

M. M. RUBBER COMPANY LIMITED

CIN: L25190KA1964PLC052092

Regd. Office: "Empire Infantry", 3rd Floor, No. 29, Infantry Road, Bangalore-560 001

Website Address: www.mmfoam.in E-mail: mmfoam27@gmail.com

BOARD'S REPORT**To the Members,**

The Directors have pleasure in presenting before you the 51st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2017.

COMPANY ACTIVITY & PERFORMANCE

The principal activity of the company continues to be manufacture and marketing of foam and other related products.

Financial Summary or highlights/performance of the company

Particulars	Financial year ended March 31, 2017 ₹ in Lakhs	Financial year ended March 31, 2016 ₹ in Lakhs
Revenue from Operations	2,012.62	1,875.95
Operating Expenditure	1,915.26	1,788.09
Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	114.34	100.86
Other income (net)	16.98	12.99
Finance costs	61.94	67.12
Depreciation & amortization expense	8.41	8.00
Profit for the year after tax	43.99	25.73
Balance brought from previous year	-43.09	-63.97
Amount available for appropriation	1.14	-38.03
Adjustment relating to fixed assets	-	-
Adjustment relating to TDS & FBT	-	-8.90
Adjustment relating to Income Tax provision	-	3.80
Provision for taxation	-	-
Amount transferred to General reserve	1.14	-43.13
Dividend	-	-
Balance carried to balance sheet	1.14	-43.13
The position of reserves is as under:		
General Reserve	1.14	-43.13

OPERATIONS & PERFORMANCE:

Your directors are happy to inform that the company has maintained and in fact slightly increased its turnover as compared to previous year. However, on account of tight control over costs, the company was able to improve its profitability to Rs.43.99 lakhs as compared to previous year profit of Rs.25.73 lakhs the company was also able to wipe off its carry forward loss.

PROSPECTS:

The company is taking steps to shift the present manufacturing facilities from rented premises to its own premises at Ranipet in the coming year. The company has also identified improved production process thereby production efficiency is expected to improve. Your directors are confident that with this move, company's turnover and the profitability would improve in the coming year.

DIVIDEND:

As already indicated above, company was able to wipe off all its carry forward loss and is expected to improve its performance and post healthy profit in the coming year.

DEPOSITS:

At the close of the year the matured deposit of Rs.17000/- remain unclaimed. Your Directors are taking steps to deal with the same in accordance with the provisions of Companies Act 2013.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2017-18 to BSE Limited where the Company's Shares are listed.

DEMATERIALISATION OF SHARES:

Your company's 41% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March 2017 and

balance 59% is in physical form. The Company's Registrars and Transfer Agent is M/s CAMEO CORPORATE SERVICES LIMITED having their registered office at "Subramanian Building" No.1 Club House Road Chennai – 600002.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March 2017, the applicable accounting standards have been followed and there are no material departures;
- b) they 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 same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls that are adequate and were operating effectively;
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Based on the Internal Financial Controls and Compliance Systems established and maintained by the company, work performed by the internal, statutory and secretarial auditors and reviews performed by the management, the Board is of the opinion that the company's internal financial controls were adequate and effective during the financial year 2016-17.

CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES:

During the year, the company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions. Refer Note No.21.9 to the financial statement which sets out related party disclosures.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Jacob Mammen (DIN 0078010) Director of the company retires by rotation and is eligible for reappointment.

Mr. Karun Philip (DIN 01091468) Director of the company retires by rotation and is eligible for reappointment.

The present tenure of Mr. Roy Mammen (DIN 00077409) as Managing Director of the Company comes to end during September 2017. As the Company has made substantial progress under the guidance of Mr. Roy Mammen, the Board of directors have re-appointed Mr. Roy Mammen as Managing Director on such terms and conditions which is subject to approval by the members at the ensuing Annual General Meeting.

NOMINATION AND REMUNERATION POLICY:

The Nomination and Remuneration Committee of Directors reviews the composition of the Board to ensure an appropriate mix of abilities, experience and diversity to serve the interests of all shareholders of the Company.

Nomination and Remuneration Policy was approved by the Board at its meeting held on 30.05.2017. In terms of Section 178 of the Act, 2013. The objective of such policy shall be to attract, retain and motivate executive management and remuneration structured to link to Company's Strategic long-term goals, appropriateness, relevance and risk appetite of the company.

The Process of appointing a director/Key Managerial Personal is that when there is a need or a vacancy arises, or is expected, the NRC will identify, ascertain the integrity, qualification, appropriate expertise and experience, having regard to the skills that the candidate will bring to the board in addition to what the existing members hold.

NUMBER OF BOARD MEETINGS HELD:

The Board of Directors duly met four times during the financial year from 1st April, 2016 to 31st March 2017. The dates on which the meetings were held are as follows:

Date of meeting	No. of directors as on the date	No. of Directors Present
30.5.2016	6	4
22.7.2016	6	6
27.10.2016	6	4
23.01.2017	6	4

NUMBER OF AUDIT COMMITTEE MEETING HELD:

The Committee consisting of three Directors namely Mr. Ashok Kuriyan, Independent Director, Mr. Jacob Mammen, Director and Mrs. Susan Kurian, Independent Director.

Date of Committee Meeting	No. of Member as on date	No. of Members Present
30.05.2016	3	3
22.07.2016	3	3
27.10.2016	3	3
23.01.2017	3	3

AUDIT OBSERVATIONS:**i) Statutory Auditors :**

The Auditors, Messrs. S R. Mandre & Company, Chartered Accountants (Firm registration No 001962S), Statutory Auditors of the Company would retire on the conclusion of this Annual General Meeting on completion of their term of appointment.

Since Messrs S R. Mandre & Company, Chartered Accountants , are not eligible for re-appointment as Statutory Auditors of the Company as per Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee, recommended the appointment of Messrs Vandana Rao and Company , Chartered Accountants,(Firm Registration No.011628S) as Statutory Auditors of the Company for a period of 5(five) years, in place of Messrs S R. Mandre & Company, Chartered Accountants to hold office from the conclusion of 51st Annual General Meeting until the conclusion of 56th Annual General Meeting , subject to ratification of their appointment at every Annual General Meeting. Consent and Certificate from the said firm has been received to the effect that their appointment as Statutory Auditors of the Company, if appointed at ensuing Annual General Meeting, would be according to the terms and conditions prescribed under Section 139 of the Act and Rules framed thereunder.

A resolution seeking their appointment forms part of the Notice convening the 51st Annual General Meeting and the same is recommended for your consideration and approval.

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' report does not contain any reservation or adverse remark.

The Material changes and commitments, if any affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report.

No material changes and commitments affecting the financial position of the company occurred from the end of the financial year 2016-17 till the date of this report. Further there was no change in the nature of the business of the company.

ii) Cost Auditors :

Since the Company's turnover has not exceeded Rs.35 crores in the previous financial years, the cost audit is not applicable.

iii) Secretarial Audit :

M/s.M.Damodaran & Associates, Chennai was appointed as Secretarial Auditors for carrying out the secretarial audit for the financial year 2016-17.

