



M.M. RUBBER COMPANY LIMITED

44th ANNUAL REPORT 2009-10

M.M. RUBBER COMPANY LIMITED

BOARD OF DIRECTORS

ROY MAMMEN - Managing Director

MAMMEN PHILIP

ASHOK KURIYAN

KARUN PHILIP

JACOB MAMMEN

REGISTRARS & SHARE TRANSFER AGENTS

CAMEO CORPORATE SERVICES LTD.
Subramaniam Buildings,
No.1, Club House Road,
Chennai - 600 002.
Phone : 28460390

BANKERS
INDIAN OVERSEAS BANK

AUDITORS
S R MANDRE & CO

REGISTERED OFFICE
29, Empire Infantry, 3rd Floor, Infantry Road,
Bangalore - 560 001

M. M. RUBBER COMPANY LIMITED

No. 29, Empire Infantry, 3rd Floor, Infantry Road, Bangalore 560 001

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Forty Fourth Annual General Meeting of the members of MM Rubber Co. Ltd., will be held on Wednesday the 29th September 2010 at 3 P.M. as scheduled below:

Hotel Ashraya International
149, Infantry Road, Bangalore - 560 001

To transact the following;

A. ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2010 and the Profit & Loss Account for the year ended that date and the report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Kuriyan, who retires by rotation and is eligible for re-appointment.
3. To appoint the Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

B. SPECIAL BUSINESS

To consider and if thought fit to pass with or without modification, the following Resolution as Ordinary Resolution.
Revision in the terms of remuneration of Mr. Roy Mammen, Managing Director.

“RESOLVED that in partial modification of the resolution passed at the Annual General Meeting of the company held on 28.9.2006 and pursuant to the provisions of Sec.198, 269, 309, 310 and other applicable provisions if any, read with Schedule XIII of the Companies Act 1956, the company hereby accords its approval for revision in the terms of remuneration to Mr. Roy Mammen, Managing Director, of the Company with effect from 1.10.2010 to the reminder terms of his appointment as under:

1. Salary: Rs.45,000/- with an annual increment of Rs.15,000/-
2. Company's contribution to the provident fund shall be as per rules of the company.
3. Gratuity as applicable as per rules of the company
4. Commission at 1% of the net profit of the company

In addition Mr. Roy Mammen will be entitled to the following allowances, perquisites, facilities and amenities subject to the rules of the company.

- (a) Furnished residence or HRA at 50% of the salary in lieu thereof, the expenditure incurred by the company on gas, electricity and water and furnishing and repair house maintenance expenses, servants, cook, security guard etc.,
- (b) Medical reimbursement as per the rules of the company on himself, spouse, children and other dependent members of the family.
- (c) Club fees – reimbursement of club fees and expenses for using club facilities.
- (d) Leave travel allowance for self and family once a year as per the rules of the company.
- (e) Medical/personal accident/travel insurance – Actual premium to be paid by the company for himself and his family.
- (f) A.C. car with driver will be provided to be used for the business of the company.
- (g) Children education allowance limited to two children up to 24 years of age for each child.

NOTE:

The above perquisites/allowances and benefits shall be evaluated as per rules of the Income-tax Act wherever applicable. In the absence of such rules the perquisite/allowances shall be evaluated at actual cost of the company

The maximum cost to the company per annum for the grant of the above perquisites, allowances and benefits shall not exceed annual salary

In addition to the above Mr.Roy Mammen is entitled for one months leave for every year with full salary and free telephone facility at his residence including mobile phone and other communication facilities.

In the absence of adequate profit in any financial year during the course of his tenure of Mr.Roy Mammen as Managing Director shall be paid as above as minimum remuneration subject to the provisions in Schedule XIII to the Companies Act or as per the approval of the Central Government as applicable.

OTHER TERMS

1. He is entitled to reimbursement of entertainment, traveling and all other expenditure incurred for the business of the company as per the rules of the company
2. He shall also be eligible for housing and other loans and facilities in accordance with the rules of the company

RESOLVED FURTHER that the Board be and is hereby authorized to alter, vary and modify the said terms including salary, allowances and perquisites in such manner as may be agreed to between the Board and Mr.Roy Mammen within and in accordance with and subject to the limits prescribed in Schedule XIII to the Companies Act and if necessary as may be stipulated by the Central Government as may be agreed to accordingly between the Board and Mr.Roy Mammen

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

PLACE: BANGALORE
DATE: 29.07.2010

ROY MAMMEN
MANAGING DIRECTOR

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member of the company.
2. an instrument appointing a proxy must be sent so as to reach the registered office of the company not later than 48 hours before the time fixed for the commencement of the meeting.
3. The register of members and the share transfer books closed from 28.9.2010 to 30.9.2010.
4. Members are requested to notify immediately the change in their address to the registered office of the company.
5. Members or proxies should bring their attendance slip duly filled in for attending the meeting. Members are requested to bring their copy of Annual Report to the meeting.

EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT

Mr.Roy Mammen was appointed as Managing Director of the Company during the year 2006 and the appointment and the terms of remuneration was approved by shareholders at their General Meeting held on 28.9.2006.

At the point of fixing of the remuneration the company was referred to BIFR as Sick Industrial Company under the provisions of SICA. Further on account of accumulated losses the company's net-worth was negative.

Mr.Roy Mammen after taking over as Managing Director of the Company was not only responsible for nursing back the company to a healthy stage but also instrumental in increasing the turnover and the profitability of the company. He was also responsible for making the company to come out of BIFR. Hence taking into consideration of the above and keeping in view the increased role and responsibility of the Managing Director, the Board of Directors are recommending the increased remuneration as proposed. Hence the resolution.

