

M.M. RUBBER COMPANY LIMITED

REGD. OFFICE

EMPIRE INFANTRY, III FLOOR, 29, INFANTRY ROAD, BANGALORE-560 001. INDIA

PH : 91-80-22866268, 22867065 FAX : 91-80-22861542 URL : www.mmfoam.in

CIN : L25190KA1964PLC052092 GST IN : 29AAACM2611E1ZX

29th August 2022

To,
Bombay Stock Exchange Ltd.,
Department of Company Affairs
Floor No.25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001,
Telephone: 22721234

Sub: - Copy of Annual Report for the year 2021-22.


Dear Sir,

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of **Annual Report** for the year ended March 31, 2022.

Kindly take this notice as compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and acknowledge the receipt.

Thanking you

Yours Faithfully,
For M M Rubber Company Limited


Sharvani Sham Kulkarni
Company Secretary

Encl: as stated

Marketing Office : 'Janapriya Crest', 3rd Floor, Pantheon Road, Egmore, Chennai-600 008.
Phone : +91 44 28191931 / 28191932 Fax : +91 44 28191924

• • • • **NATURAL** **LATEX** **FOAM** **RUBBER** • • • •
MATTRESSES • PILLOWS • CUSHIONS



M M RUBBER COMPANY LIMITED

56th ANNUAL REPORT 2021-22

M M RUBBER COMPANY LIMITED

BOARD OF DIRECTORS

ROY MAMMEN - Managing Director

ASHOK KURIYAN

KARUN PHILIP

JACOB MAMMEN

SUSAN KURIAN

REGISTRARS & SHARE TRANSFER AGENTS

CAMEO CORPORATE SERVICES LTD
Subramaniam Building
5th Floor
No. 1, Club House Road
Chennai-600 002
Phone : 28460390

BANKERS

INDIAN OVERSEAS BANK
SOUTH INDIAN BANK

AUDITORS

Messrs. Vandana Rao and Company
Chartered Accountants
Bangalore-560 011

REGISTERED OFFICE

29, Empire Infantry, 3rd Floor, Infantry Road
Bangalore-560 001
Phone : 080-22866268
GST No. : 29AAACM2611E1ZX
PAN : AAACM2611E
CIN : L25190KA1964PLC052092

M M RUBBER COMPANY LIMITED

CIN: L25190KA1964PLC052092

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

Website Address : www.mmfoam.com E-mail ID : mmfoam27@gmail.com Ph: 080-22866268

NOTICE

To

The Members,

Notice is hereby given that the 56th Annual General Meeting of the members of M M Rubber Company Limited, will be held on Wednesday, 28th September, 2022 at 11-00 a.m. through Video Conference, to transact the following business:

ORDINARY BUSINESS:**Item No.1: Adoption of Accounts:**

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

"RESOLVED THAT, the Audited Balance sheet as at 31st March, 2022 the statement of Profit and loss, notes forming part thereof, the cash flow statement for the year ended 31.03.2022, Financial Statements, together with the Directors' Report and the Auditors' Report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted."

Item No.2: Re-Appointment of Retiring Director:

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

To appoint a Director in place of Mr. Karun Philip (DIN: 01091468) who retires by rotation as per Section 152 and being eligible to offers himself for re-appointment.

Item No.3 Appointment of Statutory Auditors:

To consider and if thought fit, to give your assent or dissent to the following Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors, Mr. Govinda Raju Junjuru (Membership Number: 221304), R A M S And Co., Chartered Accountant (Firm Registration No. 016594S) be and are hereby appointed as the Statutory Auditors of the Company in place of **M/s. Vandana Rao and Company Chartered Accountants (FRN No. 011628S)**, at such remunerations may be mutually agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out of pocket expenses incurred in connection with the audit of accounts of the Company."

"RESOLVED FURTHER THAT, Mr. Govinda Raju Junjuru (Membership Number: 221304), R A M S And Co., Chartered Accountant (Firm Registration No. 016594S) appointed as the Statutory Auditors of the Company, shall hold the office for a period of five years (5 years) from the conclusion of this 56th Annual General Meeting of the Company till the conclusion of 61st Annual General Meeting of the Company to be held after this Annual General Meeting on such remuneration as may be mutually agreed upon between Mr. Roy Mammen, Managing Director of the Company and the Auditors plus reimbursement of service tax, travelling and out-of pocket expenses;"

"RESOLVED FURTHER THAT, the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution."

//By Order of the Board//

Place: Bangalore
Date: 29-08-2022Roy Mammen
Managing Director
(DIN: 00077409)

NOTES:

1. In terms of Ministry of Corporate Affairs (“MCA”) Circular No. 20/2020 dated 5th May, 2020 read with Circular 14/2020 dated 8th April, 2020, Circular 17/2020 dated 13th April, 2020, Circular 02/2021 dated 13th January, 2021, Circular 20/2021 dated 08th December, 2021, Circular 03/2022 dated 05th May, 2022 (“MCA Circulars”) and Securities Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022 physical presence of the Members are not required at common venue as the Annual General Meeting (AGM) is being conducted through Video Conference (“VC”)/ Other Audio Visual Means (“OAVM”). The deemed venue for the AGM shall be the Registered Office of the Company.
2. A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and the Members can join the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first serve basis.
4. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Company's Registrar and Share Transfer Agent for its Share Registry work (Physical and Electronic) are M/s. Cameo Corporate Services Limited, having their office premises at 'Subramanian Building', No.1, Club House Road, Chennai - 600 002.
6. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of Equity Shares of the Company will remain closed from 22nd September 2022 to 28th September 2022 both days inclusive.
7. Pursuant to provisions of Section 72 of the Companies Act, 2013, Members can avail the facility of nomination in respect of shares held by them in physical form. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 (Form attached) duly filled into the Company's Registrar and Share Transfer Agent: M/s. Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
8. Members are requested to intimate immediately any change of address to their Depositories Participants (DPs) in respect of their holdings in demat form and to the Company's Registrar and Share Transfer Agent M/s. Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002, in respect of their physical share folios, if any.
9. Members who are desirous of seeking any further information or clarification, if any, particularly with regard to the accounts are requested to write to the Company at least seven days in advance of the meeting so that the information can be made available at the meeting.
10. As per SEBI directive, it is mandatory for the transferee to furnish self-attested copy of the PAN (Permanent Account Number) card to the Company/RTA for registration of transfer/transmission/transposition of shares in the physical form.
11. Electronic (soft) copy of the Notice of the 56th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with the Annual Report for 2021-22 is being sent to all the Members whose e-mail IDs are registered with the Company/Depository Participant(s)/ Registrar Transfer Agent for communication purposes. As per the General Circular No.18/2020 dated 21st April 2020, General Circular No.20/2020 dated May 5, 2020, and Circular No. 02/2021 dated 13th January 2021 and SEBI Circulars SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022, Company decided to conduct the meeting through Video Conference.
12. As per Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) details in respect of the Directors seeking appointment or re-appointment at the Annual General Meeting, nature of their expertise in specific functional areas, their other directorship and committee memberships, their shareholding and relationship with other directors of the Company are given below:

Name of the Director	Mr. Karun Philip (DIN:01091468)
Date of Birth	30-03-1966
Age	56 years
Qualification	Post-Graduate
List of companies in which directorship is held as on 31st March, 2022	1. M.M. Housing Private Limited. 2. M.M. Machine Technologies Private Limited
Shareholding as on 31st March 2022 a) Held individually b) Held jointly with others	74259 Nil

// BY ORDER OF THE BOARD //

For M M RUBBER COMPANY LIMITED

Roy Mammen

Managing Director

(DIN:00077409, Address:No.12,

Walton Road, Bangalore North

Bangalore-560001)

Place:Bangalore

Date:29-08-2022

E-VOTING FACILITY:

As per Section 108 of the Companies Act 2013, read with Companies (Management and Administration) Rules 2014, e-voting facility is provided in respect of voting for the resolutions to be passed in the Annual General Meeting.