As required under Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report Annexure-A.

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

1. Specific areas in which R&D carried out by the Company

The Company has an ongoing programme on latex technology development and its related application to various products. Accordingly, the Company has in the past launched new products such as dual deluxe mattress, contour pillow, hemorrhoid cushions, neck care and coccyx cushions.

2. Technology Absorption, Adaptation and Innovation

The latest technology is being adopted in the factory for improving productivity and product quality and reducing consumption of raw materials and fuel. In this connection, pre-vulcanized latex is being adopted.

3. Foreign Exchange Earning and Outgo

Statutory particulars with regards to foreign exchange and outgo appear in the notes pertaining to the accounts.

EXTRACT OF ANNUAL RETURN :

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-B.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

Sl. No.	Name	Designation	Remuneration paid FY 2016-17 in lakhs	Remuneration paid FY 2015-16 in lakhs	Increase in remuneration from previous year in lakhs	Ratio/Times per Median of employee remuneration
1.	Mr. Roy Mammen	Managing Director	17.82	16.50	1.32	8.61
2.	Mr. Mammen Philip	Director corporate affairs	2.07	2.07	-	0.00

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

The Company's Development and Implementation of Risk Management Policy is provided elsewhere in this Annual Report in Management Discussion and Analysis as Annexure-C.

POLICY ON VIGIL MECHANISM:

The Audit committee has adopted a policy on vigil Mechanism in accordance with the provisions of the Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, which provides a formal mechanism for all Directors, employees and other stakeholders of the company to report to the management, their genuine concerns or grievances about unethical behaviors, actual or suspected fraud and any violation of the Company's Code of Conduct or ethics policy.

The policy also provides a direct access to the Chairperson of the Audit Committee to make protective disclosures to the Management about grievances or violation of the Company's code of conduct.

The policy disclosed on the Company's website in the following link www.mmfoam.in

ACKNOWLEDGEMENT:

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Material Suppliers, Customers and Shareholders for their continued support and guidance.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

BY ORDER OF THE BOARD
For **M.M.RUBBER CO. LTD.**,

PLACE: BANGALORE
DATE: 30.5.2017

ASHOK KURIYAN
Director
(DIN: 00081374)

ROY MAMMEN
Managing Director
(DIN: 00077409)

ANNEXURE – A

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017

[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,
M M RUBBER COMPANY LIMITED
CIN: L25190KA1964PLC052092
Empire Infantry, 3rd Floor,
No. 29, Infantry Road, Bangalore- 560001

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

Based on my verification of the M/s. M M RUBBER COMPANY LIMITED'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M M RUBBER COMPANY LIMITED ("the Company") for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules/regulations made there under;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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;
- (vi) Other laws as may be applicable specifically to the company:

NIL

I have also examined compliance with the applicable Regulations/Standards of the following:

- i) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ii) The Secretarial Standards 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 subject to the following observations:

- (a) The Company has not appointed Whole-time Company Secretary as per section 203 (1) of the Companies act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the Company has taken steps for identifying to appoint suitable person to the post of Company Secretary.

(b) The Company has not appointed Chief Financial Officer (CFO) as per section 203 (1) of the Companies act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(c) There was minor deviation in closure of trading window under Securities and Exchange Board of India (Prohibition of insider trading) Regulations, 2015.

I further report that the Board of Directors of the Company is constituted with Executive Director, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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.

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

I further report that during the audit period the company had no specific events/actions having a major bearing on the company's affairs.

Name of Company Secretary in practice:

M. Damodaran

Place: Chennai

FCS No.: 5837

Date : 30.05.2017

C P No.: 5081

ANNEXURE - B

**EXTRACT OF ANNUAL RETURN
FORM MGT 9**

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

FINANCIAL YEAR ENDED ON 31.03.2017

I. REGISTRATION & OTHER DETAILS :	
i CIN	: L25190KA1964PLC052092
ii Registration Date	: 18/08/1964
iii Name of the Company	: M M RUBBER COMPANY LIMITED
iv Category/Sub-category of the Company	: Company having Share Capital
v Address of the Registered Office & contact details	: Empire Infantry, 3rd Floor, No.29, Infantry Road, Bangalore – Karnataka
vi Whether listed company	: Yes (Listed in BSE)
vii Name , Address & contact details of the Registrar & Transfer Agent, if any.	: CAMEO CORPORATE SERVICES LIMITED, "SUBRAMANIAN BUILDING", No.1 CLUB HOUSE ROAD, CHENNAI – 600002

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl No.	Name & Description of main products/services	NIC Code of the Product / service	% to total turnover of the company
1	Manufacture of Foam based products such as Beds & Pillows	25	80

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES :

Sl No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARE HELD	APPLICABLE SECTION
The Company does not have any Holding, Subsidiary or associate companies					

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	-	487904	487904	9.7961	-	180158	180158	3.6172	-6.1789
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUBTOTAL:(A) (1)	-	487904	487904	9.7961	-	180158	180158	3.6172	-6.1789
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUBTOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	487904	487904	9.7961	-	180158	180158	3.6172	-6.1789
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	700	700	0.0140	-	700	700	0.0140	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUBTOTAL (B)(1):	-	700	700	0.0140	-	700	700	0.0140	-
(2) Non Institutions									
a) Bodies corporates	86692	402413	489105	9.8202	110377	402363	512740	10.2948	0.4745
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	1585903	1932982	3518885	70.6523	1506766	2076505	3583271	71.9450	1.2927
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	244000	52500	296500	5.9531	346600	181114	527714	10.5954	4.6423
c) Any Other (specify) Hindu undivided families	70955	-	70955	1.4246	62029	-	62029	1.2454	-0.1792
Clearing members	263	-	263	0.0052	500	-	500	0.0100	0.0047
NRIs	31307	84555	115862	2.3262	29007	84055	113062	2.2700	0.0562
d) Foreign Bodies Corporate	-	-	-	-	-	-	-	-	-
Trusts	191	200	391	0.0078	191	200	391	0.0078	-
SUBTOTAL (B)(2):	2019311	2472650	4491961	90.1897	2055470	2744237	4799707	96.3687	6.1789
Total Public Shareholding (B)= (B)(1)+(B)(2)	2019311	2473350	4492661	90.2038	2055470	2744937	4800407	96.3827	6.1789
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2019311	2961254	4980565	100.0000	2055470	2925095	4980565	100.0000	-

(ii) SHARE HOLDING OF PROMOTERS :