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

PLACE: BANGALORE
DATE: 29.07.2010

ROY MAMMEN
MANAGING DIRECTOR

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Ladies & Gentlemen,

Your Directors have pleasure to present their report on the activities and the audited accounts for the year ended 31st March 2010. Your Directors are happy to report that the year under report has resulted in higher turnover as compared to the previous year.

WORKING OF THE COMPANY

During the year under review there has been unprecedented increase in the price of rubber latex, the major raw material component. This increase had adverse effect on the overall cost though the turnover increase marginally. The increase in cost of latex and other inputs resulted in the reduction of net profit of the year as compared to the previous year

FINANCIAL RESULTS

The financial results of the company are as under:

Rupees in lakhs

Particulars	For the Year 2009-2010		For the Previous Year 2008-2009	
Profit before depreciation and interest		70.61		105.06
Less: Depreciation	10.96		11.21	
Interest	5.78		9.14	
		16.74		20.35
Profit after depreciation and Interest		53.87		84.71
Less: Short/excess provision of bonus of earlier years		0.06		(1.00)
		53.93		83.71
Less: FBT Paid		-		2.10
		53.93		81.61
Less: Provision for MAT		9.05		8.00
		44.88		73.61
Add: Balance brought forward from previous year		91.85		18.25
Surplus Carried over to Balance Sheet		136.73		91.85

PROSPECTS FOR THE CURRENT YEAR

In view of Company adding on new products, your Directors are confident to increase the turnover in coming years and also post healthy profits.

DIVIDEND

As the Company is in the process of financial consolidation, your Directors are not recommending any dividend for the year.

DIRECTORS

Mr. Ashok Kuriayn retires by rotation at the ensuing Annual General Meeting and eligible for re-appointment.

FIXED DEPOSITS

At the close of the year the matured deposit of Rs.17,000/- remains unclaimed.

PARTICULARS OF EMPLOYEES

There were no employees whose remuneration during the financial year attracted the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

AUDITORS

M/s.S.R.Mandre & Co., Chartered Accountants, Bangalore who retires are eligible for re-appointment.

R & D EFFORTS AND TECHNICAL ABSORPTION

Details of R & D Efforts and Technology, Absorption are given in Form "B" hereunder:

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 and as a consequence during the year it successfully launched a product known as DUAL MATTRESSES.

2. Future Plan of Action

The company is planning to expand its production capacity in order to take advantage of increase in demand of natural rubber and home products.

3. Expenditure on R & D

Expenditure on in-house research and development has been shown under respective heads of expenditure in the Profit & Loss Account.

4. 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 use of pre-vulcanized latex is being explored.

5. Foreign Exchange Earnings and Outgo

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

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, on the Directors Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of accounts for the financial year ended 31st March 2010, the applicable accounting standards have been followed, along with proper explanation relating to material departures.
- b) That the Directors have selected the accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company, at the end of the year under review and of the Profit of the Company, for the year under review.
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the annual accounts for the year ended 31st March 2010 on a "going concern" basis.

APPRECIATION

The Directors place on record their appreciation of the valuable contribution of the Company's bankers. The Directors take the opportunity to thank the customers, dealers and all employees for their continued co-operation.

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

PLACE: BANGALORE
DATE: 29.07.2010

ASHOK KURIYAN
Director

ROY MAMMEN
Managing Director

NOTE: The Directors at their meeting held on 29.7.2010 have authorized Mr. Ashok Kuriyan and Mr. Roy Mammen, Directors to sign this report on their behalf

ADDENDUM REGARDING QUALIFICATION IN AUDITORS REPORT

The Auditors in their report have qualified the following:

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

Your Directors wish to clarify as under:

- a) The company is in the process of ascertaining the actuarial liability for gratuity and leave encashment. Pending such ascertainment the company is meeting the gratuity and encashment of leave liabilities as and when it arises in the individual cases and there are no unpaid liabilities on this account.
- b) The Company had closed its BOPP Division and Glove Division in the earlier years and most of the fixed assets pertaining to those divisions have been disposed off in those years. The Company carries in its books the assets relating to foam products. Pending ascertainment of realizable value or useful economic life of those assets, it has not been possible to quantify or provide for in the books towards loss on impairment of assets, if any.
- c) The Company, in view of the new products introduced, is in the process of ascertaining revised cost of production for all the products dealt with by the Company, pending such ascertainment, the Company continued its policy of valuing the stock at net billing price of each product.

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

PLACE: BANGALORE
DATE: 29.07.2010

ASHOK KURIYAN
Director

ROY MAMMEN
Managing Director

For S.R.MANDRE & CO., Chartered Accountants, Bangalore

AUDITORS' REPORT TO THE SHAREHOLDERS

AUDITORS' REPORT TO THE SHAREHOLDERS OF M M RUBBER COMPANY LIMITED, BANGALORE, ON THE BALANCE SHEET AS AT 31ST MARCH 2010 AND THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

We have audited the attached Balance Sheet of M M RUBBER COMPANY LIMITED, Bangalore as at 31st March 2010 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Our audit includes an examination on a test basis, of evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates and judgments made by the management in the preparation of financial statements and evaluating the overall financial statement presentation.

We planned and performed our audit, so as to obtain all the information and explanations which were considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements and to provide a reasonable basis for our opinion.