INSTRUCTIONS FOR E-VOTING:

The company has appointed G Akshay & Associates, Practicing Company Secretaries, #615/22, IV Cross, Raghavendra Colony, Bilekahalli, Behind IIMB, Bannerughatta Road, Bengaluru – 560076, to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner as follows:

The instructions for shareholders voting electronically are as under:

- (I) The voting period begins on 25th September 2022 at 9 A.M. and ends on 27th September 2022 at 5 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with NSDL	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
1. The shareholders should log on to the e-voting website www.evotingindia.com.
 2. Click on “Shareholders” module.
 3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 4. Next enter the Image Verification as displayed and Click on Login.
 5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 6. If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	<ul style="list-style-type: none"> ● Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> ● Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;mmfoam12@gmail.com (designated email address by the company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at mmfoam12@gmail.com The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at mmfoam12@gmail.com These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Pre-Requisites for Stakeholders/panellists/Speakers:

- Participant to join using his/her own laptop on software provided (laptop to have good quality camera and microphone and internet connectivity we strictly recommend dedicated 1-2mbps lease line connection)
- Laptop with Standard configuration. Recommended configuration is: Windows 10 Pro OS, i3 processor, 4 GB Ram, Built Camera or USB Web camera for all Speakers.
- Any Desk software installed for remote access for the Technical team on the host side.
- Good Internet connectivity without proxy & firewall. Recommended speed is 2 mbps (1:1) for all speakers/ stakeholders.
- We will share one link to join the meeting, Customer should accept the meeting invite and join the meeting by accepting the meeting Link.
- Recommended to assign 1 moderator from your side also to handle your all users. We will provide training to your moderator in advance as well as our technical team will also be in support at the time of video conferencing.
- Company panelist members/speakers/viewer to download the respective software/app of respective platform provider for eg: cisco WebEx, webinar or any other platform in advance & ready to connect fast for meeting.

Pre-Requisites for Shareholders/Viewers/ Attendees:

- Any internet enabled device –Laptop/Desktop/Smartphone/Tablet
- Latest internet browser
- Laptop/desktop with at least Core2duo processor, 1GB RAM, good quality multimedia kit, Internet connectivity good quality without proxy & firewall –ideally broadband connectivity- 512 kbps or 2 mbps and above dedicated bandwidth
- Ports 1935, 443 and 80 should be opened to allow streaming content
- iPad viewers to have good internet connection of at least 1 Mbps bandwidth to view the webcast
- Access of Webcast URL.
- Shareholders/viewers/Attendee to download the respective software/app of respective platform provider for eg: cisco WebEx, webinar or any other platform in advance & ready to connect fast for meeting.

FORM No. SH-13
Nomination Form
[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies
(Share Capital and Debentures) Rules 2014]

To
The Board of Directors,

I _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.	
				FROM	TO

(2) PARTICULARS OF NOMINEE/S

(a) Name	
(b) Date of Birth	
(c) Father's/Mother's/Spouse's Name	
(d) Occupation	
(e) Nationality	
(f) Address	
(g) E-mail id	
(h) Relationship with the security holder	

(3) IN CASE OF NOMINEE IS A MINOR -

- (a) Date of Birth : _____
- (b) Date of attaining majority : _____
- (c) Name of Guardian : _____
- (d) Address of Guardian : _____

Name of the Security Holder	
Signature	

Witness

Name	
Address	



M M RUBBER COMPANY LIMITED

CIN: L25190KA1964PLC052092

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

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

BOARD'S REPORT

**To the Members,
M M Rubber Company Limited,**

The Directors have pleasure in presenting before you the 56th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2022.

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 Mar 31, 2022 ₹ in lakhs	Financial year ended Mar 31, 2021 ₹ in lakhs
Revenue from Operations	3718.29	2792.86
Other Income	2.00	1.97
Profit before Exceptional Items and Tax	165.00	(371.95)
Exceptional Items (Expenses)/Income	-	-
Profit before tax	165.00	(371.95)
Less: Taxation		
Current tax	15.00	-
Taxes of Prior years	(0.32)	-
Deferred Tax(credit)/Debit	4.93	2.92
Profit for the year	145.39	(374.88)
Total other comprehensive income (net of tax)	-	-
Total Comprehensive income for the year	145.39	(374.88)

OPERATIONS & PERFORMANCE:

Your directors are pleased to inform that the Company was able to achieve a turnover of Rs. 37.18 crores despite the outbreak of COVID-19 pandemic, and the Company was able to make a profit of Rs.145.39 lakhs. The Company has spent a lot of money on maintenance of building, machinery and on advertisement. The amount spent on advertisement has really helped the Company to increase its sales

PROSPECTS:

The Company's entire production has been centralized at its own premises at Ranipet. The Company has spent an amount of Rs. 1.50 crores during the year on Building and Machinery and during the year 2022-23 the Company will be investing an additional amount of Rs.2 crores on building and machinery to increase its production capacity. Your directors are confident that with this move, the Company's turnover and the profitability would improve considerably.

DIVIDEND:

Company has not declared dividend this year.

RESERVE:

The Company has not proposed to transfer any amount to the general reserve.

CAPITAL STRUCTURE:**a. BUY BACK OF SECURITIES:**

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY:

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES:

No Bonus Shares were issued during the year under review.

d. RIGHTS ISSUE:

The Company has not issued any Rights issue during the year under review.

e. EMPLOYEES STOCK OPTION PLAN:

The Company has not provided any Stock Option Scheme to the employees.

f. SHARES WITH DIFFERENTIAL RIGHTS:

Company has not issued any shares with Differential Rights for the year under review.

g. ISSUE AND ALLOTMENT OF EQUITY SHARES ON THE BASIS OF PREFERENTIAL ALLOTMENT:

Company has not issued equity shares on preferential basis.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2021-22 to BSE Limited where the Company's Shares are listed.

DEMATERIALIZATION OF SHARES: Your Company's 63.61% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March 2022 and balance 36.31% 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 & KEY MANAGERIAL PERSONNEL:

As on March 31, 2022, your Board comprises of 5 Directors including 2 Independent Directors.

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

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149 of the Act, and the SEBI LODR.

BOARD & PERFORMANCE EVALUATION:

During the year, the Board has carried out the annual evaluation of its own performance, the performance of the Directors individually as well as the evaluation of Committees of Board.

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 28.06.2021. 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 five times during the financial year from 1st April 2021 to 31st March 2022. 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
28-06-2021	5	4
06-08-2021	5	4
12-11-2021	5	3
31-01-2022	5	5

NUMBER OF AUDIT COMMITTEE MEETINGS 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 Members as on date	No. of Members Present
28-06-2021	3	3
06-08-2021	3	3
12-11-2021	3	2
31-01-2022	3	3

DIRECTORS RESPONSIBILITY STATEMENT:

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

- In the preparation of the annual accounts for the year ended 31st March 2022, the applicable accounting standards have been followed and there is no material departures.
- 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.
- 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.
- they have prepared the annual accounts on a going concern basis.
- They have laid down internal financial controls that are adequate and were operating effectively.
- 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 2021-22.

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:

Sr. No	Name	Designation	Remu-neration paid FY 2021-22 in lakhs ₹	Remu-neration paid FY 2020-21 in lakhs ₹	Increase/ (Decrease) in remuneration from previous year in lakhs ₹	Ratio/Times per Median of employee remuneration
1.	Mr. Roy Mammen	Managing Director	44.14	47.57	(3.43)	18.28
2.	Mr. Machimada Muddappa Kushalappa	Chief Financial Officer	8.95	7.84	1.11	2.91
3.	Ms. Sharvari Sham Kulkarni	Company Secretary	5.16	4.51	0.65	1.25

AUDIT OBSERVATIONS:

i) Statutory Auditors:

The Auditors, Messrs. Vandana PRao and Company, (Firm Registration No.011628S), Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting held on 27th September 2017, who shall hold office until the conclusion of the 56th annual general meeting to be held for the financial year 2021-22.

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

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 2021-22 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 maintenance of record cost is not applicable.

iii) Secretarial Auditor:

M/s. Akshay G and Associates, Bengaluru was appointed as Secretarial Auditor for carrying out the secretarial audit for the financial year 2021-22. 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.**

iv) Internal Auditor:

Pursuant to the provisions of Section 138 of the Act and the Rules thereunder, your Board had appointed M/s. S.R. Mandre and Co., Chartered Accountants, Bangalore as Internal Auditors of the Company for the FY 2021-22.

INFORMATION ABOUT SUBSIDIARY / JV / ASSOCIATE COMPANY:

Company does not have any Subsidiary, Joint venture, or Associate Company during the period under review.

CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES:

During the year, the Company has not entered 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.32 to the financial statement which sets out related party disclosures.

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.

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 memory mattress, memorise and ortho Bond mattress, contour pillow, haemorrhoid 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 cost with regards to foreign exchange and outgo appear in the notes pertaining to the accounts.

4. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
The Company has in place a Gender-Neutral Policy on Zero Tolerance towards Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.
5. Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company as turnover of the Company is not exceeding 35 Crores and accordingly maintenance of such accounts and records are not required.

DEPOSITS:

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

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 behaviours, 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.com

ORDER OF COURT:

No material orders had been passed by the Regulators or Courts or Tribunals.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions for Corporate Social Responsibility ("CSR") under the Companies Act, 2013, are not applicable to the company for the current financial year.

INTERNAL FINANCIAL CONTROL:

The Internal Financial Control with reference to financial statements were operating effectively.

