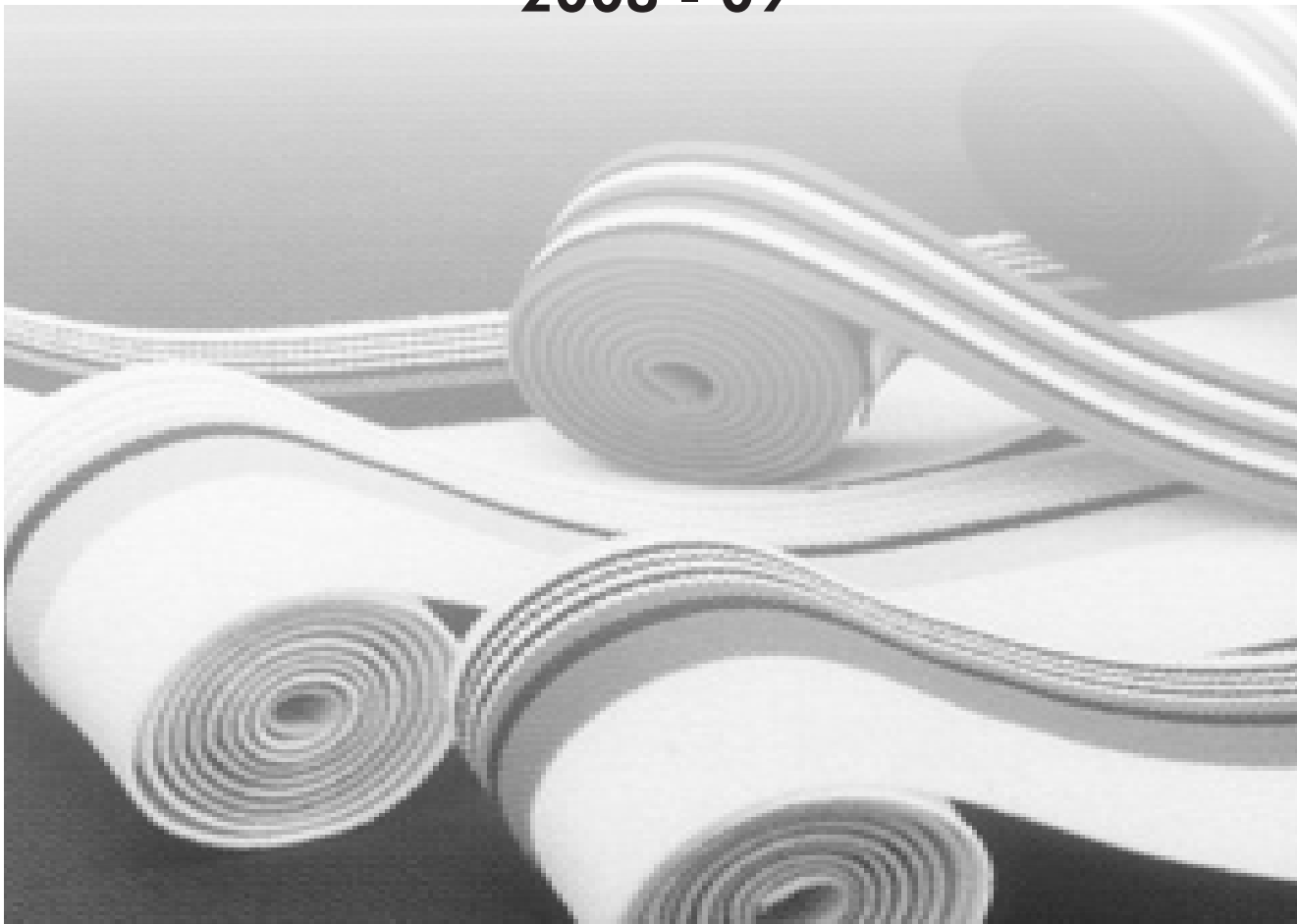




RUBFILA

INTERNATIONAL LIMITED

**16th Annual Report
2008 - 09**





RUBFILA
INTERNATIONAL LIMITED

SIXTEENTH ANNUAL REPORT 2008- 09
CORPORATE INFORMATION

BOARD OF DIRECTORS

BHARAT J PATEL

Chairman

THOMAS CALTON THOMPSON III

Director

BHARAT DATTANI

Director

SHANKAR T KIRPALANI

Director

M. JAYABALAN

Director

SAMIR K SHAH

Director

VIJAY LACHMANDAS

Director

DHIREN S SHAH

Addl. Director

PATRICK M. DAVENPORT

Addl. Director

G. KRISHNA KUMAR

Managing Director

COMPANY SECRETARY

N.N. PARAMESWARAN

Chief Finance Officer & Company Secretary

BANKERS

ICICI Bank Ltd.

Punjab National Bank

The Catholic Syrian Bank Ltd.

AUDITORS

M/s. Mohan & Mohan Associates

Chartered Accountants

A-2, Jawahar Nagar,

Trivandrum – 695 041.

REGISTERED OFFICE & FACTORY

New Industrial Development Area

Kanjikode, Palakkad, Kerala – 678 621.

Company proposes to arrange vehicles to bring the shareholders from Palakkad to the venue of the AGM.
The vehicles will be stationed at Palakkad Fort Maidan (Opp. to the main entrance to the Fort)
between 9.30 a.m to 10.30 a.m



NOTICE OF THE SIXTEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixteenth Annual General Meeting of M/s.Rubfila International Ltd; Palakkad, Kerala – 678 621 will be held on 23rd day of September 2009 at Pudukkottai Panchayat Kalyana Mandapam, Chedayankalai, West Kanjikode - 678 623 at 11.30 a.m to transact the following business :

AS ORDINARY BUSINESS

1. To receive and adopt the Director's Report and the Audited Accounts as at 31st March, 2009 along with Auditor's Report.
2. To appoint a Director in place of Mr.M.Jayabalan, Director who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr.Shankar T. Kirpalani, Director who retires by rotation and is eligible for re-appointment.
4. To appoint the Auditors of the Company for the year 2009 – 10 and to fix their remuneration.

AS SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII, as amended, of the Companies Act, 1956 and other applicable provisions, if any, of the said Act and subject to the approval by the Central Government, the approval of the company be and is hereby accorded to the appointment of Mr.G.Krishna Kumar as Managing Director of the Company from 1st November, 2008 to 31st October 2011 on the terms and conditions as set out in the Explanatory Statement.”

“FURTHER RESOLVED THAT in the event of any loss or inadequacy of profits in any

financial year of the Company during the tenure of Mr.G.Krishna Kumar, the remuneration, perquisites and other allowances shall be governed by the limits prescribed in Section II of Part II of Schedule XIII to the Act.”

“FURTHER RESOLVED THAT the Board / Remuneration Committee of Directors of the Company be and is hereby authorized to take such steps expedient to give effect to this resolution.”

By order of the Board of Directors

N.N.PARAMESWARAN

Chief Finance Officer & Company Secretary

Kozhikkode
31.07.2009

NOTES :

- a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The Proxy Form if intended to be used should reach the Registered Office of the Company duly completed not less than forty-eight hours before the scheduled time of meeting.
- b. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Secretarial Department so as to reach the Company on or before 16/09/2009 specifying the points requiring clarification from the Chairman.
- c. Since the Company is yet to declare any dividend, disclosure regarding status of unclaimed dividends under Section 205(A) of the Companies Act, 1956 does not arise.
- d. The Register of Members and the Share Transfer Books of the Company will be closed from 18th day of September 2009 to the 23rd day of September,2009.



DETAILS OF DIRECTOR RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT
(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	:	M. Jayabalan	Mr. Shankar T. Kirpalani
Date of Birth	:	17/09/1955	27/03/1949
Date of Appointment	:	05/03/1993	28/01/2007
Qualification	:	Chartered Secretary	Chartered Accountant
Expertise in specific functional area	:	Marketing	Finance
Details of other Directorships.	:	Nil	-

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM 5

The Board of Directors had appointed Mr.G.Krishna Kumar as the Managing Director of the Company with effect from 01/11/2008 to 31/10/2011 on the terms and conditions as follows :-

a) Basic Salary	:	Rs.55000.00
b) Fixed DA	:	Rs. 3085.00
c) Variable DA	:	Rs. 780.00
d) House Rent Allowance	:	Rs. 8000.00
e) Other Perquisites/allowances	:	Rs. 33135.00

In addition to the salary, the Managing Director shall also be entitled to perquisites namely Club Fees, Personal Accident Insurance, Telephone at residence.