We further report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
3. The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report comply with the requirements of the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
5. On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to the non ascertainment of impact on the accounts of the Company in respect of matters dealt with in the **Note No.2.7(Revised Accounting Standard No.15 on Employees Retirement Benefits has been Complied with except that the Company neither has ascertained nor provided for actuarial value of its gratuity liability and Leave Encashment as on 31.3.2010), and subject to Note No 2.6(Accounting Standard A S 28 on Impairment of assets) and subject to Note no 2.1(Balances are subject to confirmations) and subject to deviation from Accounting Stanard AS2 regarding valuation of finished goods inventory for the reasons stated in Note No 2.5 of the notes to the accounts and read together with other Notes thereon**, give the information required by the Companies Act, 1956, in the manner so required and also give a true and fair view, in conformity with the accounting principles generally accepted in India;
 - a) In the case of Balance Sheet, of the state of the Company's affairs as at 31st March 2010
 - b) In the case of Profit & Loss Account, of the Profit for the year ended on that date, and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
7. As required by the Companies (Auditors' Report) Order, 2003 [as amended by Companies (Auditor's Report)(Amendment) Order, 2004] issued by the Central Government under Section 227(4A) of the Companies Act, 1956 and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we report that;

- (i) a) The Company has maintained records showing full particulars including quantitative details and situation of fixed assets; except, updating such register for Plant & Machinery pertaining to closed Bopp Division and giving effect to sale of old machines scrapped in foam division.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed;
- (c) Fixed Assets disposed of during the year were not material enough to affect the going concern identity of the Company.
- ii) (a) The inventories of the company at all its locations have been physically verified by the management during the year;
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business;
- (c) The Company has maintained proper records of inventories and the discrepancies between the physical inventories and the book records, which have been properly dealt with in the books of account were not material.
- iii) (a) The Company has taken loans from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. However the Register maintained under section 301 has to be updated. Unsecured advances were granted by the Company to the employees of the company,
- (b) In our opinion the rate of interest and other terms and conditions in respect of the unsecured loans taken by the company from the related parties are in our opinion, prima facie not prejudicial to the interest of the company.
- iv) In our opinion and in accordance with the information and explanations given to us there is an adequate Internal Control procedure commensurate with the size of the Company and the nature of its business. However, areas pertaining to purchase of goods and inventory needs to be strengthened.
- v) a) In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register required to be maintained under section 301 of the Companies Act, 1956.
- b) In our opinion and according to the information and explanations given to us, the transactions that in respect of purchase of materials and sale of goods services made in pursuance of contracts that were needed to be entered into a register in pursuance of Section 301 of the Act in respect of transactions exceeding the value of Rs.5,00,000/- in respect of any party during the year made at prices which are reasonable having regard to the prices at which transactions for similar goods or services have been made with other parties.
- vi) In our opinion, the Company has not accepted deposits from the Public to which the Provisions of Section 58A and 58AA of the Companies Act, 1956, and the rules framed there under are applicable and therefore paragraph 4 (vi) of the Order is not applicable.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
- viii) In accordance with the information and explanations given to us, the maintenance of records prescribed under section 209(1)(d) of the Companies Act 1956 is not applicable.
- ix) (a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income-tax, Vat, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities except in some cases there has been delays in remittance of income tax, provident fund, and ESI as ascertained and provided for in the books of account of the company.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of Statutory dues were in arrears, as at 31st March 2010, for a period of more than six months from the date they became payable.

- (b) As at 31st March 2010, according to the records of the company and information and explanations given to us, the following are the particulars of disputed dues on account of excise duty, ESI and sales tax that have not been deposited.

Name of the Statute	Nature of Dues	Amount Rs in lakhs	Period to Which it relates	Forum where Pending
Central Excise Laws	Excise Duty	13.68 0.96 0.80 47.31 0.22	1980/85 upto 1986 1996 2006 1999	CE Tribunal Chennai CE Tribunal Chennai CE Tribunal Blore Comm of CE Appeal Chennai CE Tribunal Chennai
ESI Law	ESI Interest	7.28	Pre 1997	Madras High Court
Sales Tax Laws	Kerala SalesTax, Surcharge And Interest	14.03 9.03	1997/1999 1996/1997	Kerala High Court Dy Comm of Sales Tax Kerala
Central Income Tax	Capital Gains Tax	75.71	AY 2007/08	CIT Appeals

- x) The Company neither has accumulated losses as at the end of financial year nor has incurred cash Losses during the current financial year and in the immediately preceding financial year.
- xi) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of its dues to any financial institution or bank during the year;
- xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- xiii) The provisions of any special statute applicable to Chit Fund, Nidhi, or Mutual Benefit Fund/Societies are not applicable to the company;
- xiv) The Company is not dealing or trading in shares, securities, debentures or other investments and hence the requirement of Para 4(xiv) are not applicable to the company;
- xv) According to the information and explanations given to us company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi) According to the information and explanations given to us, we report that no funds raised on short-term basis have been used for long-term investments. The company has not raised long-term funds during the year and hence the use of such funds for short-term investments does not arise.
- xvii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year;
- xviii) The debentures have not been issued by the company during the year;
- xix) On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the company, has been noticed or reported during the year.
- xx) The Company has not raised any money by way of public issues during the year;