Sl.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	Mr.Mammen Philip	69,080	1.40	-	69080	1.40	-	-
2	Late Mrs. C Philip	51,800	1.04	-	-	-	-	-1.04
3	Late Mrs. C Philip	43,000	0.86	-	-	-	-	-0.86
4	Late Mrs. C Philip	44,157	0.89	-	-	-	-	-0.89
5	Late Mrs. C Philip	54,355	1.09	-	-	-	-	-1.09
6	Late Mrs. C Philip	74,259	1.49	-	-	-	-	-1.49
7	Mrs. Divya Philip	3,510	0.07	-	3,510	0.07	-	-
8	Mrs. K Mammen Mappillai	26,375	0.53	-	-	-	-	-0.53
9	Mr.K M Philip	35,150	0.71	-	-	-	-	-0.71
10	Mr.Kandathil Mammen Philip	1,750	0.04	-	-	-	-	-0.04
11	Mr.Kandathil Mammen Philip	26,700	0.54	-	-	-	-	-0.54
12	Mr.Mammen Philip	383	0.01	-	383	0.01	-	-
13	Mrs. Meera Philip	40,295	0.81	-	40,295	0.81	-	-
14	Mr.Peter Philip	3,700	0.07	-	3700	0.07	-	-
15	Mr.Rohit Philip	11,390	0.23	-	11,390	0.23	-	-
16	Mrs.Late T Jacob	2,000	0.04	-	-	-	-	-0.04
17	Mr.Mammen Philip	-	-	-	25900	0.52	-	0.52
18	Mr.Peter Philip	-	-	-	25900	0.52	-	0.52

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE) :

Sl.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	487,904	9.795	487,904	9.795
2	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-307,746	-6.178	-307,746	-6.178
			Due to death of the Promoters		
3	At the end of the year	180,158	3.617	180,158	3.617

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

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	MR. NAVEEN BOTHRA	244000	4.8990	244000	4.8990
2	M/S M M HOUSING PRIVATE LTD	86354	1.7338	86354	1.7338
3	M/S DEVON PLANTATIONS & INDUSTRIES LIMITED	82814	1.6627	82814	1.6627
4	M/S BADRA ESTATES & INDUSTRIES LTD	70000	1.4054	70000	1.4054
5	M/S BALANOR PLANTATIONS & INDUSTRIES LTD	67850	1.3622	67850	1.3622
6	MR ARUN MAMMEN	52500	1.0540	52500	1.0540
7	MR. BALARAM BHARWANI JT1.POONAM BHARWANI	26000	0.5220	52000	1.0440
8	MR. THOMAS VARGHESE	-	-	50600	1.0159
9	M/S STABLE INVESTMENTS & FIN CO	50000	1.0039	50000	1.0039
10	MRS. THANKAMMA SIMON	40410	0.8113	40410	0.8113

(v) Shareholding of Directors and Key Managerial Personnel :

Sl.No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Shareholding of Key Managerial Personnel :				
1	MR. ROY MAMMEN	14256	0.2861	14256	0.2861
2	MR. MAMMEN PHILIP	95363	1.9145	95363	1.9145
	Shareholding of Directors :				
3	MRS. SUSAN KURIAN	7000	0.1405	7000	0.1405
4	MR. JACOB MAMMEN	6224	0.1249	6224	0.1249
5	MR. ASHOK KURIYAN	3275	0.0657	3275	0.0657
6	MR. KARUN PHILLIP	74259	1.4909	74259	1.4909

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

(In lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	392.06	45.00	-	437.06
ii) Interest due but not paid	-	3.60	-	3.60
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	392.06	48.60	-	440.66
Change in Indebtedness during the financial year				
• Addition	67.42	-		67.42
• Reduction	-	28.60	-	28.60
Net Change	67.42	-28.60	-	38.82
Indebtedness at the end of the financial year				
i) Principal Amount	459.48	20.00	-	479.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	459.48	20.00	-	479.48

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A) Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MR. ROY MAMMEN Managing Director	MR. MAMMEN PHILIP Director Corporate Affairs	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.20	2.07	18.27
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.62	-	1.62
	(c) Profits in lieu 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify			
5.	Others, please specify (Fee for attending Board committee meetings)	-	0.020	0.020
	Total (A)	17.82	2.090	19.91

B) Remuneration to other directors:

(In lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Ashok kuriyan	Mr. Jacob Mammen	Mr. Karun Philip	Mrs. Susan Kurian	
1.	Independent Directors					
	• Fee for attending committee meetings	0.040	-	-	0.040	0.080
	• Commission	-	-	-	-	-
	• Others, please	-	-	-	-	-
	Total (1)	0.040	-	-	0.040	0.080
2.	Other Non-Executive Directors					
	• Fee for attending -Board committee meetings	-	0.040	0.020	-	0.060
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	0.040	0.020	-	0.060
	Total = (1 + 2)	0.040	0.040	0.020	0.040	0.140
1.	Income-tax Act, 1961 Profits under in lieu section of salary 17 (3) of the Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total	0.040	0.040	0.020	0.040	0.140

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty Punishment Compounding			NIL		
B. DIRECTORS					
Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			NIL		

FORM NO. AOC.2

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

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

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

M M Rubber Company Limited has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2016-17.

- (a) Name(s) of the related party and nature of relationship-Not applicable.
- (b) Nature of contracts/arrangements/transactions-Not applicable.
- (c) Duration of the contracts/arrangements/transactions-Not applicable.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any-Not applicable.
- (e) Justification for entering into such contracts or arrangements or transactions-Not applicable.
- (f) date(s) of approval by the Board-Not applicable.
- (g) Amount paid as advances, if any: -Not applicable.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188-
Not Applicable.

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

- (a) Name(s) of the related party and nature of relationship- Not applicable.
- (b) Nature of contracts/arrangements/transactions- Not applicable.
- (c) Duration of the contracts/arrangements/transactions- Not applicable.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: - Not applicable.
- (e) Date(s) of approval by the Board, if any: - Not applicable.
- (f) Amount paid as advances, if any: - Not applicable.

Form shall be signed by the persons who have signed the Board's report.

ANNEXURE -C**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT****a) Internal Control Systems and their Adequacy :**

Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the Information used for carrying on Business Operations.

b) Key elements of the Internal Control Systems are as follows:

- (i) Existence of Authority Manuals and periodical updating of the same for all Functions.
- (ii) Existence of clearly defined organizational structure and Authority.
- (iii) Existence of corporate policies for Financial Reporting and Accounting.
- (iv) Existence of Management information system updated from time to time as may be required.
- (v) Existence of Annual Budgets and Long-Term Business Plans.
- (vi) Existence of Internal Audit System.
- (vii) Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

The Company has appointed an Independent Auditor to ensure compliance and effectiveness of the Internal Control Systems in place.

The Audit Committee is regularly reviewing the Internal Audit Reports for the auditing carried out in all the key areas of the operations additionally, the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.

c) Financial and Operational Performance :

The details are already furnished under "Activity and Performance".

d) Human Resources Development and Industrial Relations :

The Company for its employees are offering various incentive and other welfare schemes to motivate the employees. The Company's relationship with its work force is cordial.

e) Cautionary Statement :

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and Progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward-looking statements.

BY ORDER OF THE BOARD
For **M.M.RUBBER CO. LTD.,**

PLACE: BANGALORE
DATE: 30.5.2017

ASHOK KURIYAN
Director
(DIN: 00081374)

ROY MAMMEN
Managing Director
(DIN: 00077409)

ADDENDUM REGARDING QUALIFICATION IN AUDITORS REPORT:

The Auditors in their report have qualified the following.