Managing Director is entitled to Company's contribution to Provident Fund, Superannuation Fund, to the extent these singly or together are not taxable under the Income Tax Act. Gratuity payable as per the rules of the Company and encashment of leave at the end of tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

Managing Director shall be eligible for an annual increment of Rs. 5,000/-

In view of the default in payment of term loans to Banks, the company has moved an application to the Central Government for its approval under Clause A, Section II, Part II of Schedule XIII to pay the above remuneration

Minimum Remuneration :

The above appointee shall be paid the same

remuneration as stated above minimum remuneration, in the event of inadequacy of profit subject to the ceiling of minimum remuneration as stated in Part II, Section II of Schedule XIII of the Companies Act, 1956, with such modification as may be made therein from time to time being in force.

Furthermore, approval of the members in General meeting is required to be obtained for payment of minimum remuneration, by way of salary and perquisites and allowances as specified above in the event of absence or inadequacy of profit in any financial year during the tenure of Mr.G.Krishna Kumar as the Managing Director of the Company

The terms and conditions of the appointment of Mr.G.Krishna Kumar as set out in the resolution may be treated as an abstract in terms of Section 302 of the Companies Act, 1956.



Information required to be disclosed in terms of Notification No.G.S.R.36(E) dated, 16.01.2002 of Schedule XIII to the Companies Act, 1956.

I. GENERAL INFORMATION

i) Nature of Industry
 Rubber Industry – The Company is mainly engaged in manufacturing of Heat Resistant Latex Thread (HRLRT) for catering to the needs of Textile Industry. Company's products are classified into Talc Coated Rubber Thread, Silicon Coated Rubber Thread in

various counts and colour.

ii) Date or Expected date of Commencement of Commercial Production:

The Commercial Production of Talc Coated Rubber Thread production line has commenced during March 1995 and that of Silicon Coated Rubber Thread production line has commenced during March, 2000.

iii) In case of new companies, expected date of commencement of activities as per Project approved by financial institutions appearing in the prospectus:

Not applicable.

iv) Financial Performance :

Particulars	04 - 05	05 - 06	06 - 07	07 - 08	08 - 09
Sales	2342.07	2855.64	3165.19	2464.55	3735.86
Other Income	61.63	70.97	60.61	76.60	81.30
Operating Profit	(3.43)	26.48	186.30	152.80	366.45
Interest	136.61	150.86	335.35	560.16	631.28
PBDT	(140.04)	(124.38)	(149.05)	(407.36)	(264.83)
Profit before Tax	(476.27)	(441.78)	(461.33)	(1533.87)	(943.50)
Profit after Tax	(476.27)	(441.78)	(461.33)	(1533.87)	(943.50)
Amount of Equity Dividend paid	Nil	Nil	Nil	Nil	Nil
Rate of Dividend declared	N.A	N.A	N.A	N.A	N.A

The effective capital of the Company based on the Audited Accounts for the year ended 31.03.2009 is Rs 1714.34 lacs

Other than debts due to the Banks, the Company has not made any default in the repayments of its due (including Public Deposits) or interest payments thereon. The Company has not issued any debentures.

v) Export performance and net foreign exchange contributions :

Financial Year	Export Turnover (Rs. in Lacs)
2004 - 2005	673.36
2005 - 2006	777.78
2006 - 2007	1142.87
2007 - 2008	504.56
2008 - 2009	201.10



The Company does not have any foreign exchange collaboration.

vi) Foreign Investments or Collaboration, if any.

M/s.Rubpro Sdn. Bhd., Malaysia holds 14.8% of shares in the Company.

II. INFORMATION ABOUT THE APPOINTEE

Mr.G.Krishna Kumar:

Vide item No.8 of the Notice of this Annual

General Meeting of the Company, the approval of members is being sought for the appointment and fixing the remuneration payable to Mr.G.Krishna Kumar, Managing Director effective from 01.11.2008. Mr.G.Krishna Kumar, aged 45 years, is a Mechanical Engineer by profession and a Post Graduate in Business Administration. He has a career spanning of more than 23 years with vast experience in the area of operation, project and management. Company's entire operations are being managed by Mr.G.Krishna Kumar.

During the Financial Year 2008 – 2009, Mr.G.Krishna Kumar was paid the following remuneration :-

Salary	Commission	Perquisites	PF/Gratuity/ Superannuation	(Rs. In lacs) Total
5.55	Nil	3.57	0.72	9.84

Pecuniary relationship :-

The company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the Company. Further, all transactions with the Related Parties were in the ordinary course of business and at arms length.

III) OTHER INFORMATION

1. The reason of Loss or inadequacy of profits :

The reason for Loss as stated in detail in the Director's Report, inter alia, include non availability of working capital, lower capacity utilization, steep hike in raw material latex, high fuel cost etc.

2. Steps taken or proposed to be taken for improvement :

None of the Directors, other than Mr.G.Krishna Kumar is interested in this resolution.

The Board recommends the Resolution for approval.

Kozhikkode
31.07.2009

The steps taken include cost reduction on all operational front, technology up-gradation, modernisation, product and market development. The strategic marketing, cost control measures and debt restructuring will result in maintaining the bottom line and it is hoped that the company will turn around the situation once the working capital facilities are provided by the banks and the company operates with its optimum capacity.

3. Expected increase in productivity and profits in measurable terms :

The Company is continuously improving its operational efficiency, productivity and cost which alone can improve the bottom line in future in a highly competitive environment.

By order of the Board of Directors
N.N.PARAMESWARAN
Chief Finance Officer & Company Secretary



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Sixteenth Annual Report of the operations of the Company and the Audited Financial Accounts of the Company for the Financial Year ended 31st March, 2009.

FINANCIAL RESULTS :

Particulars	31.03.09	31.03.08
Net Sales / Income from Operations	3735.87	2464.55
Other Income	81.30	76.60
Total Expenditure (Excluding Interest, Depreciation and Preliminary Expenses)	3450.71	2392.45
Interest	631.28	560.16
Depreciation	273.35	273.30
Preliminary & Deferred Revenue Expenditure	6.03	27.24
Prior Period Expenses (Net)	399.29	821.87
Profit before Tax	(943.50)	(1533.87)

PERFORMANCE:

Particulars	31.03.09	31.03.08
Domestic Sales	3534.76	1959.99
Export Sales	201.10	504.56
Operating Profit/Loss	366.45	152.80

During the year under review, the company could achieve a turnover of Rs. 3735.86 lacs comprising of Rs.3534.76 lacs from the Domestic Sales and Rs. 201.10 lacs from the Exports.

Status of BIFR proceedings :

Based on the Balance Sheet as on 31st March 2007, the Company filed Form A with BIFR for registration as a Sick Company and the Company was registered as Case No. 53/2007 dated 10/8/2007 and vide order dated 16th September 2008.

declared the Company as a Sick Company. BIFR had directed the Company to submit a fully tied up Draft Rehabilitation Scheme after conducting a Joint Meeting with all Secured Creditors.

DIVIDEND

In view of the loss during the year, your Board regrets that the Company is not in a position to pay dividend.

AUDIT COMMITTEE

The Audit Committee had continued its deliberations during the year under review. The accounts for each quarter were reviewed by Audit committee before placing before the Board. The observations of Internal and Statutory Auditors were also discussed during the review meetings.

CORPORATE GOVERNANCE

The management discussion and analysis report and the compliance of recommendations on corporate governance are annexed to this report.

DIRECTORS

Mr. M Jayabalan and Mr. Shanker T Kirpalani, Directors retire by rotation and being eligible offer themselves for reappointment.

Mr. Bharat J Patel was appointed as Chairman of the Board in place of Mr. M Jayabalan.

Mr. Dhiren S Shah and Mr. Patrick M Davenport were co-opted to the Board at the Board meeting held on 28th January, 2009 and 28th June 2009 respectively.

Mr. G.Krishna Kumar was appointed as Managing Director of the Company with effect from 1st November, 2008 for a period of 3 years. .

AUDITORS

M/s.Mohan & Mohan Associates, the auditors of the company hold office until the conclusion of the ensuing Annual General Meeting.



INDUSTRIAL RELATIONS

The Industrial Relations climate continues to remain harmonious and congenial. The Management and the Trade Unions entered into a wage settlement agreement for a period of 3 years till 31/3/2011. Your Directors wish to record their sincere appreciation of the efforts made and the support rendered by the employees at all levels.

STATUTORY DISCLOSURES

DIRECTORS RESPONSIBILITY STATEMENT UNDER SECTION 217(2)(AA) OF THE COMPANIES (AMENDMENT ACT 2000)

The Board of Directors Report –

- 1) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- 2) that the Directors have selected such accounting policies and applies them consistently and made judgements 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 or loss of the company for that period.
- 3) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies act, 1956 for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.
- 4) the Directors have prepared the annual accounts on a going concern basis.

GROUP COMPANIES

As per SEBI (Substantial Acquisition of Shares and Takeover) Regulation – 1997 as amended by SEBI (Substantial Acquisition of Shares and Takeovers) (Second Amendment) Regulations, 2002, the following are the Group Companies falling within the regulations 3 (1) (e) (i) :-

- a) Rubpro Sdn. Bhd.; Malaysia

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo in terms of requirements of section 217 (1) (e) of the Companies Act, 1956 are set out in the Annexure in the prescribed form forming part of this report.

INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1973.

Your Company does not have any employee in respect of whom information under Section 217 (2A) of the Companies Act, 1956 as amended, is required to be annexed.

FIXED DEPOSIT

The Company has neither accepted nor renewed any deposits during the period under review and has no overdue or unclaimed deposits of any kind.

APPRECIATION

Your Directors acknowledge with gratitude the co-operation and assistance given by M/s. Rubpro Sdn. Bhd., Malaysia, Kerala State Industrial Development Corporation Ltd, M/s. Integrated Enterprises India Ltd, The ICICI Bank Ltd, Punjab National Bank, The Catholic Syrian Bank Ltd and other agencies of the Central and State government. Your Directors also wish to place on record sincere appreciation to the devoted and dedicated services rendered by all the employees at all levels towards your company's success during the year under review and shareholders for their active support and co-operation

For and on behalf of Board of Directors

Bharat J Patel
Chairman

ANNEXURE TO DIRECTOR'S REPORT
01. INFORMATION UNDER SECTION 217 (E) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES DISCLOSURE OF PARTICULARS RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE PERIOD ENDED 31.03.2009.
A. CONSERVATION OF ENERGY

- a) During the year the following Energy Conservation measures were undertaken.
- i) Jacketed portion of Activation Tanks, Inactivation Tanks and Maturisation Tanks cleaned and modified piping given to achieve effective cooling and thereby minimising power consumption.
- b) Additional investment and proposal if any : Nil
- c) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production:

Energy conservation measures undertaken in the factory have started yielding results in reduction per unit consumption of energy and as a result, there is reduction in the cost of production.

B. TECHNOLOGY ABSORPTION

FORM – B (SEE RULE 2)

Form of Disclosure of Particulars with respect to Technology Absorption

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 : Nil
- 3) Future plan of action : Nil

- 4) Expenditure on Research and Development
- a) Capital : Nil
- b) Recurring : Nil
- c) Total : Nil
- d) Total Research & Development charged to Expenditure as a percentage of total turnover : Nil

Technology - Absorption, Adaptation & Innovation

1. Efforts in brief made towards technology Absorption, adaptation and innovation: Nil
2. Benefits derived as a result of the above efforts, product improvement, cost reduction, product development, import substitution, etc: Nil
3. In case of imported technology (imported During the last 5 years reckoned from the beginning of the financial year) the information may be furnished: N.A

C) FOREIGN EXCHANGE EARNINGS & OUT GO

	(Rs.in lacs)
1) FOREIGN EXCHANGE EARNINGS	
a) Export of HRLRT	201.10
2) FOREIGN EXCHANGE OUT GO	
a) Capital Goods	6.30
b) Raw materials	2.61
c) Stores and Spares	1.66
d) Foreign Travels	0.57
e) Commission	0.96
f) Testing	1.17
g) Advance Returned	0.80

Kozhikkode
31/07/09

For and on behalf of Board of Directors

Bharat J. Patel
Chairman



CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Corporate Governance

The Board of Directors and Management of Rubfila International Ltd commit themselves to practice good Corporate Governance and strive towards enhancement of shareholder value through sound business decisions, prudent financial management and high standards of ethics throughout the organization.

2. Board of Directors

The Board of Directors consists of 10 Directors.

Composition and category of Directors is as follows :-

Non-Executive Chairman	Mr.Bharat J Patel
Non-Promoter Executive Director	Mr.G.Krishna Kumar
Promoter / Non-Executive Directors	Mr.Thomas Calton Thompson III Mr.Bharat Dattani Mr.M.Jayabalan Mr.Dhiren S Shah
Non-Executive Independent Directors	Mr.Vijay Lachmandas Mr.Shankar T Kirpalani Mr.Samir K Shah Mr.Patrik M. Davenport

Attendance of Directors at Board Meeting during the period 01.04.2008 to 31.03.2009 and last Annual General Meeting.

Name of Director	No. of Board Meetings	Attended	Last AGM Attended	Sitting Fee
Mr.M.Jayabalan	4	3	No	Nil
Mr.G.Krishna Kumar	4	4	Yes	Nil
Mr.Tommy Thompson	4	Nil	No	Nil
Mr.Bharat J Patel	4	4	No.	Nil
Mr.Bharat Dattani	4	4	No.	Nil
Mr. Vijay Lachmandas	4	Nil	No.	Nil
Mr.Shankar T Kirpalani	4	3	No.	Nil
Mr.Samir K Shah	4	3	No.	Nil
Mr.Dhiren Shah	1	1	N.A	Nil
Mr.Patrik M Davenport	0	Nil	N.A	Nil

Mr.Dhiren Shah and Mr.Patrk M. Davenport were appointed as the Directors on 28/01/2009 and 25/06/2009 respectively.

Four Board Meetings were held during the year. The dates on which the meetings were held are 23/05/08, 23/07/08, 20/10/09 and 28/01/09.

3. Audit Committee

Audit Committee is comprising of three Independent Directors namely Mr.Shanker T. Kirpalani, Chairman, Mr.Samir K Shah and Mr.Patrick M. Davenport and one Non-Executive Promoter Director, namely, Mr.Dhiren Shah. All the members of the Audit Committee possess financial / accounting expertise. The constitution of the Audit Committee meets with the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. Audit Committee continued its deliberations during the year under review.



The Audit Committee shall oversee financial reporting process and disclosures, Review annual financial statements, Management discussion and analysis of financial condition and results of operation, review adequacy of internal audit function, review of Internal Audit Report relating to internal control weakness, related party transactions, review financial and risk management policies to look into the reasons for substantial defaults in the payment to depositors, debenture / shareholders and creditors etc., oversee compliance with Stock Exchange and legal requirements concerning financial statements, review auditors qualifications, compliance with Accounting Standards, recommending the appointment and renewal of external Auditors , fixation of Audit Fee and also approval for payment for any other services, etc.

4. Remuneration Committee

The newly constituted Remuneration Committee of the Board of Directors comprises of three Independent Non-Executive Directors namely; Mr.Shanker T. Kirpalani, Chairman, Mr.Samir K Shah and Mr.Patrick M. Davenport.

The Remuneration Committee has to recommend / review the remuneration package of the Managing Director. The remuneration policy is in consonance with the existing industry practice and also with the provisions of Companies Act.

The earlier Committee met on 28/01/09 to approved the remuneration payable to Mr.G. Krishna Kumar, Managing Director for a period of three years from 01/11/2008 to 31/10/2011.

The aggregate of salary and perquisites paid for the year ended on 31.03.09 to the Managing Director is as follows :

Mr.G.Krishna Kumar : Rs. 9.84 lacs

5. Shareholder's / Investors' Grievance Committee

The Board has constituted Shareholders / Investors Grievance Committee comprising of Mr.Shanker T. Kirpalani, Chairman, Mr.Samir K Shah, Mr.Dhiren Shah.

The Shareholders' Grievance Committee shall ensure proper controls at Registrar and Share Transfer Agent; Look into the redressing of the shareholders complaints and queries; Review movement in shareholdings and ownership structure. A Share Transfer Committee headed by the Managing Director approves the share transfers / transmissions on a fortnightly basis and the same is reported to the Committee and Board on a quarterly basis.

In pursuance of Clause 47 (f) of the Listing Agreement, the Company has displayed e-mail ID investorgrievance@rubfila.com in the website for the purpose of registering complaints by investors.

6) General Body Meetings

Location and time for the last three Annual General Meetings

Year	AGM/EGM	Location	Date	Time	No. of Special Resolutions
2005 – 06	AGM	Regd Office	29.09.2006	10.30 a.m	Nil
2006 – 07	AGM	Regd Office	24.08.2007	11.30 a.m	Nil
2007 – 08	AGM	Panchayat Kalyana Mandapam, Pudusserry	30.09.2008	11.30 a.m	Nil

No special resolution were put through postal ballot last year and none is proposed for this year.



7. Disclosures

There are no materially significant transactions with related parties viz. Promoters, Directors or their management, their subsidiaries or relatives conflicting with company's interest except those disclosed in the notes forming part of the accounts.

8. Means of Communication

The company is publishing quarterly un-audited financial results and notice advertisements in The Hindu-Business Line and Kerala Kaumudi (vernacular language) regularly. A Management Discussion and Analysis Report form part of the Annual Report.

9. Code of Business Conduct and Ethics for Board Members and Senior Management Personnel.

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available at www.rubfila.com. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

A declaration signed by the Managing Director is given below :

"This is to certify that as per Clause 49 of the Listing Agreement, the Code of Conduct has been laid down for all the Board Members and Senior Management of the Company. The Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the financial year 2008 – 09".