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

Partner
Membership No. 29624

Place: Bangalore
Date: 29.07.2010

COMPLIANCE CERTIFICATE

CIN of the Company : L25190TN1964PLC007710

Paid Up Capital : Rs. 99,61,130/-

FORM (SEE RULE 3) Compliance Certificate

To The Members

M.M. Rubbuer Company Limited, Chennai

I have examined the registers, records, books and papers produced to me for my verification pertaining to the financial year 2009-2010 of M.M. RUBBER COMPANY LIMITED, as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31.03.2010. In my opinion and to the best of my information and according to the examinations carried out by me of the documents produced to me and explanations furnished to me by the Company, its officers and agents, I, on strength and reliance of the documents produced and information provided to me, pertaining to the financial year 2009-2010, certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained applicable registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and applicable entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made thereunder.
3. The Company being a public limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors met 4 times on 27.04.2009, 14.07.2009, 21.10.2009, 27.01.2010, in respect of which meetings notices were given and the proceedings were recorded in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 15.09.2009 to 17.09.2009 during the financial year.
6. The Annual General Meeting for the financial year ended on 31.03.2009 was held on 16.09.2009, after giving notice to the members of the Company and the resolutions passed there at were recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary Meeting was held during the financial year under review.
8. As per information provided to me it appears that, the Company has not advanced any loan to its directors and / or persons or firms or companies referred in the Section 295 of the Act during the financial year.
9. As per information provided to me, it appears that the Company has entered into a contract falling within the purview of Section 297 of the act for which company has obtained necessary approval from the board, during the financial year under review.
10. The Company has made entries in the register maintained under Section 301 of the Act.
11. As explained to me, it seems that there were no instances falling within purview of Section 314 of the Act, therefore Company has not obtained necessary approvals from the Board of Directors, members and previous approval of the Central Government, as the case may be, during the financial year.
12. As per records shown to me, the Company has not issued duplicate share certificates during the financial year.
13. As per documents produced to me, the Company:
 - (i) has delivered share certificates on transfer / transmission of securities during the financial year.
 - (ii) has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) was not required to post dividend warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there was no such amount outstanding during the financial year under review.
 - (v) has complied with the requirements of Section 217 of the Act.
14. Board of Directors of the Company is constituted and there was no appointment of directors, additional directors, alternate directors, director to fill casual vacancies during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year under scrutiny.
16. The Company has not appointed any sole-selling agent during the financial year.
17. As per information provided to me and observations made by me of the records produced to me, no approval was required to be taken by the Company from the Central Government, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act. However, the Company has obtained on order from the Company Law Board in respect of shifting of registered office from the state of Tamilnadu to state of Karnataka during the financial year.
18. As per the documents produced to me, the directors have disclosed their interests in other firms / companies to the Board of Directors pursuant to the provisions of the Companies Act, 1956 during the financial year.
19. As per records of the Company, the Company has not issued any shares or securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. As there was no preference shares / debentures issued, there was no redemption of preference shares / debentures during the year.
22. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. As per documents produced to me, the Company has not accepted deposits under Section 58A of the Companies Act, 1956 from public during the financial year under scrutiny.
24. As per information provided to me, the Company has made borrowings within the borrowing limits of the Company under Section 293 (1) (d) of the Companies Act, 1956 during the financial year.
25. The Company has not made any loans, or advances, or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.

26. The Company has not altered the provisions of the memorandum with respect to shifting of the Company's registered office from one State to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company, during the financial year.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the financial year.
31. As per explanations given to me, there was no prosecution initiated against or show cause notices received by the Company and no fines / penalties or any other punishment imposed on the Company during the financial year for offences under the act.
32. The Company has not received any security deposits from its employees during the financial year under scrutiny.
33. The Company has not constituted any Fund under Section 418 of the Act.

For Domodaran & Associates

M. Damodaran
(Partner)

Place: Chennai

Date: 29.07.2010

C.P. NO: 5081

ANNEXURE A**Registers as maintained by the Company**

Sl. No.	Under Section	Name of the Register
1	150	Register of Members
2	193	Minutes of All meeting of Board of Directors
3	193(1)	Minutes of General Meeting
4	303	Register of Directors
5	307	Register of Directors' Share holding
6	301	Register of Contracts, Companies and firms in which the directors are interested.
7		Share Transfer register
8	143	Register of Charges

ANNEXURE B**Returns/ Documents/ Forms as filed by the Company with the Registrar of Companies from 01.04.2009 to 31.03.2010**

Sl. No.	Form No.	Under Section	Description	Date of filing	Whether filed within prescribed time	If delay in filing whether requisite additional fee paid
1	17	138	Satisfaction of Charges on 15.02.2010	17.02.2010	Yes	No
2	17	138	Satisfaction of Charges on 15.02.2010	17.02.2010	Yes	No
3	23AC & ACA	220	Balance Sheet, Profit & Loss Account for the year ended 31.03.2009	15.10.2009	Yes	No
4	20B	159	Annual Return as on AGM 16.09.2009	07.11.2009	Yes	No
5	66	383A	Compliance Certificate as on 31.03.2009	14.10.2009	Yes	No
6	23AC & ACA	220	Balance Sheet, Profit & Loss Account for the year ended 31.03.2008	09.04.2009	No	Yes
7	DIN 3	266E	Intimation of DIN to ROC	08.05.2009	Yes	No
8	32	303	Resignation of Mr. Mammen Vargheese from Directorship w.e.f 25.09.2008	08.06.2009	No	Yes
9	66	383A	Compliance Certificate as on 31.03.2008	06.04.2009	No	Yes
10	DIN 3	266E	Intimation of DIN to ROC	01.04.2009	Yes	No
11	20B	159	Annual Return as on AGM 25.09.2008	08.06.2009	No	Yes
12	18	146	Shifting of Registered Office from one State to another w.e.f 16.11.2009	30.11.2009	Yes	No
13	21	17(1)	Filing of CLB order with ROC	26.11.2009	Yes	No
14	61	17(1)	Filing of Petition with ROC	23.07.2009	NA	NA
15	23	198	Change in terms of Managerial Remuneration to MD	28.07.2009	No	Yes

Forms and Returns as filed by the Company with Regional Director during the financial year ending on 31st March 2010 - Nil

Forms and Returns as filed by the Company with Central Government or other authorities during the financial year ending on 31st March 2010 - Nil

