



# 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

30<sup>th</sup> August 2023

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

**Dear Sir,**

**Sub: - Copy of Annual Report for the year 2022-23.**

We wish to inform you that the 57<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Thursday, September 28, 2023 at 11:00 A.M. through Video Conferencing ("VC") / Other Audio- Visual Means.

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, 2023.

The Annual Report containing the notice is also uploaded on the company's website [www.mmfoam.com](http://www.mmfoam.com)

Kindly take the same on record

Thanking you

**Yours Faithfully,**  
**For M M Rubber Company Limited**

**Keerthi S Raj**  
Company Secretary

Encl: as stated

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**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**  
**57th ANNUAL REPORT 2022-23**

**M M RUBBER COMPANY LIMITED**

**BOARD OF DIRECTORS**

**ROY MAMMEN** - Managing Director

**ASHOK KURIYAN**

**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**

R A M S and Company

Chartered Accountants

Bangalore-560 102

**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

Registered Office –Empire Infantry, 3rd Floor No.29, Infantry Road,  
Bengaluru, Karnataka 560001, India.

E-mail ID: mmfoam27@gmail.com, Phone No.: 080 22866268, Website: www.mmfoam.com

### **NOTICE**

To  
The Members,

Notice is hereby given that the 57<sup>th</sup>Annual General Meeting of the members of M.M. Rubber Company Limited, will be held on Thursday, 28<sup>th</sup>September 2023, at 11.00 A.M. through Video Conference/Other Audio Visual means to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Jacob Mammen (DIN: 00078010), who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.

#### **SPECIAL BUSINESS**

3. To re-Appoint Mr. Roy Mammen (DIN 00077409) as Managing Director for a further term of 5 years

**To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

**“RESOLVED THAT**, pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Remuneration and Nomination committee, Board of Directors, approval of the Company be and is hereby accorded to re-appoint Mr. Roy Mammen (DIN 00077409) as Managing Director of the Company for a further period of 5(Five) years with effect from 01.10.2023 to 30.09.2028 and payment of remuneration not exceeding Rs. 2,60,000 p.m.,(Rupees Two Lakhs and Sixty thousand) as outlined below with liberty to the Board to alter and vary the terms and conditions of remuneration as it may deem fit and as may be acceptable to Mr. Roy Mammen (DIN 00077409) for a period of 3 (Three) years with effect from 01.10.2023 to 30.09.2026 subject to the same not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 Act, 2013 in case of no profits/inadequate profits or any statutory modification(s) or re-enactment thereof.”

After discussion, it was decided that the following terms of remuneration, be recommended to the members for their approval.

- i) Salary of Rs. 2,60,000/- per month in the grade of Rs. 2,60,000-15,000-2,75,000-15,000-2,90,000.
- ii) Commission at the rate of 1% of the net profit of the company calculated in the manner laid down in the relevant provisions of the Companies Act 2013
- iii) Company's contribution to Provident Fund in the manner as applicable to other employees of the company in accordance with the rules of the company
- iv) Gratuity as per the rules of the company

- v) The contribution to Provident Fund or any annuity fund will not be included in the ceiling any salary or perquisites.

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

- i) A furnished accommodation or in lieu thereof or HRA at 50% of the salary. Further the company to incur all expenses in connection with such accommodation such a gas, water, electricity, furnishing and other maintenance expenses, servants etc.,
- ii) Medical reimbursement as per rules of the company on himself, mother, spouse, and his dependent children.
- iii) Reimbursement of club fee and expenses incurred for the purpose of business.
- iv) Leave Travel Assistance to self and family as per the rules of the company.
- v) Children education allowance limited to two children up to the age of 24 years.

The perquisites allowed/paid shall be evaluated as per the Income-tax Rules, 1962 wherever applicable and in the absence of any such Rules, perquisites shall be evaluated at cost.

#### **CONVEYANCE & TELEPHONE**

Provision of Car for use on company's business and telephone at residence will not be considered as perquisites. Mr. Roy Mammen will repay to the company the personal calls on telephone. Personal use of car to be considered as perquisite.

#### **REIMBURSEMENT OF ENTERTAINMENT EXPENSES**

Mr. Roy Mammen shall also be entitled to remuneration as per Schedule V to the Companies Act, 2013 and applicable guidelines if any. The aforesaid remuneration and terms and conditions may be varied by the Board, including the overall ceiling on remuneration, any other allowances, benefits, and perquisites may also be included in accordance with policy of the company.

#### **MINIMUM REMUNERATION**

In the event of absence of inadequacy of profit in any financial year during the tenure of his appointment, the Managing Director may be paid the substantive remuneration as stated above as the that unless approved by the shareholders and the Central Government if so required, as may be necessary, the amount salary, commission, perquisites and other allowances payable to the whole-time director shall be subject to the limits prescribed under Part II of Schedule VI of the Companies Act as may be in force for the time being.

**"FURTHER RESOLVED THAT,** any of the Director or Company Secretary of the Company be and is hereby authorized to file requisite returns with Ministry of Corporate Affairs and to take all other necessary steps to give effect to the above resolution."