Place : Palakkad
Date : 30.07.2009

Sd/-
G.Krishna Kumar
Managing Director

10. General Shareholder information

i. AGM Date, Time and Venue : 23/09/2009, 11.30 a.m at Pudussery Panchayat Kalyana Mandapam, West Kanjikode - 678 623.

ii. Financial Calendar 2009 – 10

a) Results for the Quarter ended 30.06.09 : Before 31.07.09
b) Results for the Quarter ended 30.09.09 : Before 31.10.09
c) Results for the Quarter ended 31.12.09 : Before 31.01.10
d) Results for the Quarter ended 31.03.10 : Before 30.06.10

iii. Book Closure Date : 18.09.2009 to 23.09.2009 (Both Days Inclusive)

iv. Listing on Stock Exchanges : Mumbai Stock Exchange.
Listing Fees for the year 2009 – 10 have been paid to the Stock Exchange.

v) Stock market data :

Month	Month's High Price	Months Low Price
April 2008	3.55	2.67
May 2008	3.65	2.78



Month	Month's High Price	Months Low Price
June 2008	3.54	2.27
July 2008	3.30	2.26
August 2008	3.90	2.71
September 2008	3.40	2.13
October 2008	2.74	1.51
November 2008	2.54	1.48
December 2008	2.70	1.52
January 2009	2.54	1.64
February 2009	2.22	1.55
March 2009	1.85	1.36

vi. Share Transfer System :

Presently, the share transfers which are received in physical form are processed and the share certificates returned within a period of 21 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's Securities to the Share Transfer Committee of the Board of Directors, constituted for this purpose. A summary of transfer / transmission of the Securities Company so approved by the Share Transfer Committee is placed at every Board Meeting. The Company obtains from a Company Secretary in Practice half yearly Certificate of Compliance with the Share Transfer formalities as required under Clause 47 (C) of the Listing Agreement with Stock Exchange, within the prescribed time limit. As regards shares held in Electronic form, the credit being given as per guidelines / by-laws issued by SEBI / NSDL / CDSL.

vii. Shareholding Patters as on 31.03.2009 :

Category	No. of Shared held	% of Share holding
Promoters	12728794	40.17
Mutual Funds and UTI	91800	0.29
Banks & Financial Institutions	57332	0.18
Private Corporate Bodies	1280736	4.04
Public Individual	17525045	55.32
Total	31683707	100.00

viii. Distribution on Shareholding as on 31.03.2009

No. of Shares held	No. of Shareholders	% of Shareholder	No. of Shares	%of Shareholding
1 – 500	44256	93.12	6504306	20.52
501 – 1000	1833	3.85	1552825	4.90
1001 – 2000	700	1.47	1101053	3.47
2001 – 3000	247	0.51	640071	2.02
3001 – 4000	109	0.22	394176	1.24
4001 – 5000	100	0.21	477898	1.50
5001 – 10000	126	0.26	890302	2.81
10001 and above	154	0.32	20123076	63.51
Total		100.00	31683707	100.00



ix. Dematerialisation of Shares

The shares of the Company are compulsorily traded in DEMAT form by all categories of investors. The Company has arrangements with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of our shares for scripless trading. The ISIN allotted for the shares of the Company is INE642C01017. As on 31.03.2009 71.55 % shares of the company were held in Dematerialised form.

x. Registrar / Transfer Agents / Depository Registrars :

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

M/s.Integrated Enterprises (I) 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 : yesbalu@iepindia.com

xi. Any query on Annual Report

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

The above report was adopted by the Board of Directors at their meeting held on 31.07.09

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT (S)

To the Members of RUBFILA INTERNATIONAL LTD

1. We have reviewed the implementation of Corporate Governance by Rubfila International Ltd (the Company) during the period ended 31/03/2009, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions on Corporate Governance is the responsibility of the Management . Our examination was limited to review of procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.
4. We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company shareholders / investors grievance committee,
5. On the basis of our review and according to the informations and explanations provided to us, the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement (s) with the Stock Exchanges have been complied with in all material respect by the Company.

Thiruvananthapuram
28/07/2009

For MOHAN & MOHAN ASSOCIATES
Chartered Accountants
R.SURESH MOHAN
Partner



MANAGEMENT DISCUSSION AND ANALYSIS OF OPERATION

A) INDUSTRY STRUCTURE AND DEVELOPMENT

The world market for Heat Resistant Rubber Thread is not badly affected as its application touches the day-to-day use by people. The production bases are being shifted from Western countries to Asian countries.

International Market scenario:

Global Rubber Thread market is about 1.20 lacs Tonnes. Major suppliers are located in Malaysia, Thailand, India and Indonesia. The growth rate is expected to increase further as the concept of eco-friendly products is picking up in third world countries too. The prices of major raw material, Rubber are still undergoing wide fluctuations during the year under review. However, the company has been able to pass on this proportionately to the finished product.

Domestic Market Scenario :

Domestic market is growing close to two digit levels due to the shift in procurement by the global brands to India. Rubfila continued to maintain the leadership in market. Rubfila's products command a good premium in the market for its good quality and brand image. Rubfila has the advantage of meeting the delivery commitments with very short lead time to its domestic customers.

B) OPPORTUNITIES AND THREATS

Strength of the Company are:-

1. Leader in the Domestic Market with Brand Image for quality products
2. Only manufacturer manufacturing Silicone Coated Rubber thread in India
3. Practices good Quality Management Systems.
4. Products meeting Oeko-Tex Standard 100
5. Successful development of wide variety of premium niche products
6. Short lead time for domestic customers.
7. Highly qualified and motivated employees and good employee relations

The major threats being faced by the company are:-

1. Higher credit terms offered by other international suppliers.
2. Low quality but cheap imports

C) OUT LOOK

The Company continues to be a significant player in the Rubber Thread Market and is continuously innovating new value added products. The Company is striving for reduction of wastage and improvement of profitability through the implementation of ISO 14001 Environmental Management Systems. There are indications that the global recession will abate towards the end of current year and the demand will revive, which will help the Indian industries to regain its momentum.

D) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

E) FINANCIAL AND OPERATIONAL PERFORMANCE

Please refer Board Report on performance review.

F) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Industrial relations continue to be cordial and satisfactory and the management is proud to state that the company has not lost a single man-hour since inception due to industrial disputes. The Management and Trade Unions have entered into a wage settlement agreement for a period 3 years till 31st March, 2011.

As on 31st March, the Company has 117 employees.

Risks and concerns

Many factors including unforeseen development may affect the actual results which could be different from what the Directors envisaged at this point of time in terms of future performance and outlook.



AUDITORS' REPORT

To,

The Share Holders,
Rubfila International Limited
Palakkad

1. We have audited the attached Balance Sheet of RUBFILA INTERNATIONAL LIMITED as at 31st March 2009 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles applied and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, as amended, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :-
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts and comply with the Accounting standards referred to in sub section (3C) of section 211 of the Companies Act to the extent applicable.
 - (iv) On the basis of the written representations received from the Directors of the Company as on 31st March 2009 and taken on record by the Board of Directors we report that none of the Directors are disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act 1956 on the said date.
 - (v) Some of the balances of creditors, debtors, advance and deposits are subject to confirmation, including the amounts due to the Promoter and Collaborator Company towards Royalty and External Commercial Borrowing availed from them.

Subject to the above, In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with the significant accounting policies and notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March 2009.
- (b) In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.
- (c) In case of Cash Flow statement, of the cash flows for the year ended on that date.

Thiruvananthapuram
28/07/2009

For MOHAN & MOHAN ASSOCIATES
Chartered Accountants
R.SURESH MOHAN
Partner
Mem No. 13398



ANNEXURE TO THE AUDITORS' REPORT TO THE SHARE HOLDERS OF RUBFILA INTERNATIONAL LIMITED, ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2009. (Referred to in paragraph 3 of our Report of even date)

- 1 The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. According to the information given to us, these fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification, certain minor discrepancies which were noticed have been properly dealt with in the books of account.
- 2 According to the information given to us, we are of the opinion that the Company has not disposed off fixed assets during the year, which constitutes a major part of the plant and machinery or other fixed assets and thus such disposal has not affected the going concern concept of the Company.
- 3 (a) According to the information given to us, the inventory has been physically verified by the management during the year and the procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
(b) In our opinion, the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification, certain minor discrepancies noticed during physical verification have been properly dealt with in the books of account.
4. According to the information and explanations given to us, the company has not granted secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 301 of the Act.
5. The company has taken unsecured loans from M/s Rubfil Sdn Bhd, Malaysia(Now transferred to Rubpro Sdn Bhd), a Company covered in the register maintained under section 301 of the Act as per details given below. The rate of interest and other terms and conditions of the loans taken by the company, are prima facie not prejudicial to the interest of the company and the payment of the principal amount and interest are also regular as per the terms of agreement with the lender. There is no overdue amount.

