05)
Total Actuarial (gain) / loss for the year	(14.97)	(42.35)
<b>6. The amounts to be recognized in the Balance Sheet and Statements of Profit / loss</b>	-	-
Present value of Obligation at the end of the year	664.71	628.32
Fair Value of Plan assets at the end of the year	611.33	555.24
Funded Status	73.10	73.10
Net Asset / (Liability) recognised in the Balance Sheet	73.10	73.10
<b>7. Expenses recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	30.95	36.70
Interest Cost	46.66	40.30
Expected Return on Plan assets	42.64	32.67
Net Actuarial (gain) / Loss recognised in the year	(14.97)	(42.35)
Expenses recognised in the Statement of Profit & Loss	20.00	1.98

**47.3 The valuation results for the unfunded Leave Encashment as at 31-3-2022 are produced in the tables below:**

₹ in Lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>1. Assumption</b>		
Discount Rate	7.52%	7.54%
Salary Escalation	8.00%	8.00%
Attrition Rate	3.00%	3.00%
Proportion of Leave Availment	5.00%	5.00%
Proportion of encashment on separation	95.00%	95.00%
<b>2. Table showing changes in the present value of Obligation</b>		
Present value of Obligation as at the beginning of the year	125.44	113.83
Interest Cost	8.98	7.82
Current Service Cost	40.08	36.85
Benefits paid	(12.78)	(7.55)
Actuarial (gain) / Loss on obligation	(25.27)	(25.51)
Present value of Obligation as at the end of the year	136.45	125.44
<b>3. Table showing changes in Fair Value of Plan Assets</b>		
Fair Value of Plan assets at the beginning of the year	-	-
Expected return of Plan assets	-	-
Contributions	12.78	7.50
Benefits paid	(12.78)	(7.50)
Actuarial (gain) / Loss on Plan assets	-	-
Fair Value of Plan assets at the end of the year	-	-
<b>4. Table showing fair value of Plan assets</b>		
Fair Value of Plan assets at the beginning of the year	-	-
Actual return on Plan assets	-	-
Contributions	12.78	7.50
Benefits paid	(12.78)	(7.50)
Actuarial (gain) / Loss on Plan assets	-	-
Fair Value of Plan assets at the end of the year	-	-



Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Funded Status		
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
<b>5. Actuarial (Gain) / Loss recognized</b>		
Actuarial (gain) / loss on obligations	(25.27)	(25.51)
Actuarial (gain) / Loss on Plan assets	-	-
Total Actuarial (gain) / loss for the year	(25.27)	(25.51)
<b>6. The amounts to be recognized in the Balance Sheet and Statements of Profit / loss</b>		
Present value of Obligation at the end of the year	136.45	125.44
Fair Value of Plan assets at the end of the year	-	-
Funded Status	136.45	125.44
Net Asset / (Liability) recognised in the Balance Sheet	136.45	125.44
<b>7. Expenses recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	40.08	36.85
Interest Cost	8.98	7.82
Expected Return on Plan assets	-	-
Net Actuarial (gain) / Loss recognised in the year	(25.27)	(25.51)
Expenses recognised in the Statement of Profit & Loss	23.79	19.16

## 48 Segment information

The holding company has only one primary segment namely Manufacture and sale of Heat Resistant Latex Rubber Thread in the current year. On the basis of Geographical revenue, allocated based on the location of the customer. Geographic segment of the company is disclosed as follows: Revenue outside India, ie Sales in Export Market and Revenue with in India, ie, Sales in Domestic Market.

The subsidiary company also has one primary segment namely manufacture and selling of tissue papers.

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

₹ in Lakhs

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
	Assets	Revenues	Assets	Revenues
<b>Out side India</b>				
Asia	482.92	6,771.83	801.52	5,652.09
Europe	26.55	486.43	0.02	545.18
Africa	47.5	489.24	-	62.17
America	282.25	2,116.58	187.08	2,295.41
<b>Within India</b>	3994.31	35,705.39	4,547.88	32,941.65
<b>Total</b>	<b>4,833.53</b>	<b>45,569.47</b>	<b>5,536.50</b>	<b>41,496.50</b>

The subsidiary company is domiciled in India. Revenues from external customers attributed to an individual foreign country are not material, accordingly, it is not disclosed separately.

**48.1 The detailed segment results, assets and liabilities are stated below**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
1 Segment Revenue		
Latex Rubber Thread	37,079.12	41,665.32
Corrugated Carton Box	1.80	-
Paper Tissue	8,627.69	6,010.25
Less Inter Segment Elimination	1.00	1.00
Total Segment Revenue	45,707.61	47,674.57
2 Segment Results	-	-
Latex Rubber Thread	3,172.38	5,980.94
Paper Tissue	371.62	253.16
Corrugated Carton Box	(3.29)	-
Sub Total	3,540.71	6,234.10
Less Finance Costs	15.11	22.04
Less : unallocable Expenses	-	197.44
Profit before Tax	3,525.60	6,014.62
Less Tax Expense	929.33	1,550.28