1. Non provision in the accounts for certain retirement benefits
2. Non ascertainment of impairment of assets
3. Valuation of finished products.

Your Directors wish to clarify as under:-

- a) The Company settles the gratuity liability of the employees as and when the said employee leaves the organization. The Company in view of its being declared sick industrial company and referred to BIFR in the earlier year, could not ascertain and make provision in the accounts for its accrued gratuity liability. However, steps are being taken and the company is in the process of ascertaining its accrued liability on account of gratuity. Pending such ascertainment, no provision for gratuity has been made in the accounts. Further the company do not have the policy of allowing the employees to encash leave at their credit while in service and hence no provision is made for the liability if any towards encashment of leave for those employees who are still in service.
- b) As already reported, the Company has completed the verification of continuing assets which are in use after the closure of the BOPP division. However, the company is in the process of shifting its production facilities to its own premises at Ranipet shortly. Pending the shifting, the company is yet to ascertain the impairment of assets if any, of the value of assets.
- c) The company is in the process of ascertaining the cost of each of the product dealt by it and pending such ascertainment the inventories are continued to be valued, as in previous year, at the net billing price.

By ORDER OF THE BOARD
FOR M.M.RUBBER CO. LTD.,

PLACE: BANGALORE
DATE: 30.5.2017

ASHOK KURIYAN
Director
(DIN No. 00081374)

ROY MAMMEN
Managing Director
(DIN No. 00077409)

INDEPENDENT AUDITORS' REPORT**To The Members of M M Rubber Company Limited****Report on the Financial Statements:**

We have audited the accompanying financial statements of M M Rubber Company Limited, (The Company) Bangalore which comprise the Balance Sheet as at 31st March 2017 and the Statement of Profit & Loss Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and the other explanatory information. (Hereinafter referred to as "Financial Statements")

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013(the Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities: selection and application of appropriate accounting policies: making judgments and estimates that are reasonable and prudent: and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility:

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

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the act in the manner so required **subject to the non-ascertainment of impact on the accounts of the company in respect of matters dealt with in the Note No.21.7(Revised Accounting Standard No.15 on Employees Retirement Benefits has been Complied with except that the Company neither has ascertained nor provided for actuarial value of its gratuity liability and Leave Encashment as on 31.3.2017, and subject to Note No 21.6(Accounting Standard A S 28 on Impairment of assets) and subject to Note no 21.1(Balances are subject to confirmations) and subject to deviation from Accounting Standard AS 2 regarding valuation of finished goods inventory for the reasons stated in Note No.21.5 of the notes to the accounts** and read together with other notes thereon, 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 31st March 2017 and the statement of Profit & Loss Account, and its Cash Flow Statement, for the year ended on that date.

Report on other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, based on the comments in the Auditor's Report of the Company and on the auditor's reports issued in accordance with the Order, we give in the annexure 'A' 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:

1. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

2. 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.
3. The Balance Sheet, the Statement of Profit & Loss and the Cash Flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
4. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of Act, read with Rule 7 of the Companies (Accounts) Rules 2014:
5. On the basis of the written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Companies Act,2013
6. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
7. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31,2017.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d) The company has provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of account maintained by the company – Refer Note No.21.8 to the Financial Statements.

For **S R Mandre & Co**
Chartered Accountants
FRN No 001962S

B S Dinesh
Partner

Place : Bangalore
Date : 30.05.2017

Membership No 29624

ANNEXURE 'A 'TO THE AUDITOR'S REPORT

Annexure referred to in Independent Auditor's Report to the members of the company on the financial statements for the year ended 31st March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
(b)The Fixed assets were physically verified by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Accordingly, to the information and explanations given to us no material discrepancies were noticed on such verification, however, such records do not show updated value both in respect of Gross Block and Net Block.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) The Inventory has been physically verified during the year by the management at reasonable intervals. There were no material discrepancies noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act,2013. Hence sub clauses (a) (b) and (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantees and securities made.
- (v) According to information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposit. There have been no instances where order has been passed by Company Law Board or National Company Law Tribunal for any contravention.
- (vi) According to information and explanations given to us, the central government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the services rendered by the company.

(vii) (a) According to the information and explanations given to us, and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of the undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income-tax, Vat, Customs Duty, Excise Duty, Service tax, Cess and other statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income-tax, Vat, Customs Duty, Excise Duty, Service tax, Cess and other statutory dues were in arrears as at 31st March 2017, for a period of more than six months from the date they became payable.

(b) The details of due of excise duty, which have not been deposited as on 31st March 2017, on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount Rs in lakhs	Period to Which it relates	Forum where Pending
Central Excise Laws	Excise Duty 1/3/1981 to 31/3/1985 Order dated 5/07/2011	96.30	1980/85	CE Tribunal Chennai

(viii) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions, banks debenture holder as at the balance sheet date.

(ix) The company did not raise any money by way of initial public offer including Debt instrument or further public offer during the year. The Company has applied the term loan raised during the year under audit for the purposes they were raised.

(x) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has complied with the requisite approvals mandated by the provisions of the section 197 read with schedule 5 to the Act.

(xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions has been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examinations of the records of the company, the company has not entered into non -cash transactions with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45 – 1A of the Reserve Bank of India Act, 1934.

For **S.R.MANDRE & CO.**,
Chartered Accountants
Firm Reg No. 001962S
(B.S.DINESH)
Partner
Membership No. 29624

Place: Bangalore
Date: 30.05.2017

ANNEXURE 'B' 'TO THE AUDITOR'S REPORT:

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013(the Act)

We have audited the internal financial controls over financial reporting of M M Rubber Co Ltd (the Company) as of 31st March 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its 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 the 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 over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India to the extent applicable to an audit of Internal Financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting:

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Basis for Qualified Opinion:

- a) The Company has in its books fixed assets with Gross block to the tune of Rs.90689452/- and net block of Rs.7829070/-. However, the fixed assets records do not show updated value both in respect of the Gross Block and Net Block.

Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting subject to qualified opinion above and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **S.R.MANDRE & CO.**,
Chartered Accountants
Firm Reg No. 001962S

(B.S.DINESH)

Partner

Membership No. 29624

Place: Bangalore

Date: 30.05.2017

BALANCE SHEET AS AT 31ST MARCH 2017

	Notes No.	As at 31.3.2017 ₹	As at 31.3.2016 ₹
EQUITY AND LIABILITIES			
Shareholders's Funds			
Share Capital	2	99,61,130	99,61,130
Reserves & Surplus	3	113,517	(4,309,458)
		10,074,647	5,651,672
Non-current Liabilities			
Long Term Borrowings	4	44,682	228,810
Deferred Tax Liability (net)	-	--	--
Other Long Term Liabilities	-	--	--
Long Term Provisions	5	--	--
		44,682	228,810
Current Liabilities			
Short Term Borrowings	5	41,981,060	44,066,264
Long Term Borrowings		5,967,104	--
Trade Payables	6	11,142,765	14,908,633
Other Current Liabilities	7	13,021,681	17,352,230
		72,112,610	76,327,127
Total		82,231,939	82,207,609
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	8	7,829,070	6,882,722
Intangible Assets	-	--	--
Capital Work-in-progress	-	--	--
		7,829,070	6,882,722
Non Current Investments (NSS)			
Long Term Loans & Advances	9	4,203,936	4,663,779
		4,212,503	4,672,346
Current Assets			
Current Investments			
Other Current Assets	10	712,161	1,415,049
Inventories	11	41,085,891	41,419,058
Trade Receivables	12	17,930,897	16,018,446
Cash and Bank Balances	13	3,223,690	3,530,174
Short Term Loans and Advances	14	7,237,727	8,269,814
		70,190,366	70,652,541
Total		82,231,939	82,207,609
Significant Accounting Policies	1		