The company has also taken an unsecured loan of Rs. 25 Lacs from a company in which one of the Director is interested, no terms and conditions have been fixed for this loan.

Number of Parties	Amount involved in the transaction
Two	Rs. 206.96 Lacs

6. We are of the opinion that there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the year we have not observed any continuing failure to correct major weaknesses in internal control.
7. According to the information and explanations given to us, transactions that need to be entered into the register in pursuance of section 301 of the Act have been correctly entered and each of these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
8. According to the information and explanations given to us, the Company has NOT accepted deposits from the public.
9. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
10. Maintenance of cost records has NOT been prescribed for the Company
11. The company has been regular in depositing undisputed statutory dues in respect of Provident Fund, Employees' State Insurance, and TDS dues with the appropriate authorities. According to the information and explanations given to us there are no outstanding statutory dues as at the last day of the financial year concerned for a period exceeding six months from the date they became payable.



12. The Company has no dues of sales tax/income tax/custom duty/wealth tax/excise duty/cess, which have not been deposited on account of any dispute with the Department concerned except the following:-
- | | |
|---------------------|--|
| Central Excise Duty | : Rs. 10.17 Lacs appeal filed before Tribunal , Bangalore. |
| Central Excise Duty | : Rs. 1.70 Lacs appeal filed before Commissioner of Central Excise, Palakkad |
| Service Tax | : Rs. 0.50 Lacs appeal pending with Tribunal, Bangalore |
| ESI | : Rs. 3.50 Lacs appeal filed with Regional Director, ESIC |

13. Accumulated losses at the financial year ending 31.03.2009 is more than 100% of the net worth of the Company and it has incurred cash losses in this financial year and also in the financial year immediately preceding.

14. According to the information and explanations given to us, company has defaulted in repayment of dues in the following cases:-

<u>Name of Bank</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Amount (Rs. In Lacs)</u>
ICICI Bank	452.95	592.42	1045.37
Punjab National Bank	970.88	1345.88	2316.82
Catholic Syrian Bank	413.06	515.55	928.59

15. According to the information and explanations given to us, The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
16. Provisions of any special statute applicable to chit fund/nidhi/mutual benefit funds/societies are not applicable to the Company.
17. In our opinion and according to the explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
18. According to the information given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
19. According to the information given to us no term loan was availed by the company during the year.
20. According to the information given to us, and on the basis of an overall examination of the balance sheet of the company, we are of the opinion that the Company has not raised any funds on short-term basis for long-term investment. No long-term funds have been used to finance short-term assets, except for permanent working capital.
21. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
22. The Company has not issued any debenture during the year.
23. The Company has not raised any funds through public issue during the year.
24. According to the information given to us, no fraud on or by the company has been noticed or reported during the year.

Thiruvananthapuram
28/07/2009

For MOHAN & MOHAN ASSOCIATES
Chartered Accountants
R.SURESH MOHAN
Partner
Mem No. 13398



BALANCE SHEET AS AT 31ST MARCH 2009

Particulars	SCH	As at 31.03.2009 Rs. (in Lacs)	As at 31.03.2008 Rs. (in Lacs)
SOURCES OF FUNDS			
1.Share Holder's Funds :			
a)Share Capital	1	3,168.37	3,168.37
2.Loan Funds :			
a) Secured Loans	2	4,290.79	3,684.50
b) Unsecured Loans	3	407.66	339.87
TOTAL		7,866.82	7,192.74
APPLICATION OF FUNDS :			
1.Fixed Assets :			
a) Gross Block	4	5,385.52	5,396.16
b) Less: Depreciation		2,911.22	2,653.65
c) Net Block		2,474.29	2,742.51
		-	-
3.Current Assets, Loans and Advances :			
a) Inventories	5	111.31	64.55
b) Sundry Debtors	6	345.27	147.93
c) Cash and Bank Balances	7	152.48	54.38
d) Other Current Assets	8	4.31	1.00
e) Loans and Advances	9	137.61	86.34
		750.98	354.20
Less: Current Liabilities and Provisions			
a) Current Liabilities	10	1,103.27	711.33
		1,103.27	711.33
Net Current Assets		(352.29)	(357.13)
4.Miscellaneous Expenditure			
- Profit and Loss Account	11	12.06	18.09
		5,732.75	4,789.26
TOTAL		7,866.82	7,192.74

For and on behalf of the Board of Directors
For Rubfila International Limited

As per our report of even date attached
For Mohan & Mohan Associates
Chartered Accountants

Bharat J Patel **G.Krishna Kumar**
Chairman Managing Director

N.N.Parameswaran
Chief Finance Officer &
Company Secretary

R.Suresh Mohan
Partner

Place : Mumbai
Date : 25/06/2009

Place : Thiruvananthapuram
Date : 28/07/2009



PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2009

Particulars	Schedule	Period Ended 31.03.2009 Rs. (In Lacs)	Period Ended 31.03.2008 Rs. (In Lacs)
INCOME			
Sales	12	3,735.87	2,464.55
Other Income	13	81.30	76.60
Total		3,817.17	2,541.15
EXPENDITURE			
Variation in Finished Stock	14	(14.25)	29.72
Consumption of Raw-materials and Consumables	15	2,796.19	1,782.57
Manufacturing Expenses	16	435.77	322.33
Administrative Expenses	17	185.70	197.99
Marketing Expenses	18	8.52	38.24
Interest and Financial Charges	19	670.06	577.68
Depreciation	4	273.35	273.30
Preliminary / Defferred Revenue Expenditure	20	6.03	27.24
Prior Period Expenses	21	7.56	821.87
Prov. For Contingent Liabilities	22	391.73	4.10
Total		4,760.67	4,075.02
Net Profit / (Loss)		(943.50)	(1,533.87)
Balance Brought forward from last year		(4,789.26)	(3,255.39)
Balance Carried to Balance Sheet		(5,732.75)	(4,789.26)
Earnings Per Share		(2.98)	(4.84)
Notes attached to and forming part of accounts	23		

For and on behalf of the Board of Directors
For Rubfila International Limited

As per our report of even date attached
For Mohan & Mohan Associates
Chartered Accountants

Bharat J Patel **G.Krishna Kumar**
Chairman Managing Director

N.N.Parameswaran
Chief Finance Officer &
Company Secretary

R.Suresh Mohan
Partner

Place : Mumbai
Date : 25/06/2009

Place : Thiruvananthapuram
Date : 28/07/2009



SCHEDULE FORMING PART OF BALANCE SHEET

Particulars	31.03.2009 Rs. (in Lacs)	31.03.2008 Rs. (in Lacs)
SCHEDULE 1 SHARE CAPITAL		
Authorised : 3,50,00,000 Equity Shares of Rs.10/= each	3,500.00	3,500.00
Issued, Subscribed & Paid up : 3,16,83,707 Equity Shares of Rs.10/= each, fully paid up	3,168.37	3,168.37
SCHEDULE 2 SECURED LOANS		
1)Loans & Advances from Banks		
ICICI Bank Ltd., Coimbatore	528.17	528.17
Less Amount Paid Back	75.22	50.22
Principal Outstanding	452.95	477.95
Add : Interest Accrued and due	592.42	435.12
Sub Total	1,045.37	913.07
Punjab National Bank	1,198.47	1,198.47
Less Amount Paid Back	227.47	227.47
Principal Outstanding	970.94	970.94
Add : Interest Accrued and due	1,345.89	1,005.42
Sub Total	2,316.83	1,976.36
The Catholic Syrian Bank, Palakkad	483.24	483.24
Less Amount Paid Back	70.20	70.20
Principal Outstanding	413.04	413.04
Interest Accrued and due on Term Loan	515.55	382.03
Sub Total	928.59	795.07
(The above amounts are secured by first charge by mortgage of 4.7373 hectars of land by deposit of title deed and also secured by way of first charge by hypothecation of all movable properties both present and future including machinery, machinery spares, tools etc, and also by way of first charge by hypothecation of all current assets both present and future)		
TOTAL	4,290.79	3,684.50
SCHEDULE 3 UNSECURED LOAN		
From Promoters (ECB Loan) - RUBPRO SDN BHD	181.96	139.17
Loan from Promoters	225.70	200.70
TOTAL	407.66	339.86
SCHEDULE 5 INVENTORIES		
(As Certified by Management)		
Stores and Spares	17.81	16.42
Rawmaterials	61.05	31.39
Packing Materials	4.19	2.62
Furnace Oil	4.22	4.70
Diesel	0.78	0.41
Finished Goods	23.26	9.01
TOTAL	111.31	64.55