For Domodaran & Associates

M. Damodaran
(Partner)

Place: Chennai

Date: 29.07.2010

C.P. NO: 5081

BALANCE SHEET AS AT 31ST MARCH 2010

	Schedules	Current Year Rs.	Previous Year Rs.
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	1	99,61,130	99,61,130
Reserves & Surplus	2	1,36,77,581	91,90,408
		<u>2,36,38,711</u>	<u>1,91,51,538</u>
Loan Funds :			
Secured Loans	3	59,82,967	35,14,127
Unsecured Loans	4	32,87,658	16,91,789
		<u>92,70,625</u>	<u>52,05,916</u>
		<u>3,29,09,336</u>	<u>2,43,57,454</u>
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross Block		7,90,40,694	7,83,12,517
Less: Depreciation		<u>7,45,88,279</u>	<u>7,34,91,924</u>
Net Block	5	44,52,415	48,20,593
Investments	6	8,567	8,567
Current Assets,			
Loans and Advances:			
Inventories	7	2,67,83,713	1,88,76,980
Sundry Debtors	8	1,10,57,795	79,26,358
Cash & Bank Balances	9	1,20,26,095	1,09,15,887
Loans & Advances	10	94,16,849	82,73,577
		<u>5,92,84,452</u>	<u>4,59,92,802</u>
Less:			
Current Liabilities & Provisions:			
Current Liabilities	11	2,99,31,098	2,54,54,508
Provisions	12	9,05,000	10,10,000
		<u>3,08,36,098</u>	<u>2,64,64,508</u>
Net Current Assets		2,84,48,354	1,95,28,294
		<u>3,29,09,336</u>	<u>2,43,57,454</u>

Vide our report of even date
For S R Mandre & Co
Chartered Accountants
Firm Reg No. 001962S

Place : Bangalore
Date : 29.07.2010

ROY MAMMEN
Managing Director

JACOB MAMMEN
Director

ASHOK KURIYAN
Director

(B S DINESH)
Partner
Membership No 29624

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	Schedules	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
INCOME			
Sales		15,00,77,745	13,36,76,124
Other Income	13	8,20,289	7,03,594
		15,08,98,034	13,43,79,718
EXPENDITURE			
Raw Materials & Finished Goods	14	6,78,99,748	5,90,05,247
Excise Duty		95,59,684	1,12,29,793
Manufacturing, Selling & Administration Expenses	15	6,63,77,717	5,36,38,541
Depreciation		10,96,355	11,21,566
Interest		5,77,911	9,14,099
		14,55,11,415	12,59,09,246
Net Profit For The Year		53,86,619	84,70,472
Provision For Taxation Mat		9,05,000	8,00,000
Net Profit		44,81,619	76,70,472
Fbt Paid		0	2,10,000
		44,81,619	74,60,472
Balance Brought Forward		91,86,658	18,26,596
Add/Less: Bonus Short Provision Written Off/added back		5,554	1,00,410
		91,92,212	17,26,186
BALANCE CARREID TO BALANCE SHEET		1,36,73,831	91,86,658
EARNING PER SHARE		0.89	0.39

Vide our report of even date
For S R Mandre & Co
Chartered Accountants
Firm Reg No. 001962S

(B S DINESH)

Partner
Membership No 29624

Place : Bangalore
Date : 29.07.2010

ROY MAMMEN
Managing Director

JACOB MAMMEN
Director

ASHOK KURIYAN
Director

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

	As at 31.3.2010		As at 31.3.2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 1: SHARE CAPITAL				
AUTHORISED				
3,50,00,000 Equity Shares of Rs. 2/- each		7,00,00,000		7,00,00,000
ISSUED				
49,85,315 Equity Shares of Rs. 2/- each		99,70,630		99,70,630
Subscribed and Paid-up				
40,000 Equity Shares of Rs. 2/- each issued as fully paid-up pursuant to a contract without payment being received in cash.		80,000		80,000
48,41,682 Equity Shares of Rs. 2/- each issued as fully paid-up for cash.		96,83,364		96,83,364
98,883 Equity Shares of Rs. 2/- each allotted as fully paid-up by way of Bonus Shares by Capitalizaion of Reserves.		1,97,766		1,97,766
		99,61,130		99,61,130
SCHEDULE 2: RESERVES AND SURPLUS				
Capital Reserve				
Share Premium Account per last Balance Sheet		3,750		3,750
Profit & Loss Account		1,36,73,831		91,86,658
		1,36,77,581		91,90,408
SCHEDULE 3: SECURED LOANS				
Demand Loan from a Scheduled Bank Indian Overseas Bank By pledge of Fixed Deposit		59,82,967		35,14,127
SCHEDULE 4: UNSECURED LOANS				
Unclaimed Interest	17,789		17,789	
Fixed Deposit from Shareholders	14,000	31,789	14,000	31,789
Inter-corporate Deposits		32,55,869		16,60,000
		32,87,658		1691,789

SCHEDULES 5: FIXED ASSETS

(Rs. in Lakhs)

Particulars	ORIGINAL COST				DEPRECIATION				NET BLOCK	
	As at 31.03.2009	Additions/ adjustment	Deductions/ adjustment	Total	Upto 31.3.2009	For the Year	With- drawn	Total	As at 31.3.2010	As at 31.3.2009
LAND	33,375	0.00	0.00	33,375	0.00	0.00	0.00	0.00	33,375	33,375
BUILDINGS	54,72,683	0.00	0.00	54,72,683	37,83,374	1,68,931	0.00	39,52,305	15,20,378	16,89,309
PLANT & MACHINERY	57,203,891	3,30,763	0.00	5,75,34,654	5,56,22,509	4,89,166	0.00	5,61,11,675	14,22,976	15,81,382
MOULDS	81,86,086	1,22,000	0.00	83,08,086	81,11,332	35,317	0.00	81,46,649	1,61,437	74,754
OFFICE & OTHER EQUIPMENTS	43,89,835	2,13,125	0.00	46,02,960	39,06,482	1,52,925	0.00	40,59,407	5,43,553	4,83,353
VEHICLES	10,07,879	0.00	0.00	10,07,879	1,43,612	2,23,319	0.00	3,66,931	6,40,948	8,64,267
FURNITURE & FITTINGS	20,18,770	62,288	0.00	20,81,058	19,24,615	26,697	0.00	19,51,312	19,51,543	94,155
TOTAL	7,83,12,519	7,28,176	0.00	7,90,40,695	7,34,91,924	10,96,355	0.00	7,45,88,279	44,52,416	48,20,595