Notes are an Integral part of the financial statements

As per our Report of even date
For S R Mandre & Co
Chartered Accountants
Firm Reg No. 001962S

Place : Bangalore
Date : 30.05.2017

ROY MAMMEN
Managing Director

ASHOK KURIYAN
Director

JACOB MAMMEN
Director

(B S DINESH)
Partner
Membership No 29624

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Year Ended 31.3.2017 ₹	Year Ended As at 31.3.2016 ₹
INCOME			
Revenue from Operations	15	201,262,513	187,595,315
Other Income	16	1,698,059	1,299,318
Total Revenue		202,960,572	188,894,633
EXPENSES			
Cost of Materials Consumed	17a	79,924,010	73,496,508
Purchases of Stock-in-trade	17b	5,217,290	4,164,384
Changes in Inventories of finished goods	17c	333,167	1,827,537
Employee Benefits Expense	18	34,279,088	31,051,948
Other Expenses	19	71,772,751	68,268,231
Total Expenses		191,526,306	178,808,608
EARNINGS BEFORE INTEREST, TAX			
DEPRECIATION, AMORTISATION and DEPLETION		11,434,266	10,086,025
Depreciation and Amortisation Exp	8	840,926	800,510
Finance Costs	20	6,194,170	6,712,450
		7,035,096	7,512,960
Profit Before Tax		4,399,170	2,573,065
Less: Tax Expenses			
Current Tax Provision		--	--
Excess Provision Added Back		(23,805)	(20,839)
		(23,805)	(20,839)
Profit After Tax		4,422,975	2,593,904
EARNINGS PER SHARE			
Basic		0.88	0.52
Diluted		0.88	0.52
(Face value of Rs 2/-each)			
Significant Accounting Policies	1		

Notes are an Integral part of the financial statements

As per our Report of even date
For S R Mandre & Co
Chartered Accountants
Firm Reg No. 0019625

Place : Bangalore
Date : 30.05.2017

ROY MAMMEN
Managing Director

ASHOK KURIYAN
Director

JACOB MAMMEN
Director

(B S DINESH)
Partner
Membership No 29624

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Year Ended 31.3.2017 ₹	Year Ended 31.3.2016 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax as per Profit & Loss Account	4,422,975	2,593,904
Add: Interest paid	6,194,170	6,712,450
Depreciation/Amortisation/Depletion expenses	840,926	800,510
Excess Provision added back	-	(20,839)
	11,458,071	10,086,025
Less :		
Other Income	1,698,059	1,299,318
Operating Profit Before working captial changes	9,760,012	8,786,707
Working Capital Changes		
Increase/(Decrease) in Trade & Other Payables	(3,765,867)	(3,650,701)
Increase/(Decrease) in inventories	333,167	1,827,537
Increase/Decrease in Trade & Other Receivables	(1,912,450)	(1,939,250)
Increase/Decrease in Other Current Liabilities	(4,330,549)	(182,980)
Increase/Decrease in Provision	-	380,000
Cash Generated from Operations	(9,675,699)	3,565,393
Tax paid (Net)	-	-
Net Cash From Operating Activities	84,313	5,221,314
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	1,787,274	1,146,528
Other Income	1,698,059	1,299,318
Net Cash(Used in) Investing Activities	(89,215)	152,790
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/Decrease in Long Term Borrowings	5,782,976	(184,128)
Increase/Decrease in Short Term Borrowings	(2,085,204)	(1,324,679)
Increase/Decrease in Long term advances	459,844	(1,388,511)
Increase/Decrease in Short Term Loans	1,032,087	3,234,861
Increase/Decrease in Other current assets	702,888	-
Interest paid	(6,194,170)	(6,712,450)
Bonus provision	-	20,839
Cash used(-)/(+)Generated for Finacing Activities (C)	(301,579)	(6,354,068)
NET Increase(+)/Decrease(-)		
IN CASH AND CASH EQUIVALENTS (A+B+C)	(306,481)	(979,964)
CASH AND CASH EQUIVALENTS OPENING BALANCE	3,530,174	4,510,138
CASH AND CASH EQUIVALENTS CLOSING BALANCE	3,223,693	3,530,174
CASH AND CASH EQUIVALENTS (YEAR END)	306,481	979,964
BALANCES WITH BANKS	3,002,962	3,397,848
CASH IN HAND	220,731	132,326
	3,223,693	3,530,174

As per our Report of even date
For S R Mandre & Co
Chartered Accountants
Firm Reg No. 001962S

Place : Bangalore
Date : 30.05.2017

ROY MAMMEN
Managing Director

ASHOK KURIYAN
Director

JACOB MAMMEN
Director

(B S DINESH)
Partner
Membership No 29624

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2017**CORPORATE INFORMATION:**

M M Rubber Company Ltd, (a manufacturing unit) is a Listed Company incorporated under the Companies Act. The Company's shares are listed in Bombay Stock Exchange. The manufacturing unit of the company is situated at Ambattur Industrial Estate, Chennai. The unit manufactures foam based products such as beds, pillows etc., The Company's Sales Offices are at Bangalore, Chennai, Ernakulum, Delhi, Chandigarh, Hyderabad and Vijayawada.

1. ACCOUNTING POLICIES:**A) BASIS OF ACCOUNTING:**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of accounting to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable. The Accounting policies applied by the Company are consistent with those used in the previous year.

B) REVENUE RECOGNITION:

- a) Revenue from sale of mattresses, pillows, etc. are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and are recorded exclusive of Vat, Excise duty and sales discount which is generally on dispatch of goods.
- b) Other income is recognized on receipt basis.

C) INVESTMENTS:

Investments are stated at cost.

D) FIXED ASSETS : (AS10)

Tangible and Intangible Assets:

Tangible and Intangible assets are state at cost of acquisition (net of cenvat, wherever applicable) less accumulated depreciation. Cost is inclusive freight, duties and any directly attributable cost of bringing the assets to the working conditions for intended use. Losses or gains arising from the disposal of the tangible assets which are carried at cost are recognized in the statement of Profit & Loss Account.

Subsequent expenditure related to an item of Fixed Asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Fixed Asset, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

E) DEPRECIATION AND AMORTISATION:

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortized carrying value is being depreciated/amortized over the revised/remaining useful lives.