**RUBFILA INTERNATIONAL LIMITED, KANJIKODE, PALAKKAD
SCHEDULE - 4 FIXED ASSETS AS ON 31.03.2009**



Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	OPENING 01.04.2008	ADDITIONS/ ADJUSTMENTS	CLOSING 31.03.2009	OPENING 01.04.2008	FOR THE PERIOD	CLOSING BALANCE	CLOSING OPENING	CLOSING	OPENING
	OR THE PERIOD/			OR THE PERIOD/	ADJUSTMENTS				
LAND	7.30	-	7.30	-	-	-	7.30	7.30	7.30
BUILDING	408.99	-	408.99	91.28	12.68	12.68	305.03	305.03	317.71
PLANT AND MACHINERY	4,882.66	3.52	4,886.19	2,489.52	257.56	257.64	2,139.03	2,139.03	2,393.14
COMPUTER & ACCESSORIES	41.82	1.93	40.71	38.80	0.25	0.44	4.50	4.50	3.01
FURNITURE FIXTURES &	37.76	-	37.76	18.38	2.13	2.13	17.24	17.24	19.38
MOTOR VEHICLES	17.63	-	4.57	15.66	0.43	0.46	1.19	1.19	1.97
TOTAL	5,396.16	5.45	5,385.52	2,653.65	273.05	273.35	2,474.29	2,474.29	2,742.51
Previous Year	5,386.69	41.96	5,396.16	2,389.16	272.96	273.30	2,742.51	2,742.51	2,996.99



SCHEDULE FORMING PART OF BALANCE SHEET

Particulars	31.03.2009 Rs. (in Lacs)	31.03.2008 Rs. (in Lacs)
SCHEDULE 6		
SUNDRY DEBTORS		
(Unsecured and Considered good for Recovery)		
i) Debts outstanding for a period Exceeding six months	175.55	159.53
Less:Provision for Doubtful Debts	155.61	155.61
ii) Other Debts	325.33	144.01
TOTAL	345.27	147.93
SCHEDULE 7		
CASH & BANK BALANCE		
Cash & Cheque in hand	0.17	0.24
Balance with Schedule Banks :		
i) In Current account	135.69	36.52
ii) In deposit account	16.62	17.62
TOTAL	152.48	54.38
SCHEDULE 8		
OTHER CURRENT ASSETS		
Interest Receivable	4.31	0.95
TDS on Bank Interest	-	0.05
TOTAL	4.31	1.00
SCHEDULE 9		
LOANS AND ADVANCES		
(unsecured, considered good unless otherwise stated)		
Advances Recoverable in Cash or in kind or for value to be received		
VAT Refund due	86.18	43.13
Advance Others	10.59	9.25
Advance to Suppliers	20.38	3.28
Advance Tax	3.87	16.68
Deposit and Balances with Government and Statutory Authorities	16.58	14.01
TOTAL	137.61	86.34
SCHEDULE 10		
CURRENT LIABILITIES & PROVISIONS		
a) Current Liabilities		
Sundry Creditors for Machinery	55.17	60.54
Sundry Creditors for Supplies & Others		
- Others	499.16	506.27
Other Liabilities	548.94	144.52
TOTAL	1,103.27	711.33
SCHEDULE 11		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Product Development Expenses		
As per Last Balance Sheet	18.09	38.58
Less:Written off during the year	6.03	20.48
Balance	12.06	18.09
Research and Development Expenses		
As per Last Balance Sheet	-	6.76
Less:Written off during the year	-	6.76
Balance	-	-
TOTAL	12.06	18.09

SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNT

Particulars	31.03.2009 Rs. (in Lacs)	31.03.2008 Rs. (in Lacs)
SCHEDULE - 12		
SALES		
Own Goods		
- Domestic	3,540.43	1,963.26
Less : Returns	5.67	3.27
Total	3,534.76	1,959.99
- Export	201.10	504.56
Total	3,735.87	2,464.55
SCHEDULE - 13		
OTHER INCOME		
Profit on sale of assets	2.07	0.50
Interest Earned	3.84	2.14
Sales (Miscellaneous)	75.37	43.47
Investment Subsidy (Revenue)	-	9.89
Provision No Longer Required	0.03	20.59
Total	81.30	76.60
SCHEDULE - 14		
VARIATION IN FINISHED GOODS		
Opening Stock		
Own Production	9.01	38.74
Total	9.01	38.74
Closing Stock		
Own Production	23.26	9.01
Total	23.26	9.01
Increase / (Decrease) in Stock	(14.25)	29.72
SCHEDULE - 15		
RAW MATERIAL CONSUMPTION		
Opening Stock of Raw materials	31.39	31.00
Add: Purchases	2,690.15	1,692.24
Less: Duty Drawback	3.49	8.92
Less :Closing Stock of Raw materials	61.05	31.39
Raw material Consumed	2,656.99	1,682.92
Stores and Spares Consumed		
Opening Stock	16.42	15.90
Add: Purchases	22.39	18.44
Less : Closing Stock	17.81	16.42
Stores and Spares Consumed	21.00	17.92
Packing Material Consumed		
Opening Stock	2.62	3.26
Add: Purchases	56.46	35.48
Less : Closing Stock	4.19	2.62
Packing Material Consumed	54.88	36.12
Customs Duty	0.70	2.48
Freight Inwards	27.75	19.09
Clearing and Forwarding Charges	1.16	1.27
Loading and Unlaoding Charges	3.32	2.49
Rubber Board Cess	30.39	20.28
Total	2,796.19	1,782.57



SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNT

Particulars	31.03.2009 Rs. (in Lacs)	31.03.2008 Rs. (in Lacs)
SCHEDULE - 16		
MANUFACTURING EXPENSES		
Furnace Oil Consumed		
Opening Stock	4.70	6.55
Add: Purchases	178.19	121.84
Less: Closing Stock	4.22	4.70
Furnace Oil Consumed	178.66	12.369
Diesel Consumed		
Opening Stock	0.41	0.46
Add: Purchases	13.77	7.50
Less: Closing Stock	0.78	0.41
Diesel Consumed	13.40	7.55
Job Processing Charges	-	0.48
Electricity Charges	90.25	67.86
Effluent Treatment Expenses	11.88	8.81
Employees Cost	117.35	94.51
Repairs and Maintenance		
- Electrical	0.08	0.12
- Machinery	24.15	19.30
Total	435.77	322.33
SCHEDULE - 17		
ADMINISTRATIVE EXPENSES		
Employees Cost	98.77	93.02
Rent, Rates and Taxes	8.80	10.48
Travelling and Conveyance	31.90	30.85
Vehicle Maintenance	0.86	1.53
Postage, Telephone and Fax Charges	6.53	6.51
Insurance	3.65	7.74
Printing and Stationery	2.19	2.22
Professional Charges	8.75	19.63
Sundry Expenses	6.59	4.34
Security Charges	7.22	8.18
Advertisement Expenses	1.75	1.42
ISO Expenses	0.50	0.94
Audit Fee	1.40	1.40
AGM Expenses	1.89	4.84
Audit Expenses	0.51	0.43
List Up Fee	1.35	1.35
Share Transfer Charges	3.05	3.12
Total	185.70	197.99
SCHEDULE - 18		
MARKETING EXPENSES		
Transportation Expenses	1.09	1.57
Sales Commission	1.33	1.63
Business Promotion Expenses	0.07	0.03
Sales Promotion Expenses	0.95	0.13
Discount Allowed on Sales	3.63	4.27
E.C.G.C.Premium	-	0.10
Export Expenses	1.46	4.48
Royalty	-	22.26
Provision for Bad & Doubtful Debts	-	3.76
Total	8.52	38.24

SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNT

Particulars	31.03.2009 Rs. (in Lacs)	31.03.2008 Rs. (in Lacs)
SCHEDULE - 19		
INTEREST AND FINANCIAL CHARGES		
Interest on		
- Term Loan	327.52	295.19
- Working Capital	303.77	264.97
Exchange Fluctuation	34.54	3.62
Loss on Insurance Claim	-	5.01
Interest Others & Financial Charges	4.24	8.88
Total	670.06	577.68
SCHEDULE - 20		
PRELIMINARY / DEFERRED REVENUE EXPENSES		
Product Development Expenses	6.03	20.48
Research and Development Expenses	-	6.76
Total	6.03	27.24
SCHEDULE - 21		
PRIOR PERIOD EXPENSES / INCOME		
Expenses	9.71	843.91
Income	2.16	22.04
Total	7.56	821.87
SCHEDULE - 22		
PROVISION FOR CONTINGENT LIABILITIES		
Financial Charges	-	1.86
Excise duty	-	2.24
Duty Draw Back	391.73	-
Total	391.73	4.10



A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The Company follows accrual method of accounting. The Balance Sheet and Profit and Loss Account of the Company are in accordance with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.

2. Income Recognition

- 2.1 Sales are recognized upon delivery of products at net of excise duty and sales tax..
- 2.2 Incomes from export entitlement benefits are accounted as and when the certainty of entitlement is determined.
- 2.3 Other Income is recognized when no significant uncertainty as to its determination or realization exists.