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

	Face Value Rs.	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
--	-------------------	------------------------	------------------------

SCHEDULE 6: INVESTMENTS
Quoted:

(At Cost) (Non-Trading)

141 Equity Shares of Rs.10/- each of
Travancore Rayons Ltd.

1,000

1,000

50 Equity Shares of Rs.10/- each of
Swadeshi Polytex Ltd.

1,000

1,000

(Aggregate Market Value Rs.0.02 lakhs
No quotation available)

Unquoted:

250 Equity Shares of Rs.10/
each of Vijaya Commercial Credit Ltd

3,000

3,000

138318 Equity Shares of Rs.10/
each of M.M.R. Gloves Pvt.Ltd.

567

567

7 Years National Savings Certificate

3,000

3,000

8,567.00

8,567

SCHEDULE 7: INVENTORIES

(At cost as per inventories taken, valued
and certified by the Management)

Raw Materials
5,74,520

5,21,222

Finished Goods
2,62,09,193

1,83,55,758

2,67,83,713

1,88,76,980

SCHEDULE 8: SUNDRY DEBTORS

(Unsecured Considered Good)

Debts outstanding for a period
exceeding six months

—

—

Other Debts

1,10,57,595

79,26,358

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

	As at 31.3.2010		As at 31.3.2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 9: CASH AND BANK BALANCES				
Cash and Cheques on Hand	6,95,542		6,81,011	
Balances with -				
1. With Scheduled Banks				
In Current Account	44,83,186		39,15,703	
In Fixed Deposits	54,65,702		52,65,702	
Accrued Interest	13,81,665		10,53,471	
		<u>1,20,26,095</u>		<u>1,09,15,887</u>
SCHEDULE 10: LOANS AND ADVANCES				
(Unsecured - Considered Good)				
Advances for Supplies and Services	25,09,732		20,73,288	
Advance Income-tax	10,86,619		13,91,158	
To Staff	7,36,389		3,33,576	
Prepaid	150		1,03,596	
		<u>43,32,890</u>		<u>39,01,618</u>
Deposits : Excise	10,42,000		10,42,000	
Others	40,41,959		33,29,959	
		<u>50,83,959</u>		<u>43,71,959</u>
		<u>94,16,849</u>		<u>82,73,577</u>
SCHEDULE 11: CURRENT LIABILITIES				
Sundry Creditors	2,99,29,098		2,53,63,152	
Other Liabilities	2,000		91,356	
		<u>2,99,31,098</u>		<u>2,54,54,508</u>
SCHEDULE 12: PROVISIONS				
For Income Tax - MAT	9,05,000		8,00,000	
For Fringe Benefit Tax	0		2,10,000	
		<u>9,05,000</u>		<u>10,10,000</u>
SCHEDULE 13: OTHER INCOME				
Interest	3,63,162		5,57,303	
Profit on Sale of Assets	-		81,000	
Delivery Charges	42,082		22,977	
Miscellaneous Income	4,15,045		42,314	
		<u>8,20,289</u>		<u>7,03,594</u>
SCHEDULE 14 :				
RAW MATERIALS CONSUMED AND FINISHED GOODS				
OPENING STOCK:				
Raw Materials	5,21,222		12,36,784	
Finished Goods	1,83,55,758		1,07,48,000	
		<u>1,88,76,980</u>		<u>1,19,84,784</u>
ADD: PURCHASES				
Raw Materials	4,64,49,678		3,80,84,370	
Finished Goods	2,93,56,803		2,78,13,073	
		<u>7,58,06,481</u>		<u>6,58,97,443</u>
		<u>9,46,83,461</u>		<u>7,78,82,227</u>
LESS: CLOSING STOCK				
Raw Materials	5,74,520		5,21,222	
Finished Goods	2,62,09,193		1,83,55,758	
		<u>2,67,83,713</u>		<u>1,88,76,980</u>
		<u>6,78,99,748</u>		<u>5,90,05,247</u>

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

	As at 31.3.2010		As at 31.3.2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 15: MANUFACTURING, SELLING AND ADMINISTRATIVE EXPENSES				
Power and Fuel		82,33,611		84,53,253
Processing Expenses		16,99,220		12,59,729
Stores & Spares Consumed		4,54,076		4,65,633
Salaries, Wages, Bonus and Gratuity		1,38,93,902		1,14,28,185
Contribution to Employees' Provident Fund & other funds		14,30,703		13,28,306
Workmen and Staff Welfare Expenses		8,14,265		5,33,318
Bank Charges		7,25,144		6,54,331
Repairs and Maintenance		21,88,465		12,26,441
Rent, Lease and Hire Charges		41,67,540		24,18,268
Rates, Taxes and Octroi		2,96,872		2,16,480
Legal and Consultancy Charges		21,10,148		15,57,022
Insurance		1,87,407		1,44,009
Forwarding Expenses		67,77,239		54,97,810
Watch and Ward Expenses		6,94,955		6,56,417
Commission and Bonus on Sales		71,19,006		87,44,084
Advertisement and Propaganda		58,97,059		17,69,480
Printing and Stationery		10,19,595		5,28,677
Postage, Telegrams and Telephones		12,80,170		11,54,720
Travelling Expenses		34,59,803		21,75,569
C&F Agency Commission		30,000		90,000
Vehicle Maintenance		1,98,216		1,89,426
Directors Foreign Travel expenses		25,32,648		19,91,265
Subscriptions to Periodicals and Trade Associations		74,664		50,884
Directors' Sitting Fees		6,000		7,000
Auditors' Remuneration —				
Audit Fees	1,20,000		62,000	
For Tax audit/Certification fees	—		20,000	
		1,20,000		82,000
Other Expenses		9,67,009		10,16,234
		<u>6,63,77,717</u>		<u>5,36,38,541</u>
Interest paid		5,77,911		9,14,099
Excise duty		95,59,684		1,12,29,793

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010**1. ACCOUNTING POLICIES****A. BASIS OF ACCOUNTING**

The financial statements have been prepared on the historical cost in accordance with the generally accepted accounting principles to comply in all respects with the mandatory Accounting Standards notified under Company's (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956. The Accounting policies applied by the Company are consistent with those used in the previous year.