F) IMPAIRMENT OF FIXED ASSETS: (AS28)

Impairment, if any, on the value of assets is reviewed periodically and recognized, provided for in the accounts, when on such verification realizable value is found to be less than the book value.

G) INVENTORIES:

Inventories are valued as under:

Raw materials – Cost (including freight, taxes and duties is net of credit under Vat and cenvat scheme where applicable.).

Finished goods – Net Billing Price

Work-in-Progress – At factory cost.

Damaged or obsolete stock determined at the end of each year is valued at NIL cost and the carrying cost of such damaged or obsolete stock is adjusted while valuing the inventories.

H) EMPLOYEE BENEFITS:

a) Defined Contribution Plan:

Defined contribution plan consists of Government Provident fund scheme operated under statutory employee's provident fund & miscellaneous provisions act and the scheme framed there under and Employees State Insurance Scheme. Company's contribution paid/payable during the year under these schemes are recognized as expense in the statement of Profit and Loss. There are no other obligations other than the contribution made by the company.

b) Retirement Plan:

Gratuity and leave encashment paid to employees on retirement is accounted on payment basis.

I) FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions are accounted in rupees on the basis of the exchange rate prevalent on the date of payment/transaction.

J) TAXATION:

Tax expense comprises of current tax and deferred tax charge or credit. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. The deferred tax charge or credit is recognized using prevailing enacted or substantially enacted tax rate. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only, if there is virtual certainty of realization of such assets. Other Deferred tax assets are recognized only to the extent that there is a reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the period and available case law to re-assess realization/liabilities. In view of the carry forward losses Income Tax under MAT is not applicable.

K) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS: (AS29)

A provision is recognized when the company has a present obligation as a result of past events: it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. The Company has made provisions in respect of outstanding Liabilities in full. The Contingent liabilities are not recognized but are disclosed in the notes to account, unless the possibility of an outflow of resources embodying the economic benefit is remote. The Contingent assets are neither recognized nor disclosed in the financial statements.

L) The Expenditure incurred for development, launching and branding of such products dealt by the company are captured separately and deferred to be written off equally over a period of five years from the following year of incurrence.

M) EVENTS OCCURRING AFTER THE DATE OF BALANCE SHEET:

Materials events occurring after date of balance sheet are taken into cognizance.

N) CASH & CASH EQUIVILANTS:

Cash comprises of cash on hand and demand deposits with bank. Cash equivalents are short term highly liquid investments, that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

O) EARNINGS PER SHARE:

The company reports basic and diluted earnings per share in accordance with the accounting standards-20- 'Earnings per Share' prescribed by the companies (Accounting Standards) Rules 2006. Basic and diluted earnings per share are computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

P) Discontinuing operations (AS24), the company has not discontinued any operations during the year.

Q) Leases: The Company has an operating lease with respect o factory and godowns at Chennai and branch office premises across India. Lease payments under operating lease are recognized as an expenditure on a straight-line method basis.

NOTES FORMING PART OF BALANCE SHEET

	As at 31.3.2017 ₹	As at 31.3.2016 ₹
NOTE NO : 2 SHARE CAPITAL		
Authorised:		
35000000 Equity shares of Rs 2/ each	7,00,00,000	7,00,00,000
	<u>7,00,00,000</u>	<u>7,00,00,000</u>
Issued: - Equity Shares:		
4985315 Shares of Rs.2/- each issued	99,70,630	99,70,630
	<u>99,70,630</u>	<u>99,70,630</u>
Subscribed, Called and Paid-up:		
Equity Shares:		
40000 Shares of Rs.2/- each issued pursuant to a contract without payment being received in cash	80,000	80,000
4841682 shares of Rs 2/-each issued as fully paid up for cash	96,83,364	96,83,364
98883 shares of Rs 2/-each allotted as fully paid up by way of bonus shares by capitalisation reserves	1,97,766	1,97,766
	<u>99,61,130</u>	<u>99,61,130</u>

	As at 31.03.2017	As at 31.03.2016
(a) Reconciliation of Number of Shares:		
Shares outstanding at the beginning of the year	49,80,565	49,80,565
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	49,80,565	49,80,565
(b) Shares held by each shareholder holding more than 5% shares	Nil	Nil
(c) Aggregate Number & Class of Shares		
	Number of shares	Class of shares
Year 2017	49,80,565	Equity
Year 2016	49,80,565	Equity
Year 2015	49,80,565	Equity
Year 2014	49,80,565	Equity
Year 2013	49,80,565	Equity

Rights, preferences and restrictions attached to shares:

The Company has only two class of shares i.e. Preference Shares and Equity Shares.

No preference shares are issued till the date of balance sheet. The equity shares having a face value of Rs 2/- per share. Each shareholder of equity shares is entitled to one vote per share. The dividend proposed by the Board of the Directors is subject to the approval of the shareholders at 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.

The Company has not declared any dividend during the year.

NOTE NO : 3 RESERVES & SURPLUS

(a) Capital Reserve:		
share premium account as per balance sheet	3,750	3,750
Add: Additions during the year	--	--
	<u>3,750</u>	<u>3,750</u>
(b) Profit & Loss Account		
As per Last Balance Sheet	(4,313,208)	(6,397,145)
Add: Profit/Loss for the year after tax	4,422,975	2,593,904
Amount available for appropriations	109,767	(3,803,241)
Less: Adjustment relating to TDS & FBT	-	(889,967)
Add : Adjustment relating to Income Tax provision	-	380,000
Closing Balance	<u>109,767</u>	<u>(4,313,208)</u>
	<u>113,517</u>	<u>(4,309,458)</u>

NOTES FORMING PART OF BALANCE SHEET

	As at 31.3.2017 ₹	As at 31.3.2016 ₹
NOTE NO : 4 LONG TERM BORROWINGS		
1. From ICICI BANK CAR LOAN	44,682	228,810
Car loan taken on hire purchase repayable in 60 monthly payments at 10.25% interest		
NOTE NO : 5 SHORT TERM BORROWINGS		
A) SECURED LOANS		
1. From South Indian Bank Ltd		
Cash Credit. Repayable on demand	39,981,060	39,206,264
Nature of Security:		
Note:		
1. Collaterally secured by equitable mortgage of 2.95 acres of land with factory building at Ranipet, Tamilnadu, with a total limit of Rs 4.00 crores with interest of 12.70% per annum and hypothecation of stock and book debts Renewable on yearly basis		
2. Term Loan (Limit of 1.35 crores)	5,967,104	-
Term Loan with SIB for shifting the existing unit from Ambattur(leased premises) to Ranipet (Own premises) and for purchase of machinery repayable within 7 years on monthly installments with 12.50% interest.		
B) UNSECURED LOANS:		
Inter-Corporate Deposits	2,000,000	4,860,000
Period of one year carries interest @ 9% from a private limited company		
Note: There is no default in repayment of principal or interest thereon.		
	47,948,164	44,066,264
NOTE NO : 6 TRADE PAYABLE		
Due to Micro,small and medium enterprises	--	--
Others	11,142,765	14,908,633
Note:		
Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected.		
NOTE NO : 7 OTHER CURRENT LIABILITIES		
Amount held in Trust	2,551,423	2,551,423
Due to Balanoor Plantations	2,50,000	2,50,000
Due to Director	5,099,863	5,100,973
Due to Malayala Manorama	50,000	50,000
	7,951,286	7,952,396
Payable towards Outstanding liabilities	309,086	2,832,049
Due to Provident Fund	-	22
Due to Managing Director	356,725	1,956,464
Payable towards Tds under Income Tax	291,632	247,780
Payable towards tax under Vat	2,060,442	2,050,034
Others payable	1,868,382	2,129,357
Current maturities of term loan borrowing (Refer Note No. 4)	184,128	184,128
	5,070,395	9,399,834
	13,021,681	17,352,230