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.,

Sd/-
ASHOK KURIYAN
DIRECTOR
(DIN:00081374)

Sd/-
ROY MAMMEN
MANAGING DIRECTOR
(DIN:00077409)

Place: Bangalore
Date: 24.05.2022

ANNEXURE – A



SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2022

[Pursuant to section 204(1) of the companies Act, 2013 read with Rule 9 of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014]

To,
The Members,
MM RUBBER COMPANY LIMITED,
Empire Infantry, 3rd Floor, No.29, Infantry Road, Bengaluru – 560001, Karnataka, India.

Our secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. Due to restriction on movement of people amid COVID-19 pandemic, we have to conduct our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode from the company. Hence, we state that we have not verified the physical original documents and records. The management has confirmed that the records provided to us for audit are true and correct.
3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulation / guidelines listed in our report and the same pertains to the financial year ended on 31st March, 2022. Our report does not include those statutory compliances the filing whose dates are extended by Ministry of Corporate Affairs / Securities Exchange Board of India / Reserve bank of India as the case may be, from time to time and accordingly such extended time limits remain beyond the date of our audit report.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. Further compliance of The Karnataka Shops and Commercial Establishments Act 1961 and Rules 1963 and Goods and Services Tax is limited to verification of filing of forms and returns thereunder.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

G Akshay & Associates
Practicing Company Secretary
Membership No. F10967
C.P. No. 15584

Place: Bengaluru
Date: 14-07-2022

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2022

[Pursuant to section 204(1) of the companies Act, 2013 read with Rule 9 of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014]

To,
The Members,
MM RUBBER COMPANY LIMITED,
Empire Infantry, 3rd Floor, No.29, Infantry Road, Bangalore- 560001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M M Rubber Company Limited, (CIN L25190KA1964PLC052092) (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on 31st March 2022 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms, and returns filed and other records maintained by the company and also information provided by the company, its officers, agents and authorized representatives and considering the relaxation granted by the Ministry of Corporate Affairs and Reserve Bank of India warranted due to the spread of COVID-19 Pandemic, We hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the Rules made there under to the extent applicable.
- (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.
- (iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under.
- (iv) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not applicable for the period under review.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable for the period under review.
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable for the period under review.
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable for the period under review.
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable for the period under review.
 - h) The Securities and Exchange Board of India (Buy -Back of Securities) Regulations, 2018 - Not applicable for the period under review.
 - i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015

(v) Applicable Labour Laws

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

- a) The clauses of the Listing Agreement entered into by the Company with Bombay Stock Exchange Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) The secretarial standards 1 & 2 issued by the Institute of Company Secretaries of India.

On the basis of the information and explanation provided, the company had no transaction during the period under Audit requiring the compliance of applicable provisions of the Act / Regulation / Directions as mentioned above in respect of:

- a) Issue of securities
- b) Issue of dividends
- c) Buy-back of securities
- d) Foreign Direct Investment
- e) Overseas Investment.

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

We further report that the Board of Directors of the company is duly constituted with the proper balance of Executive Directors and Non-Executive Directors. The changes made to the Composition of the Board of Directors were duly carried out during the period covered under the Audit.

Adequate notice and detailed notes on Agenda were given to all Directors to schedule the Board meeting. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes. We did not find any dissenting directors' views in the minutes.

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

We further report that during the period covered under the Audit, the company has made the following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

Place: Bengaluru
Date: 14-07-2022

Sd/-
G Akshay & Associates
Practicing Company Secretary
Membership No. F10967
C.P.No. 15584
UDIN: F010967D000619157

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 2021-22.

- (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 offering various incentives 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 THE ORDER OF THE BOARD //
For M M RUBBER COMPANY LIMITED

ASHOK KURIYAN

DIRECTOR

(DIN:00081374)

ROY MAMMEN

MANAGING DIRECTOR

(DIN:00077409)

Place: Bangalore

Date: 24-05-2022

ADDENDUM REGARDING QUALIFICATION IN AUDITORS REPORT:

The Auditors in their report have qualified the following:

- a) Valuation of finished products.

Your Directors wish to clarify as under:-

- a) 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 THE ORDER OF THE BOARD //
For M M RUBBER COMPANY LIMITED

Place: Bangalore
Date: 24-05-2022

ASHOK KURIYAN
DIRECTOR
(DIN:00081374)

ROY MAMMEN
MANAGING DIRECTOR
(DIN:00077409)

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

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 2022, the Statement of Profit & Loss (including Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the other explanatory information. (Hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for disclosure of the information referred to in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

As discussed in

1. Note No. 36 to the *Ind AS* financial statements the Company's **valuation of finished goods for the reasons stated in Note is not valued as per Indian Accounting Standard No.2** as at 31 March, 2022.
2. **In the absence of sufficient appropriate evidence and information we are unable to quantify and comment upon the consequential impact if any on the accompanying Ind AS financial statements.**

The financial statements do not adequately disclose this matter. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sl No.	Key Audit Matters	Auditor's Response
1	<p>Revenue recognition: Discounts, Incentives and Rebates etc.:</p> <p>As disclosed in note 20 to the financial statements, Sale of products is measured net of any Sales discounts and note 27 to the financial statements, with regard to Turnover discount, Commission on sales, Prompt payment discount.</p> <p>Total Amount involved on all the aforesaid head of accounts is quite substantial compared to the turnover. Therefore We identified the evaluation of accrual for Commission and discounts as a key audit matter.</p> <p>Material estimation by the Company is involved in recognition and measurement of discounts and commission. This includes establishing an accrual at year end, particularly in arrangements with varying terms which are based on shorter-term arrangements. In addition, the value and timing of promotions for products varies from period to period, and the activity can span beyond the year end.</p>	<p>Principal Audit Procedures</p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls</p> <p>Assessed the appropriateness of the Company's revenue recognition accounting policies, those relating to trade allowances and rebates by comparing with applicable accounting standards.</p> <p>Inspecting on a sample basis, key Dealers contracts. Based on the terms and conditions relating to Commission and discounts, we assessed the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards;</p> <p>Performing substantive testing by selecting samples of Commission and discount transactions recorded during the year including credit notes issued and matching the parameters used in the computation with the relevant source documents.</p> <p>Understanding the process followed by the Company to determine the amount of accrual of Commission and discounts.</p> <p>Checking completeness and accuracy of the data used by the Company for accrual of Commission and discounts</p>

Emphasis of Matter We draw attention to Note No.39 to the Financial Statement, which describes the economic and social consequences the entity is facing as a result of Covid-19 which is impacting operations of the company, supply chains, personnel available for work etc.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act 2013 (the Act) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS). This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies: making judgments and estimates that are reasonable and prudent: and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss including other comprehensive income, the Cash Flow statement and statement of changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of Act, **except for disclosure of the information referred to in the Basis for Qualified Opinion section of our report** read with relevant Rules thereunder.

- e) On the basis of the written representations received from the directors as on 31st March, 2022 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f) 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31, 2022.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or shared premium or any other sources or kinds of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ii) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) (i) The company has not declared or paid any dividend during the previous year.
- (ii) The interim dividend has not been declared and paid by the Company during the year
- (iii) The Board of Directors of the Company have not proposed final dividend for the year

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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.

For M/s. Vandana Rao And Company

Chartered Accountants

FRN No. 011628S

(CA. VANDANA. P. RAO)

Proprietrix

Mem No.218797

UDIN : 22218797AKGFAT5286

Place : Bangalore

Date : 24-05-2022

ANNEXURE 'A 'TO THE AUDITOR'S REPORT

(Referred to in paragraph 2 under “Report on other legal and Regulatory Requirements” section of our report to the members of MM Rubber Co.Ltd, of even date)

To the best of our information and according to the explanations provided to us by the Company and books of account and records examined by us in the normal course of audit, we state that

- (i) In respect of the Company's Property Plant and Equipment and Intangible assets
 - (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
 - (b) The Company has a program of physical verification of Property Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the property tax receipts for land on which building is constructed, registered sale deed / transfer deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The company has not revalued any of its Property Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure by the management is appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory..
 - (b) The quarterly returns/statements filed by the company with banks/financial institutions are in agreement with the books of account of the company.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year
- (iv) The company has not given any loans or guarantees/made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.
- (v) The Company has not accepted any deposit or amounts which are deemed to be Deposits from the public during the year in terms of section 73 to 76 or any other * relevant provisions of the Companies Act, 2013. There have been no instances where order has been passed by Company Law board or National Company Law Tribunal for any contravention.
- (vi) Turnover of all the products of the Company does not exceed INR 35 crores (Thirty Five Crores) during the immediate preceding financial year . **Consequently maintenance of cost records is not applicable to the Company.**
- (vii) In respect of statutory dues:
 - (a) In our opinion and according to information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) According to the information and explanations given to us, There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The term loans have been utilised for the purposes for which they were obtained
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(b) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our it , however Company has incurred Rs. 325.11 lakhs in the immediately preceding Financial Year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) provisions of Section 135 of Companies Act, 2013 [(Corporate Social Responsibility (CSR)] are not applicable to the Company. accordingly reporting under clause 3(xx) of the Order is not applicable

For M/s. Vandana Rao And Company
Chartered Accountants
FRN No. 011628S

(CA. VANDANA.P.RAO)
Proprietrix
Mem No. 218797
UDIN : 22218797AKGFAT5286

Place: Bangalore
Date: 24-05-2022

ANNEXURE 'B 'TO THE AUDITOR'S REPORT

Referred to in paragraph 1 (f) under “Report on other legal and Regulatory Requirements” section of our report to the members of MM Rubber Co.Ltd, of even date)

Report on the Internal Financial Controls over Financial reporting 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 MM Rubber Co Ltd (the Company) as of 31st March 2022 in conjunction with our audit of the financial statements of the company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

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 (hereinafter referred to as “Act”)

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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.