B. INCOME RECOGNITION

Company Accounts all expenditure on accrual basis except disputed statutory liabilities and all Income on due basis except refunds from Government Department which is accounted on receipt basis.

C. FIXED ASSETS & DEPRECIATION

- i) Fixed Assets are stated at cost. Cost includes all expenses attributable to acquisition and up to the point of commissioning.
- ii) Depreciation is provided on Written down value method at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation is calculated on Pro rata basis from the date of additions/till the date of disposal of the assets. Assets costing Upto Rs. 5000/- is fully depreciated in the year of use.
- iii) Impairment in the value of assets is recognized as and when the realizable value is lower than the book value.

B. INVESTMENTS

Investments are stated at cost. Provision for diminution in value of investments is made, wherever required as per Accounting Standard 13.

C. INVENTORIES

Inventories are valued as under:

Raw materials – Cost (including duties and taxes paid – net of Cenvat) plus inward freight.

Finished goods – At cost (including excise duty paid/payable) or net realizable value, whichever is less.

Work-in-Progress – At factory cost.

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

D. RETIREMENT BENEFITS

Gratuity and leave encashment accounted on payment basis.

E. FOREIGN CURRENCY TRANSACTIONS

Expenditure incurred in foreign currency incurred during the year has been shown elsewhere in the notes on accounts.

F. SALES

Sales are recognized at the point of dispatch to the customers and are inclusive of excise duty.

G. PROVISIONS:

Amounts payable in respect of statutory liabilities disputed and claims of refund from statutory authorities are accounted on cash basis.

2. NOTES ON ACCOUNTS

2.1 The balance in Sundry Debtors , Sundry Creditors , Loans & Advances are subject to confirmations.

2.2 Deferred Taxation: The deferred tax liability of Rs.1,80,000/- ascertained during the year in accordance with AS-22 "Accounting for Taxes on Income" issued by ICAI, in respect of timing difference of depreciation not provided in view of carry forward loss and unabsorbed depreciation of earlier years.

2.3 In the absence of any intimation received from vendors regarding the status of their registration under the "Micro, Small and Medium Enterprises Development Act 2006 the company is unable to comply with the disclosures to be made under the said Act.

2.4 During the year company has preferred a claim for refund of Rs 216.55 lakhs before the Central Excise Authorities consequent on judgments in favor of the company by the Central Excise Tribunal and such claim is pending.

2.5 Closing Stock of inventory pertaining to finished products comprising of different individual products is valued at such products' net billing price without ascertaining the cost pertaining to each of such product.

- 2.6 Company is in the process of ascertaining of the impairment, if any, on any of the fixed assets and subject to such ascertainment, no recognition during the year is made in the accounts for impairment of fixed assets.
- 2.7 The Employees benefit consists of contribution by the employer to the provident fund and gratuity fund. Both the benefits are considered as Long Term Benefits to the employees and company discharges its liability under provident fund benefit by accounting contribution to the provident fund scheme operated by the Government under Statutory Employees Provident Fund & Miscellaneous Provisions Act and the Scheme framed there under.
- In respect of gratuity accrued the company has not ascertained or provided in the accounts. Further company has not ascertained accrued leave cash benefits payable to its employees. The company accounts both gratuity and leave encashment as and when paid.
- 2.8 Related party disclosures :
- Related party disclosures as required AS-18 are as given below.
- List of related party
- 2.8.1 Public Limited Company in which some of the directors of our company are directors of that company
M/s. Balanoor Plantations & Industries Ltd.,
M/s. Devon Plantations and Inds Ltd.,
M/s. Malayala Manorama Co. Ltd.
- 2.8.2 Key managerial personnel
Mr. Roy Mammen – Managing Director
Mr. Mammen Philip – Director Corporate Affairs
- 2.8.3 The following transactions were carried out with the related party in its ordinary course of business.
With key management personnel
Remuneration paid – for details refer clause 4
- 2.9 Additional particulars required to be furnished as per Amendments to Part II of Schedule VI to the Companies Act, 1956 (As certified by the Management)

A. DETAILS OF QUANTITATIVE PARTICULARS OF CONSUMPTION OF RAW MATERIALS

	Current Year		Previous Year	
	Quantity Tonnes	Value	Quantity Tonnes	Value
A Cost of Materials				
(a) Consumption				
Latex & Chemicals	428	46449678	419	38084370
Others	—	6484592	—	6696156
(b) Percentage Consumption	% of total of consumption	Value	% of total consumption	Value
Raw Materials				
Indigenous	100%	52934270	100%	44780526

B. DETAILS OF LICENCED AND INSTALLED CAPACITY

Class of Goods	Licensed capacity	Installed capacity	Actual Production
Unit of measurement	Tonnes	Tonnes	Tonnes
Latex Foam (Rubber products)	N.A. (N.A.)	1000 Tonnes	248.173 Tonnes

C. QUANTITATIVE DETAILS OF PRODUCTION, SALES AND STOCK

The company produces and sells foam products of different sizes which are not of common measurement or weight. Hence quantitative particulars of sales, Opening and Closing Stock are not given. However, production of quantity in terms of Nos is as under.