NOTE 8: FIXED ASSETS (TANGIBLE ASSETS)

Particulars	ORIGINAL COST GROSS BLOCK				DEPRECIATION/AMORTISATION/DEPLETION				BALANCE NET BLOCK	
	As at 31.03.2016 ₹	Additions/ Transfers ₹	Deductions/ Transfers ₹	Total ₹	Upto 31.3.2016 ₹	For the Year Depreciation ₹	Deductions/ Adjustments ₹	Total ₹	As at 31.3.2017 ₹	As at 31.3.2016 ₹
LAND	33,375	-	-	33,375	-	-	-	-	33,375	33,375
BUILDINGS	5,472,683	950,000	-	6,422,683	4,543,958	43,507	-	4,587,465	1,835,218	928,725
PLANT & MACHINERY	62,877,980	477,940	-	63,355,920	59,295,292	309,441	-	59,604,733	3,751,187	3,582,688
MOULDS	8,479,215	-	-	8,479,215	8,387,730	14,489	-	8,402,219	76,996	91,485
OFFICE & OTHER EQUIPMENTS	5,845,691	137,522	-	5,983,213	5,559,665	192,421	-	5,752,086	231,127	286,026
VEHICLES	1,823,840	5,550	-	1,829,390	1,266,863	111,585	-	1,378,448	450,942	556,977
FURNITURE & FIXTURES	4,369,394	216,262	-	4,585,656	2,965,948	169,483	-	3,135,431	1,450,225	1,403,446
TOTAL	88,902,178	1,787,274	-	90,689,452	82,019,456	840,926	-	82,860,382	7,829,070	6,882,722

NOTES FORMING PART OF BALANCE SHEET

	As at 31.3.2017 ₹	As at 31.3.2016 ₹
<u>NOTE NO : 9 LONG TERM LOANS AND ADVANCES</u>		
Unsecured and Considered Good		
Sundry Deposits	4,203,936	4,663,779
	4,203,936	4,663,779
<u>NOTE NO : 10 OTHER CURRENT ASSETS</u>		
	712,161	1,415,049
	712,161	1,415,049
Current Investments	Nil	Nil
<u>NOTE NO : 11 INVENTORIES</u>		
STOCK-IN-TRADE		
(At cost or market value/average realised price, whichever is lower)		
(As valued and certified by the Management)		
Finished Goods	40,404,454	41,091,367
(As valued and certified by the Management)		
Raw Material	681,437	327,691
	41,085,891	41,419,058
<u>NOTE NO : 12 TRADE RECEIVABLES</u>		
UNSECURED, CONSIDERED GOOD		
Debts outstanding for a period exceeding six months:	2,014,564	1,942,500
Others - Considered Good	15,916,333	14,075,946
	17,930,897	16,018,446
<u>NOTE NO : 13 CASH & BANK BALANCES</u>		
Cash on hand	220,729	132,327
Balance in Current Accounts with Scheduled Banks	3,002,961	3,397,847
	3,223,690	3,530,174
<u>NOTE NO : 14 SHORT TERM LOANS & ADVANCES</u>		
Unsecured considered good		
Advances: Staff	133,180	456,712
Other Advances	7,045,697	7,744,762
Prepaid Expenses	58,850	68,340
	7,237,727	8,269,814

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	Year Ended 31.3.2017 ₹	Year Ended 31.3.2016 ₹
<u>NOTE NO : 15 REVENUE FROM OPERATIONS</u>		
Sale of Products	231,905,963	214,890,631
Less: Excise Duty	24,971,818	23,974,198
	<u>206,934,145</u>	<u>190,916,433</u>
Less: Sales discount	5,671,632	3,321,118
	<u>201,262,513</u>	<u>187,595,315</u>
<u>NOTE NO : 16 OTHER INCOME</u>		
Others	1,698,059	1,299,318
	<u>1,698,059</u>	<u>1,299,318</u>
<u>NOTE NO : 17(A) COST OF MATERIALS CONSUMED</u>		
Consumption of Stores, Components & Spare Parts	79,924,010	73,496,508
	<u>79,924,010</u>	<u>73,496,508</u>
<u>NOTE NO : 17(B) PURCHASES OF STOCK IN TRADE</u>		
F G Purchases	5,217,290	4,164,384
<u>NOTE NO : 17(C) CHANGES IN INVENTORIES OF FINISHED GOODS</u>		
Stock at the Beginning of the Year		
Finished goods	41,091,367	42,138,267
Raw Materials	327,691	1,108,328
	<u>41,419,058</u>	<u>43,246,595</u>
Stock at the End of the Year		
Finished goods	40,404,454	41,091,367
Raw Materials	681,437	327,691
	<u>41,085,891</u>	<u>41,419,058</u>
	<u>333,167</u>	<u>1,827,537</u>
<u>NOTE NO : 18 EMPLOYEE BENEFITS EXPENSES</u>		
Salaries & Wages		
a) M. D's Salaries and Allowances	1,620,000	1,500,000
b) Salaries and allowances	14,383,979	12,866,620
c) Wages	13,189,880	11,268,245
d) Company's Contribution to Staff & workers PF admn charges	251,678	240,441
e) Company's Contribution to Staff & workers PF Fund	2,202,658	1,957,064
f) Company's Contribution to ESI	121,563	125,077
g) Welfare Expenses	1,965,739	1,858,507
h) Bonus	517,566	519,228
i) Gratuity	26,025	716,766
	<u>34,279,088</u>	<u>31,051,948</u>
<u>NOTE NO : 19 OTHER EXPENSES</u>		
a) Repairs & Maintenance		
Buildings	3,224,090	1,849,572
Other Equipment	199,141	367,747
Machinery	1,649,483	1,650,869
	<u>5,072,714</u>	<u>3,868,188</u>