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 with reference to financial statements over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 M/s. Vandana Rao And Company

Chartered Accountants

FRN No. 011628S

(CA. VANDANA.P.RAO)

Proprietrix

Mem No. 218797

UDIN : 22218797AKGFAT5286

Place: Bangalore
Date: 24-05-2022

BALANCE SHEET AS AT 31ST MARCH 2022

in Thousands

Particulars	Note No.	in Thousands	
		As at March 31, 2022 ₹	As at March 31, 2021 ₹
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	126,344	117,298
(b) Financial assets			
(i) Investments	3	9	9
(ii) Other financial assets	4	1,039	1,005
(c) Deferred tax assets			
(d) Other non-current assets	5	3,790	2,393
Total Non-current assets		131,181	120,705
Current assets			
(a) Inventories	6	50,519	49,721
(b) Financial assets			
(i) Trade receivables	7	27,207	21,987
(ii) Cash and cash equivalents	8	4,456	4,586
(iii) Other Bank balances	8	200	200
(iv) Other financial assets	9	8,645	6,322
(c) Other Current Assets	10	110	12
Total Current assets		91,137	82,828
TOTAL ASSETS		222,318	203,533
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	11	12,462	12,462
(b) Other equity	12	117,842	103,302
TOTAL EQUITY		130,304	115,764
II. LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	358	4,382
(b) Deferred tax liabilities (net)	14	19,939	19,446
Total Non current liabilities		20,297	23,828
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	31,776	30,000
(ii) Trade payables			
(i) micro and small enterprises	16	7,145	6,048
(ii) other than micro and small enterprises	16	15,152	10,356
(iii) Other financial liabilities	17	7,607	8,077
(b) Other current liabilities	18	8,538	9,461
(c) Current Tax Liabilities (Net)	19	1,500	-
Total Current liabilities		71,718	63,941
TOTAL EQUITY AND LIABILITIES		222,318	203,533

As per our Report of even date
For Vandana Rao And Company
Chartered Accountants
FRN No. 011628S

For and on behalf of the Board

CA. VANDANA. P. RAO
PROPRIETRIX
MEM No. 218797
PLACE : BANGALORE
DATE:24-05-2022

ROY MAMMEN
MANAGING DIRECTOR

JACOB MAMMEN
DIRECTOR

ASHOK KURIYAN
DIRECTOR

MACHIMADA MUDDAPPA KUSHALAPPA
CHIEF FINANCIAL OFFICER

SHARVARI SHAM KULKARNI
COMPANY SECRETARY

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2022 In Thousands

Particulars	Note No.	Year Ended	
		March 31, 2022	March 31, 2021
		₹	₹
I Revenue from operations	20	371,829	279,286
II Other income	21	200	197
III Total revenue (I + II)		372,030	279,483
IV Expenses:			
Purchases of stock in trade	22	186,011	128,057
Changes in inventories of finished goods, work in progress and Stock-in-Trade	23	(799)	6,951
		185,212	135,008
Employee benefits expense	24	44,949	83,035
Finance costs	25	2,899	2,001
Depreciation and amortization expense	26	5,358	4,684
Other expenses	27	117,112	91,951
Total expenses		355,530	316,678
V Profit before exceptional and extraordinary items and tax (III-IV)		16,500	(37,195)
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V-VI)		16,500	(37,195)
VIII Extraordinary items		-	-
IX Profit before tax (VII-VIII)		16,500	(37,195)
X Tax expense:			
Current tax		1,500	-
Taxes of prior years		(32)	-
Deferred tax		493	293
XI Profit for the year from continuing operations (IX- X)		14,540	(37,488)
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from discontinuing operations (after tax) (XII-XIII)		-	-
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
a) Revaluation of property, plant and equipment		-	-
b) Less: Taxes on above		-	-
(ii) Items that may be reclassified to profit or loss			
a) Mark to Market of Investments		-	-
b) Taxes on above		-	-
XV Profit/Loss for the year (XI + XIV)		14,540	(37,488)
XVI Earning per equity share before exceptional item:28			
Basic & diluted (in ₹)		2.33	(6.02)
XVII Earning per equity share after exceptional item:28			
Basic & diluted (in ₹)		2.33	(6.02)
(Paid up value per share)		2	2

As per our Report of even date
For Vandana Rao And Company
Chartered Accountants
FRN No. 011628S

For and on behalf of the Board

ROY MAMMEN
MANAGING DIRECTOR

JACOB MAMMEN
DIRECTOR

ASHOK KURIYAN
DIRECTOR

CA. VANDANA. P. RAO
PROPRIETRIX
MEM No.218797
PLACE : BANGALORE
DATE: 24-05-2022

MACHIMADA MUDDAPPA KUSHALAPPA
CHIEF FINANCIAL OFFICER

SHARVARI SHAM KULKARNI
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

In Thousands

Particulars	Year Ended March 31, 2022 ₹	Year Ended March 31, 2021 ₹
Cash flows from operating activities		
Profit / (Loss) before taxation	16,500	(37,195)
Adjustments for:		
Depreciation and amortisation	5,358	4,684
Other Income	(200)	(197)
Loss on sale of fixed assets	4	15
Finance costs	<u>2,899</u>	<u>2,001</u>
	<u>8,060</u>	<u>6,502</u>
	24,560	(30,693)
Increase/ decrease in trade receivables	(5,219)	(4,015)
Increase/ decrease in inventories	(799)	6,951
Increase/ decrease in other assets	(3,852)	1,991
Increase/ decrease in other liabilities	(1,392)	10,110
Increase/ decrease in trade payables	<u>5,893</u>	<u>(4,933)</u>
	(5,370)	10,105
	19,190	(20,589)
Income taxes paid	<u>32</u>	<u>-</u>
Net cash from operating activities	19,223	(20,589)
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,657)	(20,368)
Proceeds from sale of property, plant and equipment	250	339
Other Income	<u>200</u>	<u>197</u>
Net cash from investing activities	(14,207)	(19,832)
Cash flows from financing activities		
Proceeds from issue of share capital	-	-
Proceeds / (repayment) from long term borrowings	(4,024)	(6,065)
Proceeds / (repayment) of short term borrowings	1,776	30,000
Finance costs	<u>(2,899)</u>	<u>(2,001)</u>
Net cash from financing activities	<u>(5,146)</u>	<u>21,934</u>
Net increase/(decrease) in cash and cash equivalents	(130)	(18,486)
Cash and cash equivalents at beginning of the year	<u>4,786</u>	<u>23,272</u>
Cash and cash equivalents at end of the year	4,656	4,786

Cash & Cash equivalents:

The above Cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), 'Cash Flow Statements'. Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:

As per our Report of even date

For Vandana Rao And Company

Chartered Accountants

FRN No. 011628S

CA. VANDANA. P. RAO

PROPRIETRIX

MEM NO.218797

PLACE : BANGALORE

DATE:24-05-2022

For and on behalf of the Board

ROY MAMMEN
MANAGING DIRECTOR**JACOB MAMMEN**
DIRECTOR**ASHOK KURIYAN**
DIRECTOR**MACHIMADA MUDDAPPA KUSHALAPPA**
CHIEF FINANCIAL OFFICER**SHARVARI SHAM KULKARNI**
COMPANY SECRETARY

NOTES TO FINANCIAL STATEMENTS**1A. BACKGROUND:**

M M RUBBER COMPANY LIMITED ("the Company") was incorporated on 18-08-1964 under the provision of Indian Companies Act. The Registered Office is situated in Bangalore. The Equity shares of the Company are listed on Bombay stock Exchange Limited. The Company is engaged in the business of manufacturing of mattresses, cushions and pillows.