3. Fixed Assets & Depreciation

- 3.1 Expenditure that are of capital nature are capitalized at a cost that comprises of purchase price (net of Cenvat, rebate and discounts), import duties, levies and any directly attributable cost of bringing the asset to its working condition for the intended use.
- 3.2 Depreciation has been provided on Straight Line Method in accordance with the provisions of Schedule XIV of the Companies Act, 1956, on assets which have been installed and put to use during the year.
- 3.3 An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

4. Inventories

- 4.1 Raw Materials are valued at cost on FIFO basis, or net realizable value whichever is less.
- 4.2 Finished Goods are Valued at Lower of the Cost or net realizable value.

5. Exchange Fluctuation

- 5.1 Foreign Currency transactions are accounted at the exchange rates prevailing at the date of the transaction.
- 5.2 Gains and Losses resulting from the settlement of Foreign Currency transaction and from the translation of monetary assets and liabilities denominated in Foreign Currencies at year end rate, are recognized in the Profit and Loss account.

6. Miscellaneous Expenditure

Product Development expense is being written off equally over a period of ten years.

	(Rs. In Lacs) Product Devp.
Gross Block	204.84
Written Off During 2008-09	6.03
Written Off Upto 31/03/09	192.77
Balance As on 31/03/09	12.07

7. Retirement Benefits

- 7.1 Provident Fund remittances to the government are charged against revenue, each year on accrual basis.
- 7.2 Gratuity liability is determined on the basis of actuarial valuation obtained at the year end from the Life Insurance Corporation of India under the Group Gratuity Cash Accumulation Scheme.
- 7.3 Leave encashment benefits are charged to Profit and Loss Account on the basis of actual estimation basis as at the year end.

B. Notes on Accounts

1. Previous year figures have been regrouped and reclassified wherever necessary to make them comparable.
2. Figures have been rounded off to the nearest lacs.
3. Accounting for Taxes as Income
 - a) In the absence of taxable income, no provision has been made for Income Tax under normal rates, as well as under Minimum Alternate Tax under section 115JB of the Income Tax Act, 1961.
 - b) The Company has worked out deferred tax liabilities/assets in accordance with Accounting Standard-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The company has significant amount of carried forward losses and unabsorbed depreciation under Income Tax Act, 1961. However, as a matter of prudence deferred tax assets have been recognized only to the extent there is deferred tax liability.



c) Major Components of Deferred Tax Liabilities / Assets are as under :

	As on 31/03/2008	For the Year	(Rs.in Lacs) As on 31/03/2009
Deferred Tax Liabilities			
Depreciation	661.82	(50.03)	611.79
Misc. Expenditure	34.29	(2.04)	32.25
Total Deferred Tax Liabilities	696.11	(52.07)	644.04
Deferred Tax Assets			
Bad Debts Provisions	89.85	0.00	89.85
Others	28.99	0.20	29.19
Unabsorbed Depreciation	577.27	(52.27)	524.99
Total Deferred Tax Assets	696.11	(52.07)	644.04
Net Deferred Tax Liabilities /(Assets)	0.00	0.00	0.00

d) The Company has not created the deferred tax assets on unabsorbed business loss and balance of unabsorbed depreciation to the tune of Rs.1942.28 lacs.

4. Earnings Per Share (EPS)

Particulars	2008-09	2007-08
Numerator		
Net Profit as disclosed in Profit and Loss Account	(943.49)	(1533.87)
Denominator		
Weighted average Equity Shares (Nos.) (Face value of Rs. 10 each)	31683707	31683707
Basic and Diluted Earnings per Share	(2.98)	(4.84)

5. In the opinion of Board of Directors, Current Assets, Loans and Advances, have at least the value as stated in the Balance Sheet, if realized in the ordinary course of the business.

6. Debtors, Creditors and Items included under other liabilities are subject to confirmation.

7. The company has an Export Obligation of US \$ 28,297 under EPCG Scheme to be fulfilled within 8 years from January 2006 towards customs duty concession availed to the extent of Rs.1.60 Lacs and applicable penalties. Company had completed the above Export Obligation and necessary documents are being processed for obtaining redemption certificate.

8. Contingent Liabilities not provided for in respect of disputed demands for taxes, duties and other claims not acknowledged as debts :

a) Bank Guarantee of Rs. 6.22 Lacs during the year (previous year Rs.6.90 Lacs)

9. The Estimated value of Contracts in progress and not provided for is nil.



10. Amount outstanding for more than 30 days to Small scale Industrial undertaking is Nil.
11. The company has initiated the process of obtaining confirmations from the "suppliers" who have registered under Micro Small Medium Enterprise Development Act, 2006 (MSMED ACT) which came into effect from October'2006 and so far it has not received the information from suppliers regarding their status under MSMED Act as on 31st March'2009. Hence disclosure relating to the amounts outstanding to them have not been made
12. Income Tax Assessment has been completed upto the accounting year ended 31st March, 2006.
13. Disclosures in respect of Provisions

(Rs. In Lacs)

Particulars	As on 31.03.2008	Provided during the year	As on 31.03.2009
Electricity Charges	21.00	-	21.00
Excise duty on Sale of Scrap	16.21	-	16.21
Sales Tax	10.18	-	10.18
ESI on Payment to Contractors	3.50	-	3.50
Financial Charges on disputed Liabilities	31.88	-	31.88
Duty Draw Back	-	391.73	391.73
(Rs. In Lacs)	82.77	391.73	474.50

16. Disclosure in respect of Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rule 2007:

Employee Benefits

(Rs. In Lacs)
2008-09

1 Assumptions

Discount Rate	8%
Salary Escalation	5%

2 Changes in present value of obligations during the year

Present value of obligations as at beginning of year	9.46
Interest cost	2.36
Current Service Cost	0.23
Benefits Paid	(2.93)
Actuarial (gain)/Loss on obligations	10.87
Present value of obligations as at end of year	39.98

3 Changes in the fair value of plan assets during the year

Fair value of plan assets at beginning of year	26.34
Expected return on plan assets	2.58
Contributions	6.54
Benefits paid	(2.93)
Actuarial Gain / (Loss) on Plan assets	NIL
Fair value of plan assets at the end of year	32.54



4 Fair value of plan assets

Fair value of plan assets at beginning of year	26.34
Actual return on plan assets	2.58
Contributions	6.54
Benefits Paid	(2.93)
Fair value of plan assets at the end of year	32.54
Funded status	(7.45)
Excess of Actual over estimated return on plan assets	NIL
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)	

5 Actuarial Gain/Loss recognized during the year

Actuarial gain/(Loss) for the year -Obligation	(10.87)
Actuarial (gain)/Loss for the year - plan assets	NIL
Actuarial (gain)/ loss on obligations	10.87
Actuarial (gain)/Loss recognized in the year	10.87

6 Net Asset / (Liability) recognised in the Balance Sheet

Present value of obligations as at the end of year	39.98
Fair value of plan assets as at the end of the year	32.54
Funded status	(7.45)
Net Asset/(liability) recognized in balance sheet	7.45

7 Expenses Recognised during the year

Current Service cost	0.23
Interest Cost	2.36
Expected return on plan assets	(2.58)
Net Actuarial (gain)/Loss recognised in the year	10.87
Expenses recognised in statement of Profit & loss	10.87

17. Segment Information.

1. Primary Business Segment : There is only one segment namely Manufacture and Sale of Rubber Threads.

2. Secondary Business Segment : By Geographical Market :

(Rs. In Lacs)

	Within India		Outside India		Total	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Sales revenue by Geographical market	3,534.76	1,959.99	201.10	504.56	3,735.87	2,464.55
Carrying amount of Segment assets	320.95	127.91	22.96	20.54	343.91	148.45
Addition of fixed assets	- Nil -	- Nil -	- Nil -	- Nil -	- Nil -	- Nil -



Notes :

The segment revenue in the Geographical segments considered for disclosure are as follows :

- a) Revenue within India includes sales to customers located within India.
- b) Revenue outside India includes sales to customers located outside India.