Net Profit for the year	2,596.27	4,464.34
3 Segment Assets	-	-
Latex Rubber Thread	27,886.03	27,516.17
Paper Tissue	5,385.93	5,092.25
Corrugated Carton Box Project	992.78	-
Total Segment Assets	34,264.74	32,608.42
4 Segment Liabilities	-	-
Latex Rubber Thread	4,493.79	4,586.76
Paper Tissue	1,354.09	1,314.79
Corrugated Carton Box Project	35.94	-
Total Segment Liabilities	<b>5,883.82</b>	<b>5,901.55</b>

## 49 Related party transactions

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

a Names of other related parties and nature of relationship

Promoter Group

Mrs.Minal B Patel

Mr. Bharat Jayantilal Patel (died on : 29 May 2021)

Mrs. Bharati B Dattani

Mr. Dhiren S Shah

Mr. Ruchit B Patel

Mr. Hardik B Patel

Mrs. Chew Annie Guat Khuan\*

M/s.Kerala State Industrial Development Corporation Ltd

b. Key Management Personnels

Mr. Gopinathan Pillai Krishnakumar

Managing Director of holding company

Mr. Nurani Neelakantan Parameswaran

CFO & CS of holding company

Mr. Venugopal Perumal

Director of Subsidiary Company

c. Companies in which Directors are interested:

M/s PAT Financial Consultants Pvt Limited

Ms/ Finquest Securities PVT Ltd

\*Mrs.Chew Annie Guat Khuan was reclassified from promoter group with effect from 23-03-2022

## 49.1 Transactions with related parties

Related Party	Nature of Transaction	2022-2023	2021-2022
Mr. Gopinathan Pillai Krishnakumar	Compensation for services		114.86
Mr. Nurani Neelakantan Parameswaran	Compensation for services		74.48
Mr. Venugopal Perumal	Compensation for services		34.13
M/s PAT Financial Consultants Pvt Limited	Inter Corporate Deposit	600.00	2,475.00
M/s PAT Financial Consultants Pvt Limited	Inter Corporate Deposit	249.09	271.31

## 49.2 Transactions with related parties

Outstanding Balances	Nature of Transaction	As at 31 March 2023	As at 31 March 2022
M/s PAT Financial Consultants Pvt Limited	Inter Corporate Deposit	3,075.00	2,475.00
M/s PAT Financial Consultants Pvt Limited	Interest on ICD	23.29	26.78

Key Managerial Personnel who are under the employment of the group are entitled to post-employment benefits and other long term employee benefits recognized as per Ind AS 19-'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Transaction within the group is disclosed in the standalone financial statements of the holding company.

## 50 Fair values

The Management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying values largely due to the short-term maturities of these instruments.

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Financial assets</b>		
<b>Measured at fair value through profit and loss</b>	-	-
<b>Measured at amortised cost</b>		
Other financial assets - Non current	488.59	367.36
Other financial assets - Current	28.35	31.69
Loans	3,075.00	2475.00
Trade Receivables	4,833.53	5,543.91
Cash and cash equivalents	535.57	871.77
Other bank balances	95.68	491.63
<b>Financial Liabilities</b>		
<b>Measured at fair value through profit and loss</b>	-	-

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Measured at amortised cost</b>		
Trade Payables	2,235.72	2,535.06
Lease Liabilities	125.57	54.67
Other Financial liabilities	480.80	632.67

## 51 Fair Value hierarchy

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Instruments at FVTOCI	-	-	-	-
Financial Instruments at FVTPL	-	-	-	-
Financial Instruments at Amortized cost	-	631.25	8,458.13	9,089.38
Financial Liabilities	-	-	2,723.75	2,723.75

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Instruments at FVTOCI	-	-	-	-
Financial Instruments at FVTPL	-	-	-	-
Financial Instruments at Amortized cost	-	1,363.40	8,405.70	9,769.10
Financial Liabilities	-	-	3,096.95	3,096.95

Level 1: Level 1 hierarchy included financial instruments measured using quoted prices. This included listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

## 52 Capital management

The groups objective when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders' value. The group's overall strategy remains unchanged from previous year. The group sets the amounts of capital required on the basis of annual

business and long term operating plans.

## 53 Financial risk management

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

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

### 1 Market Risk

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

#### 1a Interest Rate Risk

The groups has not availed any loans other than for a short term inter corporate loan, hence the exposure to interest rate risk is minimal. (Previous year- Nil)

#### 1b Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the purchase of materials from abroad and realization on export sales: The impact on the group's profit before tax due to change in interest rate is given below:-

Unhedged short term exposures

₹ in Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Trade Receivables</b>	<b>783.69</b>	<b>992.17</b>
USD	757.13	992.01
EURO	26.56	0.14
GBP	-	0.02
<b>Trade Payables</b>	<b>68.43</b>	<b>115.77</b>
USD	58.99	104.98
EURO	-	1.77
GBP	9.44	9.02

The sensitivity to a 5% increase or decrease in the exchange rate against INR with all other variables held constant will be ₹43.82 Lakhs (previous year ₹15.00 Lakhs ) The Sensitivity analysis is

prepared on the net unhedged exposure of the group at the reporting date. The group has not entered into any forward contracts or foreign currency hedges to mitigate the risk.