	Quantity in Nos	Value
Mattresses (Standard & Non Standard) Pillows, Bolsters, seats etc	49984	132702134
Cushions	11428	9567370
Cloth Covers Standard & Non Standard	37495	7068214
Others	-	740027

D. VALUE OF IMPORTS

Value of imports calculated on CIF basis-

- (i) Capital Goods NIL
- (ii) Spring Purchases & Consumption (samples) 403.64 USD Rs. 19770.00

E. EXPENDITURE IN FOREIGN CURRENCY (CASH BASIS)

- (a) Travelling 11021.39 USD, 11630.35 EURO, Rs. 1700133.00
8824.10 HKD, 2579.68 LIRA
16838.65 MYR

2.10 COMMISSION TO THE MANAGING DIRECTOR

Rs.

Net profit as per Profit & Loss Account	5386619
Add: Back remuneration paid to Managing Director	545320
Net profit	5931939
Commission at 1% of the above	59320

2.11 DETAILS OF MANAGERIAL REMUNERATION

	Managing Director	Director – Corporate Affairs
Salary	300000	Nil
Contribution to PF	36000	Nil
Commission	59320	Nil
Advisory Fees	Nil	207000

2.12 The bank guarantee have been obtained against counter guarantee given by the company and on the personal guarantee of Managing Director

Rs.715557/=

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

Vide our report of even date
For S R Mandre & Co
Chartered Accountants
Firm Reg No. 001962S

Place : Bangalore
Date : 29.07.2010

ROY MAMMEN
Managing Director

JACOB MAMMEN
Director

ASHOK KURIYAN
Director

(B S DINESH)
Partner
Membership No 29624

CASHFLOW STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2010

	As at 31.3.2010		As at 31.3.2009	
	Rs.	Rs.	Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES:				
Profit as per Profit and Loss Account	Cr 53,86,619		Cr 84,71,136	
Add: Interest paid	Cr 5,77,911		Cr 9,14,099	
Depreciation	Cr 10,96,355		Cr 11,20,566	
	Cr	Cr 70,60,885		Cr 1,05,05,801
LESS				
Interest Received	Dr 3,63,162		Dr 5,57,303	
Miscellaneous Receipts	Dr 4,57,127		Dr 1,46,291	
		Dr 8,20,289		Dr 7,03,594
		Cr 62,40,596		Cr 98,02,207
ADJUSTMENTS FOR:				
INCREASE/DECREASE IN SR DEBTORS	Dr 31,31,437		Dr 6,64,000	
INCREASE/DECREASE IN INVENTORIES	Dr 79,06,733		Dr 68,92,196	
INCREASE/DECREASE IN CURRENT LIABILITIES	Cr 43,86,397		Dr 24,75,000	
INCREASE/DECREASE IN LOANS & ADVANCES	Dr 11,43,272		Cr 18,37,054	
		Dr 77,95,045		Dr 81,94,142
NET CASH FROM OPERATING ACTIVITIES (A)		Dr 15,54,449		Cr 16,08,065
B) CASH FLOW FROM INVESTING ACTIVITIES				
Interest received	Cr 3,63,162		Cr 5,57,303	
Addition to assets	Dr 7,28,176		Dr 15,31,933	
Misc income	Dr 4,57,127		Cr 65,000	
		Dr 8,22,141	-	Dr 9,09,630
C) CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	Dr 5,77,911		Dr 9,14,099	
Increase/decrease in bank borrowings	Cr 24,68,840		Cr 20,55,360	
Increase/decrease in Unsecured loans	Cr 15,95,869		-	
		Cr 34,86,798		Cr 11,41,261
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		Cr 11,10,208		Cr 13,76,434
CASH AND CASH EQUIVALENTS AS ON 31ST MARCH 2009		Cr 1,09,15,887		Cr 1,22,91,571
CASH AND CASH EQUIVALENTS AS ON 31ST MARCH 2010		Dr 1,20,26,095		Dr 1,09,15,887
		Dr 11,10,208		Dr 13,76,434

Vide our report of even date
For S R Mandre & Co
Chartered Accountants
Firm Reg No. 001962S

(B S DINESH)

Partner
Membership No 29624

Place : Bangalore
Date : 29.07.2010

ROY MAMMEN
Managing Director

JACOB MAMMEN
Director

ASHOK KURIYAN
Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Information as per Part IV of Schedule VI)

I. Registration Details

Registration No.	7710
State Code	08
Balance Sheet Date	31 st March 2010

II. Capital raised during the Year

(Rupees in Thousands)

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

III. Position of Mobilisation and Deployment of Funds:**Sources of Funds:**

Total Liabilities	32909
Total Assets	32909
Paid-up-Capital	9961
Reserves & Surplus	17423
Secured Loans	5983
Unsecured Loans	3287

Application of Funds:

Net Fixed Assets	4452
Investments	9
Net Current Assets	28448
Miscellaneous Expenditure	Nil
Accumulated Losses	Nil

V. Performance of Company

Turnover	150898
Total Expenditure	145511
Profit/Loss Before tax	5386
Profit/Loss After tax	4481
Earnings per Share	0.89
Dividend Rate	Nil

V. Generic Names of Two Principal Products

Services of Company (as per monetary terms)

Item Code No. (ITC Code) 940410

Product Description CELLULAR RUBBER
MATTRESSES-PILLOWS-CUSHIONS

Item Code No. (ITC Code) 940120

Product Description MOTOR VEHICLE SEATS

Vide our report of even date

For S R Mandre & Co

Chartered Accountants

Firm Reg No. 001962S

(B S DINESH)

Partner

Membership No 29624

Place : Bangalore
Date : 29.07.2010**ROY MAMMEN**
Managing Director**JACOB MAMMEN**
Director**ASHOK KURIYAN**
Director