1B. SIGNIFICANT ACCOUNTING POLICIES:**a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention. All income and expenditure, having a material bearing on financial statements, are recognized on accrual basis.

b. USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect certain reported balances of assets and liabilities, disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Accordingly, future results could differ due to changes in these estimates and the difference between the actual result and the estimate are recognized in the period in which the results are known / materialize.

c. PROPERTY, PLANT AND EQUIPMENT:**(i) Tangible Assets:**

Property Plant and Equipment (PPE) and other tangible assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses relating to the acquisition, installation, erection and commissioning less depreciation. Internally manufactured assets are valued at works cost. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are recognized in the Statement of Profit & Loss while incurred. Spare parts whose life has more than 12 month has been considered as PPE and capitalized by the company.

Land and Building are recognised at fair value based on valuation by independent valuers obtained on a periodic basis less subsequent depreciation on buildings. Increase in carrying amounts on account of revaluation of land and building are recognised net of tax in other comprehensive income and accumulated in the retained earnings under other equity. To the extent the increase in value reverses the decrease accounted previously in other comprehensive income, the increase is first recognised in other comprehensive income. Decrease in value that reverses the previously accounted surplus are first recognised in other comprehensive income to the extent of the available surplus and thereafter charged to profit / loss. Each year the difference between the depreciation based on revalued carrying amount of the asset charged to statement of profit or loss and the depreciation based on the assets original cost net off tax, is reclassified from the revaluation reserve to retained earnings.

(ii) Intangible Assets:

Intangible assets are accounted at cost of acquisition less depreciation / amortization.

(iii) Depreciation & Amortization:

Depreciation on PPE bought/sold during the year is charged on written down value method as per the useful life in Schedule II of Act, depending upon the month of the financial year in which the assets are installed/sold. For the assets acquired prior to April 1, 2014 the carrying amount as on April 1, 2014 is depreciated on over the remaining useful life as defined in Schedule II of the Act.

d. INVESTMENTS:

(i) Investments unless otherwise stated are considered as long term in nature and are valued at acquisition cost less provision for diminution, if any other than those which are considered as temporary in nature.

e. INVENTORIES:

- (i) Inventories does not include spare parts ,servicing equipment and stand by equipment which meet definition of PPE as per AS-10 (revised) .
- (ii) Raw materials, stores, spare parts and components are valued at cost on weighted average basis or net realizable value whichever is lower.
- (iii) Work in progress is valued at works cost or net realizable value whichever is lower.
- (iv) Finished goods are valued at net billing price (please refer Note No.36 to the Ind AS Financial Statements).
- (v) Material cost of work in progress and finished goods are computed on weighted average basis.

f. REVENUE RECOGNITION:**Revenue from contracts with customer**

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations maybe satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. past experience, current experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A liability is recognised for expected sale returns and corresponding assets are recognised for the products expected to be returned.

The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customer.

g. EMPLOYEE BENEFITS:**(i) Short term employee benefits:**

Employee benefits payable wholly within twelve months of rendering the service are classified as short term. Benefits such as salaries, bonus, leave travel allowance etc. are recognized in the period in which the employee renders the related service.

(ii) Post employment benefits:**a. Defined contribution plans:**

The Company has contributed to provident and pension which are defined contribution plans. The contributions paid/ payable under the scheme are recognized during the year in which employee renders the related service.

b. Defined benefit plans:

Employees' gratuity is defined benefit plan. The present value of the obligation under such plan is determined based on actuarial valuation using the Projected Unit Credit Method which considers each year of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains and losses are recognized in the statement of other comprehensive income in the year they arise. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms that matches to the defined benefit obligation.

c. **Compensated Absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

d. Leave encashment paid to employees on retirement is accounted on accrual basis.

h. TAXES ON INCOME:

Provision for Income-tax of the company has been made at the higher of that on the assessable income or on basis of section 115 JB of the Income Tax Act, 1961 after taking cognizance of excess / short provision in prior years. Deferred tax is recognized subject to consideration of prudence, on timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit is recognized using current tax rates. Deferred tax assets liabilities are reviewed as at each Balance sheet date.

In terms of the Guidance note on accounting for credit available in respect of Minimum Alternative Tax(MAT) under the Income Tax Act 1961, issued by the ICAI, the excess of MAT over normal current tax payable has been recognized as an asset by way of credit to the profit & loss account as "MAT credit entitlement".

i. BORROWING COSTS:

Interest and other borrowing costs on specific borrowings relating to qualifying assets are capitalized up to the date such assets are ready for use / intended to use. Other interest and borrowing costs are charged to the statement of profit and loss.

j. PROVISIONS AND CONTINGENT LIABILITIES:

- i) A provision is recognized when the Company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits, decommissioning and site restoration cost) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- ii) Financial effect of contingent liabilities is disclosed based on information available upto the date on which financial statements are approved. However, where a reasonable estimate of financial effect cannot be made, suitable disclosures are made with regard to this fact and the existence and nature of the contingent liability.

EARNINGS PER SHARE:

- k. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares during the period. For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to the equity share holders and weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

FINANCIAL INSTRUMENTS:

- l. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

(i) Cash and Cash Equivalents:

Cash and Cash Equivalents comprise cash and deposit with banks other than for term deposit earmarked for Bank Guarantee. The company considers all highly liquid investments including demand deposits with bank with an original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(ii) Financial assets at amortized cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

m. IMPAIRMENT:**(i) Financial Assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

- n. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

1C Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards, under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

(i) Ind AS 103-Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

(ii) Ind AS 16-Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

(iii) Ind AS 37- Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the cost of fulfilling a contract comprises the 'costs that relate directly to the contract: Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

(iv) Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

(v) Ind AS 116 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 2023.

NOTES TO FINANCIAL STATEMENTS

2. Property Plant and Equipment:

Tangible assets

In Thousands

Particulars	Land	Building	Moulds	Plant & Machinery	Office equipments	Furniture and fittings	Motor vehicles	Total
	₹	₹	₹	₹	₹	₹	₹	₹
Gross Block								
Balance as at 31 March 2020	44,976	38,942	9,351	77,631	8,819	8,765	7,234	195,717
Additions	-	7,600	27	12,356	126	259	-	20,368
Less: Revaluation deficit/ surplus	-	-	-	-	-	-	-	-
Less: Sale of assets	-	-	-	1,533	-	-	-	1,533
Balance as at 31 March 2021	44,976	46,541	9,378	88,454	8,945	9,024	7,234	214,553
Additions	-	6,347	1,105	6,415	426	364	-	14,657
Less: Revaluation deficit/ surplus	-	-	-	-	-	-	-	-
Less: Deductions/ Adjustments+(-)	-	-	8,136	55,441	3,824	2,077	846	70,324
Less: Sale of assets	-	-	-	-	-	-	510	510
Balance as at 31 March 2022	44,976	52,888	2,348	39,429	5,546	7,311	5,878	158,375
Accumulated depreciation								
Balance as at 31 March 2020	-	8,759	8,661	62,423	6,712	4,062	3,133	93,749
Depreciation charge for the year	-	926	96	1,415	760	577	910	4,684
Disposals	-	-	-	1,179	-	-	-	1,179
Balance as at 31 March 2021	-	9,684	8,757	62,659	7,472	4,639	4,043	97,254
Depreciation charge for the year	-	1,021	175	2,320	445	842	554	5,358
Depreciation withdrawn/ Adjustments+(-)	-	-	8,136	55,441	3,824	2,077	1,102	70,580
Balance as at 31 March 2022	-	10,705	797	9,538	4,092	3,404	3,495	32,032
Net block								
Balance as at 31 March 2021	44,976	36,857	621	25,795	1,473	4,385	3,191	117,298
Balance as at 31 March 2022	44,976	42,183	1,551	29,891	1,454	3,907	2,383	126,344

Additional information:

- 1) Management has determined that there are no significant parts of assets whose useful life is different from that of the principal asset to which it relates to in terms of Note 4 Schedule II to the Companies Act, 2013. Accordingly, useful life of assets have been determined for the overall asset and not for its individual components.