18. Additional Information pursuant to Part II of Schedule VI of the Companies Act, 1956

(Rs. In Lacs)

	31.03.2009	31.03.2008
1 Earning in Foreign Exchange - FOB Value of Exports	201.10	504.56
2 Expenditure in Foreign Exchange CIF Value of Imports:		
- Capital Goods	6.30	5.73
- Raw Materials	2.61	12.57
- Stores and Spares	1.66	1.09
3 Expenditure in Foreign Exchange (Actual Payment)		
- Traveling Expenses	0.57	0.33
- Testing Charges	1.17	3.58
- Advance Returned	0.80	-
- Commission	0.96	4.73

19. Value of Raw Materials, Stores and Spares Consumed during the Year

	Value Rs. in Lakhs	31.03.2009 (% to total Consumption)	Value Rs. in Lakhs	31.03.2008 (% to total Consumption)
1 Raw Materials				
- Indigenous	2,905.71	99.91%	1,837.72	99.32%
- Imported	2.61	0.09%	12.57	0.68%
2 Stores and Spares				
- Indigenous	20.73	92.58%	17.35	94.10%
- Imported	1.66	7.42%	1.09	5.90%

20. a) Capacity and Production

	31.03.2009 Quantity in M.T	31.03.2008 Quantity in M.T
I. Product	HRLRT	HRLRT
II. Installed Capacity	6,350.00	6,350.00
III. Actual Production	2,377.10	1,559.08



b) Sales and Finished Good Stock

	31.03.2009		31.03.2008	
	Qty (M.T) Value	(Rs. In Lacs)	Qty (M.T) Value	(Rs. In Lacs)
1. Sales				
Domestic Sales	2,226.16	3,534.76	1,345.07	1,959.99
Export Sales	120.24	201.10	230.26	504.56
2. Finished Goods Stock				
- Own Goods	27.97	23.26	7.80	9.01

c) Raw Material Purchased and Consumed

	31.03.2009		31.03.2008	
	Qty (M.T) Value	(Rs. In Lacs)	Qty (M.T) Value	(Rs. In Lacs)
1. Raw Material Purchased				
Latex	2,025.88	2,341.42	1,346.73	1,444.16
Others		593.65		403.97
2. Raw Material Consumed				
Latex	2,024.24	2,320.69	1,341.89	1,440.86
Others		587.63		409.43

21. Auditors Remuneration (Rs. in Lacs)

	31.03.2009	31.03.2008
Statutory Audit	0.50	0.50
Transfer Pricing	0.30	0.30
Tax Audit	0.20	0.20
Internal Audit	0.30	0.30
Limited Review	0.10	0.10
Total	1.40	1.40

22. Particulars of Employee Cost (Rs. In Lacs)

	31.03.2009	31.03.2008
a) Salary, Wages and Bonus	161.79	137.54
b) Contribution to Provident Fund and other Funds	14.85	12.90
c) Workmen and Staff welfare expenses	4.72	3.56
Total	181.36	154.00



23. Remuneration to Managing Director (Rs. In Lacs)

	31.03.2009	31.03.2008
a) Basic Salary	5.55	2.14
b) House Rent Allowance	1.24	0.60
c) Others	2.33	-
d) Provident Fund	0.72	0.26
Total	9.84	3.00

24. Related Party Disclosure (As identified by the Management)

1)	a) Name of the transacting related party	Mr.G.Krishna Kumar
	b) Description of relationship	Managing Director
	c) Nature of Transaction	Remuneration
	d) Volume of transaction	Rs. 9.84 Lacs
	e) Outstanding at the Balance sheet date	Nil

For and on behalf of the Board of Directors
For Rubfila International Limited

As per our report of even date attached
For Mohan & Mohan Associates
Chartered Accountants

Bharat J Patel **G.Krishna Kumar** **N.N.Parameswaran**
Chairman Managing Director Chief Finance Officer &
Company Secretary

R.Suresh Mohan
Partner

Place : Mumbai
Date : 25/06/2009

Place : Thiruvananthapuram
Date : 28/07/2009



CASH FLOW STATEMENT
For the Year Ended 31st March 2009

	31.03.2009 (Rs. In Lacs)	31.03.2008 (Rs. In Lacs)
A. Cash Flow from Operating activities		
Net loss before taxation and extraordinary items Adjusted for :	(943.50)	(1,533.87)
Depreciation	257.60	263.90
Provision for Tax	-	-
Interest & Financial Charges	670.06	577.68
Preliminary Expenses/Deferred Revenue expenses W/ off	6.03	27.24
Prior period Expenses	7.56	821.87
Interest Income	(3.84)	(2.14)
Other Income	(77.47)	(74.45)
Operating Profit before working capital changes Adjusted for :	(83.56)	80.23
Trade and Other receivables	(197.35)	(9.18)
Inventories	(46.77)	31.36
Trade liabilities	391.95	(127.23)
Other Current Assets	(3.31)	1.11
Cash Generated from Operations	60.96	(23.71)
Interest Paid	(670.06)	(577.68)
Cash flow from extraordinary items	-	-
Extra ordinary items - prior period Income / Expenses	(7.56)	(821.87)
Net Cash from Operating Activity (A)	(616.66)	(1423.26)
B. Cash flows from investing activities		
Purchase of Fixed Assets	10.64	16.54
Sale of Fixed Assets		
Increase in Loans and Advances	(51.27)	(10.67)
Investment in Subsidiary Company	-	0.53
Interest Received	3.84	2.14
Other Income	77.47	74.45
Net Cash used in investing Activities (B)	40.68	82.99



Part IV of Schedule VI to Companies Act, 1956 in the Terms of Govt. of India Notification Dated, 15/05/1995
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details			
Registration No.	<input type="text" value="7018"/>	State Code	<input type="text" value="09"/>
Balance Sheet Date	<input type="text" value="31032009"/>		
II. Capital raised during the year (amount in Rs. Thousands)			
Public Issue	<input type="text" value="NIL"/>	Rights Issue	<input type="text" value="NIL"/>
Bonus Issue	<input type="text" value="NIL"/>	Private placement	<input type="text" value="NIL"/>
Preferential Issue	<input type="text" value="NIL"/>		
III. Position of mobilisation and deployment of funds (amount in thousands)			
Sources of Funds :	Total liabilities <input type="text" value="786682"/>	Total assets <input type="text" value="786682"/>	
	Paid-up Capital <input type="text" value="316837"/>	Reserves & Surplus <input type="text" value=""/>	
	Secured Loans <input type="text" value="429079"/>	Unsecured Loans <input type="text" value="40766"/>	
Application of Funds :	Net fixed assets <input type="text" value="247429"/>	Investments <input type="text" value=""/>	
	Net Current assets <input type="text" value="-35229"/>	Misc. Expenditure <input type="text" value="1206"/>	
	Accumulated Losses <input type="text" value="573275"/>		
IV. Performance of the company (amount in Rs. thousands)			
	Turnover <input type="text" value="381717"/>	Total expenditure <input type="text" value="476067"/>	
	+ - Profit/Loss before tax <input type="checkbox"/> <input checked="" type="checkbox"/> -94350	+ - Profit/Loss after tax <input type="checkbox"/> <input checked="" type="checkbox"/> -94350	
(Please tick Appropriate box + for profit and - for loss)			
	Earning per share in Rs. <input type="text" value="NIL"/>	Dividend rate % <input type="text" value="NIL"/>	
V. Generic Names of Three Principal/Services of the Company (as per monetary items)			
Item Code No. (ITC Code)	<input type="text" value="400700"/>		
	H E A T R E S I S T A N T		
	L A T E X R U B B E R		
	T H R E A D		

For and on behalf of the Board of Directors
For Rubfila International Limited

As per our report of even date attached
For Mohan & Mohan Associates
Chartered Accountants

Bharat J Patel Chairman
G.Krishna Kumar Managing Director
N.N.Parameswaran Chief Finance Officer & Company Secretary

R.Suresh Mohan
 Partner

Place : Mumbai
 Date : 25/06/2009

Place : Thiruvananthapuram
 Date : 28/07/2009



RUBFILA INTERNATIONAL LIMITED
New Industrial Development Area, Kanjikkode - Palakkad - 678 621, Kerala, India.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Full name of the Member attending (IN BLOCK LETTERS)

Full Name of the First Holder

(To be filled in if First Holder does not attend Meeting)

Name of the Proxy

(To be filled if the Proxy Form has been duly deposited with the Company)

I hereby record my presence at the Sixteenth Annual General Meeting of the Members of the Company being held today, the 23rd September, 2009 at 11.30 a.m. at Pudukkottai Panchayat Kalyana Mandapam, Chedyankalai, West Kanjikkode - 678 623,

Regd. Folio No.:

Member's / Proxy's Signature
(To be signed at the time of handing over this slip)

No. of Shares held :

RUBFILA INTERNATIONAL LIMITED

New Industrial Development Area, Kanjikkode - Palakkad - 678 621, Kerala, India.

PROXY FORM

I/We of in the district of being a member / members of the above-named Company hereby appoint of or failing him of in the district of as my / our proxy to vote for me / us on my / our behalf at the 16th Annual General Meeting of the Company to be held on 23rd September 2009 at Pudukkottai Panchayat Kalyana Mandapam, Chedyankalai, West Kanjikkode - 678 623 and at any adjournment thereof.

Regd. Folio No. :
No. of Shares held :

Signature

Re. 1
Revenue
Stamp

NOTE : An instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than Forty eight hours before the time of holding the meeting.
A proxy need not be a member.

PRINTED MATTER

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If undelivered, please return to :

INTEGRATED ENTERPRISES (INDIA) LIMITED

II Floor, "Kences Towers",
No. 1, Ramakrishna Street,
North Usman Road,
T.Nagar, Chennai-600 017.