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	Year Ended 31.3.2017 ₹	Year Ended 31.3.2016 ₹
NOTE NO : 19 OTHER EXPENSES (Contd...)		
b) Miscellaneous Expenses		
Advertisement expenses	8,300,833	6,956,967
Auditors travelling expenses	52,680	9,000
Bank Charges	488,603	392,216
Registration Expenses	96,571	54,919
Sitting Fee	16,000	12,500
Conference and Seminar Expenses	10,900	8,590
Service Tax on Transport of Goods	137,653	122,720
	9,103,240	7,556,912
Insurance	232,723	241,930
Rates and Taxes	53,828	348,112
Travelling and Conveyance	5,758,760	6,376,850
Freight expenses	8,257,162	7,548,669
Rent	6,701,407	5,775,551
Professional Charges	3,747,585	3,129,144
Sales Promotion Expenses	2,487,910	3,268,222
Fabrication Charges	1,054,805	1,106,953
Turnover Discount	7,092,921	7,203,548
Vehicle Maintenance	442,795	376,975
Audit fee	150,000	125,000
Consumption of spares	461,583	479,372
Watch & Ward Expenses	771,789	793,622
Power and Fuel	5,518,955	5,649,851
Stiching Charges	1,713,677	1,327,936
Telephone Expenses	719,116	674,533
Commission on sales	91,222	995,930
Postage Expenses	1,019,965	1,011,266
Printing & Stationery	1,143,989	990,137
Prompt Payment Discount	2,878,709	2,720,290
Manufacturing Expenses	423,915	409,905
Inward Freight import/export	1,190,659	950,192
Other Expenses	5,683,322	5,339,143
	57,596,797	56,843,131
	71,772,751	68,268,231
NOTE NO : 20 FINANCE COSTS		
Interest on Bank Borrowings	6,194,170	6,712,450
	6,194,170	6,712,450

21 ADDITIONAL NOTES (FORMING INTEGRAL PART OF ACCOUNTS)

- 21.1 The balance in Sundry Debtors is subject to confirmations.
- 21.2 Deferred Taxation: There is no deferred tax liability during the year.
- 21.3 In the absence of any intimation received from vendors regarding the status of their registration under the "Micro, Small and Medium Enterprises Development Act 2006 the company is unable to comply with the disclosures to be made under the said Act.
- 21.4 The Company's claim for refund of excise duty amounting to Rs 216.55 lakhs along with applicable interest till the date of refund preferred in earlier years before the Central Excise Authorities are still pending.
- 21.5 Closing Stock of inventory pertaining to finished products comprising of different individual products is valued at such products' net billing price as it not possible to ascertain cost for each such product.
- 21.6 Company is in the process of ascertaining of the impairment, if any, on any of the fixed assets and subject to such ascertainment, no recognition during the year is made in the accounts for impairment of fixed assets.

21.7 In respect of gratuity accrued the company has not ascertained or provided in the accounts. Further company has not ascertained accrued leave cash benefits payable to its employees. The company accounts both gratuity and leave encashment as and when paid.

21.8 Disclosure bank notes:

During the year, the Company has specified Bank notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination- wise SBNs and other noted as per the notification are as follows:

Particulars	SBNs Rs.	Other denomination Rs.	Total Rs.
Closing cash in Hand as on November 8, 2016	5,78,000	707	5,78,707
Add: Permitted Receipts	-	8,20,000	8,20,000
Less: Permitted Payments	-	6,59,005	6,59,005
Less: Amount Deposited in Banks	5,78,000	-	5,78,000
Closing cash In hand as on December 30, 2016	-	1,61,702	1,61,702

For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economics Affairs number S.O.3407(E), dated November 8, 2016.

21.9. Related party disclosures :

Related party disclosures as required are as given below.

List of related party

21.9.1 Public Limited Company in which some of the directors of our company are directors of that company

M/s. Balanoor Plantations & Industries Ltd.,

M/s Malayala Manorama Co. Ltd

21.9.2 Key managerial personnel

Mr. Roy Mammen – Managing Director

Mr. Mammen Philip – Director Corporate Affairs

21.9.3 The following transactions were carried out with the related party in its ordinary course of business.

With key management personnel

Remuneration paid – Managing Director Rs.17,82,000/-

Advisory fees paid- Director Corporate Affairs Rs. 2,07,000/-

Dues Payable:

Mr. Roy Mammen(MD) Rs.3,56,725/-

Mr. Jacob Mammen(Director) Rs.50,99,863/-

M/s. Balanoor Plantations & Ind. Ltd., Rs.2,50,000/-

M/s. Malayala Manorama Co. Ltd. Rs. 50,000/-

21.10 **VALUE OF IMPORTS**

Value of imports calculated on CIF basis-

(i) Capital Goods

Rs. 23,489/-

(ii) Purchase of latex foam rubber sheets

Rs.1,31,76,444/-

21.11 **EXPENDITURE IN FOREIGN CURRENCY (CASH BASIS)**

(a) Other matters

Rs.17,84,088/-

21.12 **LEASE PAYMENTS UNDER OPERATING LEASE**

(i) Factory Buildings - Rs.1,245,782/-

(ii) Godowns and Office premises – Rs.5,455,625/-

21.13 Previous year's figures have been suitably reclassified, wherever required.

As per our Report of even date

For S R Mandre & Co

Chartered Accountants

Firm Reg No. 001962S

(B S DINESH)

Partner

Membership No 29624

Place : Bangalore

ROY MAMMEN
Managing Director

ASHOK KURIYAN
Director

JACOB MAMMEN
Director

Date : 30.05.2017

Voucher No 1	Voucher No 2	Voucher No 3
NAME OF SHAREHOLDER	NAME OF SHAREHOLDER	NAME OF SHAREHOLDER
FOLIO NO. FOR SHARES HELD	FOLIO NO. FOR SHARES HELD	FOLIO NO. FOR SHARES HELD
ADDRESS	ADDRESS	ADDRESS
SIGNATURE OF SHAREHOLDER	SIGNATURE OF SHAREHOLDER	SIGNATURE OF SHAREHOLDER



DISCOUNT*
(Sale tax and other
local taxes as applicable)

Valid upto 31st March 2018

This voucher entitles the shareholders to three purchases (upto Rs. 10,000/- per voucher) only of MM Foam at 15% discount from any one of the service centres listed below.

This voucher is to be filled in by the shareholder and surrendered at the time of placing of the order. The service centres listed below will also accept outstation orders by letter provided the shareholder pays the freight involved and sends a draft for the full amount before despatch.

***on MRP Rate**

Service Centres authorised to accept this voucher :

mm
FOAM **Service Centres**

- 1 84, SIDCO Industrial Estate, Ambattur, Chennai - 600 098 (Phone : 42080042)
- 1 97, F.I.E, Patparganj Industrial Area, New Delhi - 110 092 (Phone : 22158630/22158631)
- 1 Gate No. 1, Opp. R. Station Daria, Chandigarh - 161 101 (Phone : 2650999)
- 1 3-4-608, Ground Floor, Near Deepak Theatre, Narayanaguda, Hyderabad - 500 027 (Phone : 27551266)
- 1 45, Gubbanna Industrial Area, VI Block, Rajaji Nagar, Bangalore - 560 010 (Phone : 23150671)
- 1 No. 41/2206, Veekshanam Road, Opp. Veekshanam Press, Cochin - 682 018 (Phone : 4047477)
- 1 32-28-1/1, Veeranna Street, Maruthinagar, Vijayawada - 520 004 (Phone : 2441455)