3 Non Current Investments:

In Thousands

Details of Investments	Name of the Company	As at March 31, 2022			As at March 31, 2021		
		No of shares	Face value	Amount ₹	No of shares	Face value	Amount ₹
a) Investments in Equity Instruments:							
i) In government securities: (Other than Trade, Unquoted)							
Fully paid up							
National Savings Certificate							
Total							
Less:							
Provision for diminution in value of investments							
Total							

NOTES TO FINANCIAL STATEMENTS

In Thousands

Particulars	As at March 31, 2022	As at March 31, 2021
	₹	₹
4. Other Financial Assets:		
(Unsecured and considered good)		
i) Security deposits	1,039	1,005
	1,039	1,005
5. Other Non Current Assets:		
(unsecured and considered good)		
i) Balances with revenue authorities	3,790	2,393
	3,790	2,393
Less: Allowance for bad and doubtful receivables	-	-
	3,790	2,393
6. Inventories:		
i) Raw Materials	3,638	1,667
ii) Finished Goods	46,882	48,054
	50,519	49,721

NOTES TO FINANCIAL STATEMENTS

In Thousands

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	₹	₹
7. Trade Receivables:		
i) Trade receivables exceeding six months	760	6,048
ii) others	26,447	15,940
	27,207	21,987
Less: Allowance for doubtful receivables exceeding six months	-	-
	27,207	21,987
Additional Information:		
1) Breakup of above:		
i) Secured, considered good	-	-
ii) Unsecured, considered good	27,207	21,987
iii) Doubtful	-	-
Total	27,207	21,987
Less: Allowance for doubtful receivables exceeding six months	-	-
2) a) Debts due by directors or other officers of the company	-	-
Amounts due by private companies in which directors of the Company are directors	-	-
	27,207	21,987

1) Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(I) Undisputed Trade receivables – considered good	26,447	760	-	-	-	27,207
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	26,447	760	-	-	-	27,207

8. Cash and Cash Equivalents:

a) Cash and cash equivalents:

- i) Balances with banks
- in other accounts
- ii) Cash on hand

	4,250	4,446
	205	140
	4,456	4,586

b) Other bank balances:

- i) Balances with banks
- in margin money, security for borrowings, guarantees and other commitments

	200	200
	200	200

Total (a + b)

	4,656	4786
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9. Other Financial Assets:

- i) Security deposits
- ii) Prepaid expenses
- iii) Others
- iv) Advances Given to Vendors

	2,065	2,243
	145	55
	-	-
	6,435	4,024
	8,645	6,322

Less: Allowance for doubtful advances

	-	-
	8,645	6,322

Additional Information:

1) Breakup of above:

- i) Secured, considered good
- ii) Unsecured, considered good
- iii) Doubtful

	-	-
	8,645	6,322
	-	-
	8,645	6,322

Total

	8,645	6,322
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Less: Allowance for doubtful advances

	-	-
	8,645	6,322

NOTES TO FINANCIAL STATEMENTS

In Thousands

Particulars	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹	₹	₹	₹
2) a) Debts due by directors or other officers of the company	-	-	-	-
b) Amounts due by private companies in which directors of the Company are directors	-	-	-	-
10. Other Current Assets:				
i) GST Input Tax Credit	-	-	-	-
ii) Loans and Advances-others	110	12	110	12
	110	12	110	12

In Thousands

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	₹	Number	₹
11. Share Capital:				
Authorized: (*)				
Equity shares of ₹ 2/- each	35,000	70,000	35,000	70,000
	35,000	70,000	35,000	70,000
Issued:				
Equity shares of ₹ 2/- each	6,236	12,472	6,236	12,472
	6,236	12,472	6,236	12,472
Issued, Subscribed and Fully Paid up:				
Equity shares of ₹ 2/- each				
At the beginning of the year	6,231	12,462	6,231	12,462
Issued during the year	-	-	-	-
At the close of the year	6,231	12,462	6,231	12,462
Total carried to Balance Sheet		12,462		12,462

Additional Information:**a) Terms and rights:**

The Company has only two classes 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.

b) Aggregate number of shares issued for consideration other than cash:

40000 Shares of Rs 2/- each issued pursuant to a contract without payment being received in cash	40	80	40	80
98883 shares of Rs 2/-each allotted as fully paid up by way of bonus shares by capitalisation reserves	99	198	99	198

c) Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	%	Number	%
(i) Naveen Bothra	428	6.86	428	6.86

Disclosure of Promoters Shareholding Pattern:

S. No.	Promoter Name	As at Mar' 31, 2022		% Change during the year 2021-22
		No of Shares	% of total shares	
(i)	Mr. Mammen Philip	95	1.53	-
(ii)	Ms. Meera Philip & Mr. Peter philip	107	1.71	-
(iii)	Mr. Peter Philip	4	0.05	-
	Total			

NOTES TO FINANCIAL STATEMENTS**Statement of Changes in Equity****12. Other Equity**

In Thousands

Particulars	Attributable to owners of the Company			Total Other equity
	Other Equity			
	Share premium	Revaluation reserve	Retained earnings	
	₹	₹	₹	
Total Other Equity as at March 31, 2020	75,035	54,506	11,249	140,790
Add/(Less): Profit for the period	-	-	(37,488)	(-37,488)
Add/(Less): Share Premium during the year due to the issuance of shares	-	-	-	-
Less: INDAS adjustment for Revaluation of land and building	-	-	-	-
Less: Tax Adjustment on Ind AS items	-	-	-	-
Less/Add: Depreciation on revaluation reclassified	-	(2,884)	2,884	-
Total Other Equity as at March 31, 2021	75,035	51,623	(23,355)	103,302
Add/(Less): Profit for the period	-	-	14,540	14,540
Add/(Less): Share Premium during the year due to the issuance of shares	-	-	-	-
Less: INDAS adjustment for Revaluation of land and building	-	-	-	-
Less: Tax Adjustment on Ind AS items	-	-	-	-
Less/Add: Depreciation on revaluation reclassified	-	(710)	710	-
Total Other Equity as at March 31, 2022	75,035	50,912	(8,105)	117,842

Particulars	As at March 31, 2022 ₹	As at March 31, 2021 ₹
Non- Current Liabilities		
13. Borrowings:		
Secured loans:		
a. Loan from Banks	4,073	7,426
Less: Current maturities on loan from banks	3,715	3,044
	358	4,382
Total Borrowings	358	4,382

Additional information:**1) Details of security for secured loans:**

Vehicle Loan from bank is secured against the hypothecation of motor car borrowed at interest rate of 8% p.a. repayable in 84 equated monthly installments

Term loan availed from South Indian Bank is primarily secured against hypothecation/mortgage of assets purchased for utilising the loan and a collateral charge vide equitable mortgage of 2.95 acres of land with factory building at Ranipet, Tamilnadu at an interest rate of 9.90% per annum repayable in 74 equated monthly installments.

Note: There are no defaults in repayment of principal or interest thereon

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

14 Deferred Tax Liabilities (Net):

i) Deferred tax liability:

a) On account of depreciation on fixed assets (other than land)	8,245	7,752
b) On account of revaluation of land	11,694	11,694
Total	19,939	19,446

ii) Deferred tax asset:

a) On account of timing differences in recognition of expenditure	-	-
b) On account of Unabsorbed depreciation and brought forward losses under the Income Tax Act, 1961 (restricted to Deferred tax liability)	-	-
Total	-	-

Net Deferred Tax (Liability)/Asset	19,939	19,446
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NOTES TO FINANCIAL STATEMENTS

In Thousands

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	₹	₹
Current Liabilities		
15. Borrowings:		
Secured loans:		
a) Loans repayable on demand		
- from banks	9,026	-
Unsecured Loans:		
- from Others	22,750	30,000
Total	31,776	30,000
1) Details of security for secured loans:		
a) Working capital facility availed from South Indian Bank is primarily secured against hypothecation of entire assets of the Company and collaterally secured by equitable mortgage of 2.95 acres of land with factory building at Ranipet, Tamilnadu at an interest rate of 9.10% per annum.		
2) Terms and conditions for unsecured loans from others:		
a) Represents loan availed from the Managing Director carrying an interest rate of 8% p.a. repayable on demand		
Note: There are no defaults in repayment of principal or interest thereon		
The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.		
16. Trade Payables:		
a) Total outstanding dues of micro and small enterprises		
Trade payables	7,145	6,048
	7,145	6,048
b) Total outstanding dues of creditors other than micro and small enterprises		
Trade payables	15,152	10,356
	22,296	16,403

Additional Information:

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSME Act'). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. The disclosures as required under section 22 of MSMED Act, 2006 under the Chapter on Delayed Payments to Micro, Small and Medium Enterprises is as below:

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Principal amount due and remaining unpaid	-	-
2	Interest due on (1) above and the unpaid interest	-	-
3	Interest paid on all delayed payments under the MSMED Act	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay other than (3) above	-	-
6	Interest accrued and remaining unpaid	-	-
7	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Trade Payables ageing schedule

In Thousands

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	7,145	-	-	-	7,145
(ii) Others	15,152	-	-	-	15,152
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	22,296	-	-	-	22,296