### 1c Price Risk

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

The groups's investments in unquoted securities are susceptible to market price risk arising from uncertainties about future values of investment securities. The group manages the securities price risk through investments in debt funds /intercorporate deposits and by placing limits on individual and total investments.

## 2 Credit Risk

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

### Cash and cash equivalents and short-term loans (loans current)

The group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally, the balances are maintained with the institutions with which the group has been transacting for years. The group has made several Intercorporate loans on security with unrelated/ related companies considering factors such as track record, size of organisation, market reputation and value of the security. The risk is mitigated by the securities and guarantees provided by the group. Therefore, the group does not expect any material risk except for the ones mentioned in Note 38.1 on account of non-performance by any of the companies to which the loans are given.

### Trade Receivables

The group is exposed to credit risk from its operating activities primarily from trade receivable amounting to ₹.5543.91 Lakhs and ₹.3271.83 Lakhs as of 31 March 2022 and 31 March 2021 respectively. The group has standard operating procedure for obtaining sufficient security where appropriate, as a means of mitigating the risk of financial loss from defaults. No customers accounted for 10% or more of revenue during the reporting periods covered. The credit quality of the group's customers is monitored on an on going basis and assessed for impairment where indicators of such impairment exist. The history of trade receivables shows a negligible provision for bad and doubtful debts. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Therefore, the group does not expect any material risk on account of non performance by any of the group's counterparties. Where receivables are impaired, the group actively seeks to recover the amounts in question and enforce the compliance with credit terms.

₹ in Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	5.09	27.84
Impairment loss recognised	22.02	7.84
Impairment loss reversed	42.41	30.59
Balance at the end of the year	25.48	5.09

### 3 Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the group's short-term, medium-term and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

### 4 Interest Rate Risk

The Company is a zero-debt company as on 31 March 2022 (Previous year Rs. Nil) and is not exposed to any interest rate risk of short-term or long-term borrowings. There are no foreign currency borrowings made by the company during the reporting periods. The impact on the Companies profit before tax due to change in interest rate is Nil at the close of this financial year.

### 5 Other Risk

Financial assets of ₹1363.40 lakhs (previous year ₹1149.65 Lakhs) as at March 31, 2022 carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the group has assessed the counterparty credit risk. Trade receivables of ₹5,541.54 lakhs as at March 31, 2022 (previous year ₹3265.47 Lakhs) forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering situations due to post COVID-19 outbreak.

This assessment is not based on any mathematical model but an assessment considering the financial strength of the customers in respect of whom amounts are receivable. The group is in the process of evaluating the potential impact with respect to customers in Domestic Formulation segment which could have an immediate impact. The group closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case. Based on the initial assessment, the group do not expect any abnormal credit loss though supplying to an unorganised sector. The allowance for doubtful trade receivables is Nil as at March 31, 2022 (previous year ₹25.42 Lakhs).

## 54 Events after the reporting period

The proposed final dividend for Financial Year 2021-22 amounting to ₹ 949.68 Lakhs (Previous year ₹705.48 Lakhs) will be recognised as distribution to owners during the financial year 2021-22 on its approval by Shareholders The proposed final dividend per share amounts to ₹1.75/- (Previous year ₹1.30/-)

## 55 For Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:

### For the financial year 2022-2023

Name of Entity	Net Assets i.e. total assets minus total liabilities	Share in Profit / (Loss)	Share in Other / Comprehensive Income (Loss)	Share in Total Comprehensive Income / (Loss)
Holding Company				



Rubfila International Limited	22,302.46	2,339.30	30.12	2,369.42
As a % of consolidated	88.47%	90.14%	121.94%	90.44%
Wholly Owned Subsidiary Company				
Premier Tissues India Limited	2,906.00	255.97	(5.42)	250.55
As a % of consolidated	11.53%	9.86%	-21.94%	9.56%

**For the financial year 2021-2022**

Name of Entity	Net Assets i.e. total assets minus total liabilities	Share in Profit / (Loss)	Share in Other / Comprehensive Income (Loss)	Share in Total Comprehensive Income / (Loss)
Holding Company				
Rubfila International Limited	19,762.06	4,304.16	50.77	4,354.93
As a % of consolidated	83.96%	96.41%	84.50%	96.25%
Wholly Owned Subsidiary Company				
Premier Tissues India Limited	3,776.12	160.17	9.31	169.47
As a % of consolidated	16.04%	3.59%	15.50%	3.75%

As per our reports attached.

For **Mohan & Mohan Associates**  
Chartered Accountants  
ICAI Firm Registration No.02092 S

**R Suresh Mohan** (Partner)  
Membership No.:13398

Thiruvananthapuram  
Monday, May 29, 2023

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

**Hardik Bharat Patel**      **G Krishna Kumar**  
DIN01100361                  DIN:1450683  
Chairman                          Managing Director

**N.N. Parameswaran**  
Chief Finance Officer & Company Secretary

Palakkad  
Monday, May 29, 2023



**RUBFILA**  
**International Limited**

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