NOTES TO FINANCIAL STATEMENTS

In Thousands

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	₹	₹
17. Other Financial Liabilities:		
a) Current maturities of secured loan from banks	3,715	3,044
b) Deposits from dealers	3,139	2,781
c) Others	754	2,251
	7,607	8,077
18. Other Current Liabilities:		
a) Statutory Dues		
- Tax Deducted at Source	458	562
- Goods and Service Tax	4,138	1,246
- Others	190	10
b) Others	1,056	4,926
c) Advance from Customers	214	248
d) Provision for Retirement leave	2,482	2,469
	8,538	9,461
19. Current Tax Liabilities (Net):		
a) Provision for tax (net of advance tax)	1,500	-
	1,500	-
20. Revenue from Operations:		
i) Sale of Products		
Domestic Sales	400,472	299,491
Less: Sales discount	28,642	20,205
	371,829	279,286
21. Other Income:		
i) Others	200	197
ii) Profit on sale of fixed assets	-	-
	200	197
22. Cost of Purchase:		
i) Consumption of Stores, Components & Spare Parts	180,401	125,457
ii) Purchase of stock in trade	5,610	2,599
	186,011	128,057
23. Changes in Inventories of Stock in Trade:		
Stocks at the end of the year		
i) Finished goods	46,882	48,054
ii) Raw Materials	3,638	1,667
	50,519	49,721
Less: Stocks at the beginning of the year		
i) Finished goods	48,054	54,012
ii) Raw Materials	1,667	2,660
	49,721	56,672
	(799)	6,951
24. Employee Benefit Expenses:		
i) Salaries, wages and bonus	39,487	62,617
ii) Contribution to provident and other funds	1,872	1,966
iii) Gratuity	800	14,818
iv) Staff welfare expenses	2,439	1,166
v) Leave encashment	351	2,469
	44,949	83,035
25. Finance Costs:		
i) Interest expense	2,899	2,001
	2,899	2,001
26. Depreciation and Amortization:		
i) Depreciation	5,358	4,684
	5,358	4,684
27. Other Expenses:		
i) Repairs & Maintenance		
- Buildings	2,915	2,415
- Machinery	3,801	4,701
- others	356	405
ii) Advertisement expenses	18,319	4,440

NOTES TO FINANCIAL STATEMENTS

In Thousands

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	₹	₹
iii) Bank Charges	665	226
iv) Coolie and cartage	2,071	1,615
v) Sitting Fee	36	36
vi) Conference and Seminar Expense	302	50
vii) Insurance	1,497	1,545
viii) Rates and Taxes	818	1,087
ix) Travelling and Conveyance	4,514	3,906
x) Freight expenses	21,090	17,169
xi) Rent	10,100	13,086
xii) Professional Charges	9,265	9,021
xiii) Sales Promotion Expenses	5,636	5,016
xiv) Fabrication Charges	1,798	2,336
xv) Turnover Discount	16,127	11,219
xvi) Vehicle Maintenance	805	889
xvii) Audit fee		
- as auditor	200	200
- reimbursement of expenses	162	63
xviii) Consumption of spares	383	384
xix) Watch & Ward Expenses	874	1,211
xx) Power and Fuel	3,901	2,536
xxi) Stitching Charges	2,249	1,394
xxii) Telephone Expenses	477	496
xxiii) Commission on sales	61	45
xxiv) Postage Expenses	736	483
xxv) Printing & Stationery	857	709
xxvi) Prompt Payment Discount	5,916	4,532
xxvii) Manufacturing Expenses	246	174
xxviii) Other Expenses	930	547
xxix) Loss on sale of fixed assets	4	15
	117,112	91,951

28. Additional Information:

a) Value of Imports calculated on CIF basis:		
i) Purchases of Stock in Trade	5,694	16,906
ii) Capital goods	-	-
b) Expenditure in foreign currency: (net of withholding tax)		
i) Other matters	-	-
c) Details of non-resident shareholdings		
i) Number of nonresident share holders	74	67
ii) Number of shares held by nonresident shareholders	132	101
iii) Amount remitted during the year in foreign currency on account of dividends	-	-
d) Earnings in foreign exchange:		
i) Sale of products	-	-

29. Earnings Per Share:

(Basic and diluted)

Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":

(a) Before and after exceptional item		
Profit/(Loss) for the year after tax expense	14,540	(37,488)
Weighted average number of equity shares	6,231	6,231
Paid up value per share	2	2
Earnings per share (basic & diluted)	2.33	(6.02)

30. Contingent Liabilities and Commitments:

(to the extent not provided for)

a) Contingent liabilities:

i) Claims against the Company not acknowledged as debts	-	-
ii) Bank Guarantees	-	-
iii) Unexpired Letters of credit	-	-
iv) Central Excise tax under dispute	-	-

*The Company's appeal against the above demand has been allowed by the appellate authorities with consequential benefits and there is no Excise dues.

NOTES TO FINANCIAL STATEMENTS**b) Commitments:**

i) Other commitments*	15,000	10,000
ii) Warranty on Sale of Products - Amount not ascertainable	-	-

*The Company is in the process of procuring new machinery to its unit at Ranipet.

31. Segment Reporting:

The Company is engaged in only manufacturing of mattresses, pillows and cushions which is considered as a single reportable business segment and accordingly, primary reporting disclosures for business segments, as envisaged in Indian Accounting Standard (IND AS) 108 on Operating Segment is not applicable.

32. Related Party Transactions:**(a) Name of related parties and description of relationship where controls exists:**

Sl. No.	Name of the Related Party	Relationship
1	Nil	Wholly Owned Subsidiary
2	Nil	Step down subsidiary
3	Nil	Associates
4	Roy Mammen - Managing Director Jacob Mammen - Director Mammen Philip - Director Sharvari Sham Kulkarni - Company Secretary Machimada Muddappa Kushalappa - CFO	Key Management Personnel and their relatives ("KMP")
5	Balanoor Plantations & Industries Limited	Enterprises over which key management personnel and their relatives are able to exercise significant influence

(b) Transactions with the related parties

Particulars	Relationship	Year Ended March 31, 2022 ₹	Year Ended March 31, 2021 ₹
Purchase of goods and services:			
Nil	-	-	-
Software Sales & Service Exports			
Nil	-	-	-
Rental Income			
Nil	-	-	-
Remuneration paid*:			
Roy Mammen	Managing Director	4,414	4,757
Sharvari Sham Kulkarni	Company Secretary	516	451
Machimada Muddappa Kushalappa	Chief Financial Officer	895	784

* The remuneration paid to the Managing Director includes Company leased accommodation, gas, electricity, subscription, etc.

(c) Outstanding balances at the end of the year:

Particulars	Relationship	Year Ended March 31, 2022 ₹	Year Ended March 31, 2021 ₹
Nil	Wholly Owned Subsidiary	-	-
Nil	Step down subsidiary	-	-
Nil	Associates	-	-
Roy Mammen	Key Management Personnel and their relatives ("KMP")	22,500	30,000
Jacob Mammen	-	-	-
Sharvari Sham Kulkarni	-	-	-
Machimada Muddappa Kushalappa	-	-	-
Balanoor Plantations & Industries Limited	Enterprises over which key management personnel and their relatives are able to exercise significant influence	250	250

NOTES TO FINANCIAL STATEMENTS**33. Operating Lease (Ind As 17):**

The Company has various operating leases for office facilities which is renewable on a periodic basis, and cancelable at its option. Rental expenses for operating leases included in the financial statements for the year are ₹1,01,00,363/- (Previous Year ₹1,30,85,903/-).

34. Financial Risk Management Objectives and Policies:

The entity's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the entity's operations to support its operations. The entity's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents that are derived directly from its operations.

The entity is exposed to market risk/credit and liquidity risks. The entity's senior management oversee the management of these risks. The board reviews their activities. No significant derivative activities have been undertaken so far.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the positions as at March 31, 2022 and March 31, 2021:

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumption has been made in calculating sensitivity analyses.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021 including the effect of hedge accounting.

Interest rate risk

Changes in market conditions that give rise to market risk include changes in a benchmark interest rate, the price of another entity's financial instrument, a commodity price, a foreign exchange rate or an index of prices or rates.

35. Fair Value Measurement (Ind AS 113):

The Financial Instruments of the Company are initially recorded at fair value and subsequently measured at amortized cost based on the nature and timing of the cash flows.

The below table summarises particulars of Financial Instruments used:

Particulars	As at March 31, 2022 ₹	As at March 31, 2021 ₹
Financial Assets at amortized cost:		
Investments	9	9
Trade Receivables	27,207	21,987
Other Financial Assets	9,684	7,327
Cash & cash equivalents	4,456	4,586
Other Bank Balances	200	200
Total Financial Assets	41,555	34,109
Financial Liabilities at amortized cost:		
Borrowings	358	4,382
Other Financial Liabilities	7,607	8,077
Trade Payables	22,296	16,403
Total Financial Liabilities	30,261	28,862

The Company has not classified any Financial Asset or Liabilities as measured at Fair value through Profit and Loss (FVTPL) or measured at Fair Value through Other Comprehensive Income (FVTOCI).

The Fair Value of the above financial assets and liabilities are measured at amortized cost which is considered to be approximate to their fair values.

36. Closing stock of inventory pertaining to finished products comprising of different individual products is valued on the basis of net billing price of such product. Hence, it is not possible to ascertain the financial impact due to the fact that the Company has not been able to arrive at the cost price of each product.

NOTES TO FINANCIAL STATEMENTS**37. DISCLOSURES AS PER INDAS 19 "EMPLOYEE BENEFITS":****a) Defined Contribution Plan:**

Contribution to defined contribution plan are recognized as expense for the year are as under:

In Thousands

Particulars	March 31, 2022	March 31, 2021
Employer's contribution to provident & pension funds	1,872	1,966

b) Defined Benefit Plan:

The employees' gratuity fund scheme and leave encashment are defined benefit plans. The Present value of obligation is determined based on actuarial valuation using the projected unit credit method.

1. Reconciliation of opening and closing balances of defined benefit obligation:	In Thousands	
	March 31, 2022 Gratuity	March 31, 2021 Gratuity
Defined Benefit obligation at beginning of the year	5,714	-
PV of Past Service Benefit	1,217	14,379
Current Service Cost (*)	568	439
Interest Cost	-	-
Actuarial (gain)/ loss	-	-
Benefits Paid	-	9,104
Defined Benefit obligation at end of the year	7,500	5,714
2. Reconciliation of opening and closing balance of fair value :		
Fair value of plan assets at beginning of the year	5,714	-
Expected return on plan assets	-	41
Employer Contribution	1,785	14,776
Benefits paid	-	9,104
Actuarial gain/(loss)	-	-
Fair value of plan assets at year end	7,500	5,714
Reconciliation of fair value of assets and obligations:		
Fair value of plan assets	7,500	5,714
Present value of obligation	7,500	5,714
Amount recognized in Balance Sheet under liabilities:	7,500	5,714
Expense recognized during the year: (under "Note 24" "Employee Benefit Expenses" in the Statement of Profit and Loss)	March 31, 2022 Gratuity	March 31, 2021 Gratuity
In In Income Statement:		
Current Service Cost	568	439
Past service cost	1,217	14,379
Expected return on plan assets	-	-
In Other Comprehensive Income:		
Actuarial (gain)/ loss	-	-
Net Cost	1,785	14,818
Actuarial assumptions:	March 31, 2022 Indian Assured Lives (2006 -08) (Ultimate)	March 31, 2021 Indian Assured Lives (2006 -08) (Ultimate)
Mortality Table		
Discount rate (per annum)	7% p. a.	7% p. a.
Expected rate of return on plan assets (per annum)	6.5% p.a.	6.5% p.a.

(*) Leave provision for current year includes provision for short term compensated absence as assessed by the actuary.

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

e) Sensitivity Analysis:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, has been determined based on possible effect of changes of an assumption occurring at end of the reporting period, while holding all other assumptions constant.

(₹ In Thousands)

Particulars	March 31, 2022		March 31, 2021	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of +/- 1.0%)	-	-	-	-
Change in rate of Attrition (delta effect of +/- 1.0%)	-	-	-	-
Change in rate of Mortality (delta effect of +/- 0.5%)	-	-	-	-
Change in rate of salary increase (delta effect of +/- 0.5%)	-	-	-	-

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan assets.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**38. Additional Regulatory Information:
Ratios**

Sl No	Ratio Name	Formula	FY 2021-22	FY 2020-21	% of change	"Detailed Explanation for change (Where the change is 25% or more as compared to the immediately previous financial year)"
i)	Current Ratio	Current Assets / Current Liabilities	1.27	1.30	-2%	Not applicable
ii)	Debt Equity Ratio	Total Debt/ Shareholder's fund	0.28	0.32	-13%	Not applicable
iii)	Debt Service Coverage Ratio	EBIT/ Interest+ Principal	3.55	-3.24	210%	The improvement in Debt service ratio is because of increase Profit before Taxes for the FY 2021-22
iv)	Return on Equity Ratio (in %)	Net Earnings/ Shareholder's fund	0.12%	-0.28%	143%	The increase in ROE is due to increase in net profit in current FY 2021-22
v)	Inventory Turnover ratio	Cost of Goods Sold / Average Inventory	7.42	5.25	41%	The increase is due to increase in sales during the FY 2021-22 as compared to the sales during the FY 2020-21
vi)	Trade Receivables Turnover Ratio	Net credit sales/ Avg Trade Receivables	15.12	13.98	8%	Not applicable
vii)	Trade Payables Turnover Ratio	Net credit purchases / Avg Trade payables	9.57	7.15	34%	The increase is due to increase in sales which has led to increase in purchases during the FY 2021-22.
viii)	Net Capital Turnover Ratio	Net annual sales/ Working capital	19.15	14.79	29%	The increase is due to increase in sales which has led to increase in working capital requirement during the FY 2021-22.
ix)	Net Profit Ratio (in %)	Net profit/ Sales	3.91%	-13.42%	129%	The increase is due to the Net Profit during the FY 2021-22 as compared to the loss in the previous FY 2020-21.
x)	Return on Capital Employed	EBIT/ Capital Employed	0.11	-0.21	152%	The increase is due to increase in Net Profit during the FY 2021-22 as compared to the loss in the previous FY 2020-21.
xi)	Return on Investment (ROI)	Income generated from investments/ Time weighted average investments	0.00%	0.00%	0%	"Not applicable: There is no income generated against investments during FY 2021-22"

39 Impact of COVID-19 on Business:

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the company. The company has internally performed sensitivity analysis on the assumptions used and based on the current estimates, the company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2022, are fully recoverable. The management has also estimated the future cashflows for the company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from the estimated as at the date of approval of these financial statements.

- 40 The company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.
- 41 The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 42 The company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period as at the balance sheet date.
- 43 The proceedings haven't been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at the balance sheet date.
- 44 The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets), intangible assets and investment property as at the balance sheet date.
- 45 The company has neither advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) nor received with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company/Funding party (Ultimate Beneficiaries).
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- 46 The Company doesn't have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme as at the balance sheet date.
- 47 The Company hasn't traded or invested in Crypto currency or Virtual Currency during the financial year.
48. The Company is not declared as willful defaulter by any bank or financial institutions (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines of willful defaulter issued by the Reserve Bank of India.
49. The Company has complied with the number of layers for its holdings in downstream companies prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with the Companies. (Restriction of number of layers) Rules 2017.

50. Deferred Tax Asset

The breakup of Deferred tax asset is as follows:

Particulars	In Thousands	
	As at March 31, 2022 ₹	As at March 31, 2021 ₹
Deferred Tax Asset - (A)		
Provision for Employee Benefits		
Warranty Provisions		
Loss allowance on Financial and Contract Assets		
On account of Unabsorbed depreciation and brought forward losses under the Income Tax Act, 1961 (restricted to Deferred tax liability)	-	-
Deferred Tax Liability - (B)		
Written Down Value of Fixed Assets	8,245	7,752
Others (Revaluation of Land)	11,694	11,694
Net Deferred Tax Asset - (A)-(B)	(19,939)	(19,446)

Movement in Deferred Tax Particulars	In Thousands			
	Charge/ (Credit) to Statement of P&L		Charge/ (Credit) to OCI	
	For the year ended March 31,2022	For the year ended March 31,2021	For the year ended March 31,2022	For the year ended March 31,2021
	₹	₹	₹	₹
Deferred Tax Asset-				
Provision for Employee Benefits				
Warranty Provisions				
Loss allowance on Financial and Contract Assets	-	-	-	-
Others				
On account of Unabsorbed depreciation and brought forward losses under the Income Tax Act, 1961 (restricted to Deferred tax liability)	-	-	-	-
Deferred Tax Liability –				
Written Down Value of Fixed Assets	493	293	-	-
Others (Revaluation of Land)	-	-	-	-
Total	(493)	(293)	-	-

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

As per our Report of even date
For Vandana Rao And Company
Chartered Accountants
FRN No. 011628S

CA. VANDANA. P. RAO
PROPRIETRIX
MEM NO.218797
PLACE : BANGALORE
DATE:24-05-2022

For and on behalf of the Board

ROY MAMMEN
MANAGING DIRECTOR

JACOB MAMMEN
DIRECTOR

ASHOK KURIYAN
DIRECTOR

MACHIMADA MUDDAPPA KUSHALAPPA
CHIEF FINANCIAL OFFICER

SHARVARI SHAM KULKARNI
COMPANY SECRETARY

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