**By Order of the Board**

**For M M Rubber Company Limited**

Place: Bangalore  
Date: 04-08-2023

**Roy Mammen**  
Managing Director  
(DIN: 00077409)

**NOTES:**

1. In terms of Ministry of Corporate Affairs ("MCA") Circular No. 20/2020 dated 5<sup>th</sup>May, 2020 read with Circular 14/2020 dated 8<sup>th</sup>April, 2020, Circular 17/2020 dated 13<sup>th</sup> April, 2020, Circular 02/2021 dated 13<sup>th</sup>January, 2021, Circular 20/2021 dated 08<sup>th</sup> December, 2021, Circular 03/2022 dated 05<sup>th</sup>May, 2022, Circular 10/2022 dated 28<sup>th</sup> December 2022 ("MCA Circulars") and Securities Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup>January, 2021, Circular No.: SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> 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. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the special business set out in this Notice and the relevant details pursuant to SEBI Listing Regulations are annexed hereto.
3. 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.
4. Facility of joining the AGM through VC / OAVM shall open 15 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.
5. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. 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.
7. 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 22<sup>nd</sup> September 2023 to 28<sup>th</sup> September 2023 both days inclusive.
8. 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.
9. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
10. 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.
11. 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.
12. 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.
13. Electronic (soft) copy of the Notice of the 57<sup>th</sup>Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with the Annual Report for 2022-23 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 21<sup>st</sup>April2020, General Circular No.20/2020 dated May 5, 2020, and Circular No.

02/2021 dated 13<sup>th</sup> January 2021 and SEBI Circulars SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, Circular No.: SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May 2022, Company decided to conduct the meeting through Video Conference.

14. As per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial standard 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:

<b>Name of the Director</b>	<b>Mr. Jacob Mammen (DIN: 00078010)</b>	<b>Mr. Roy Mammen (DIN: 00077409)</b>
Date of Birth	15-11-1962	22-09-1969
Age	60 years	54 years
Qualification	Graduate	Graduate
Brief Resume & Nature of his expertise in specific functional areas	Mr. Jacob Mammen has considerable experience in the plantation industry and extensively travelled all over the world studying latest technology, curing, manufacturing of coffee	As stated in explanatory Statement
Relationship with other Directors and Key Managerial Personnel	Mr. Jacob Mammen is the brother of Mr. Roy Mammen Managing Director of M/s. M M Rubber Company Limited	As stated in explanatory Statement
Terms & Conditions of Appointment	Non-Executive & Non-Independent Director	As stated in explanatory Statement
Number of Board Meeting attended	Four	Four
List of companies in which directorship is held as on 31 <sup>st</sup> March, 2023	<ol style="list-style-type: none"> <li>1. Stable Investments and Finance Company Limited</li> <li>2. Devon Plantations and Industries Limited</li> <li>3. Devon machines Private Limited</li> <li>4. Devon Financial Services Limited</li> <li>5. Indian Coffee and Tea Distributing Company Limited</li> <li>6. Indo Roses and Floriculture Limited</li> <li>7. Mammen Mappillai and Investments Private Limited</li> <li>8. Badra Estates and Industries Limited</li> <li>9. M.M. Housing Private Limited</li> <li>10. The Malayala Manorama Company Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. MM Containers Private Limited</li> <li>2. Badra Estates and Industries Limited</li> <li>3. Balanoor Plantations and Industries Limited</li> <li>4. Stable Investments and Finance Company Limited</li> </ol>
Shareholding as on 31 <sup>st</sup> March 2023		
a) Held individually	24328	287531
Held jointly with others	Nil	Nil

**//BY ORDER OF THE BOARD//**  
For MM RUBBER COMPANY LIMITED

Place: Bengaluru  
Date: 04-08-2023

**Roy Mammen**  
Managing Director  
(DIN: 00077409)

**Explanatory Statement**  
(Pursuant to Section 102 of the Companies Act, 2013)

**Item No.3: Re-Appointment of Mr. Roy Mammen (DIN 00077409) as Managing Director:**

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

• **Meaning, scope & Implication of the items of the business:**

Mr. Roy Mammen's tenure as Managing Director expires on 30<sup>th</sup> September 2023. During his tenure, the company's turnover has constantly raised. In view of the same the Board of Directors thought that continuing Mr. Roy Mammen as Managing Director is of utmost important and accordingly re-appointed him as Managing Director with effect from 01.10.2023 and certain terms and conditions regarding remuneration. As per the provisions of the Companies Act such terms and conditions shall have the approval of the members in General Meeting. Hence, the proposed resolution.

Mr. Roy Mammen and Mr. Jacob Mammen may be considered as interested in the resolution

In view of the growth in the business activities and increased volume of work, the Remuneration Committee and subsequently the Board of Directors considered it just, fair and reasonable to re-appoint Mr. Roy Mammen (DIN 00077409) as Managing Director.

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on 04.08.2023 have approved the Re-appointment of Mr. Roy Mammen (DIN 00077409) as Managing Director for a period of five years with effect from 01.10.2023 to 30.09.2028 and payment of remuneration will be as per Schedule V more-fully described in the proposed resolution.

Pursuant to the provisions of Sections 196, 197, 198, 203 of the Companies Act 2013 read with Schedule V of the Act and all other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, the Special Resolution mentioned under Item No. 3 of the Notice is placed before the members for approval.

Your Directors recommend the Special Resolution for approval of the Members.

Except Mr. Roy Mammen, none of the Directors are concerned or interested in this Resolution.

As required under Part II of Schedule V of the Act, additional information is provided as under:

I. General Information:				
(1) Nature of industry	Manufacture of foam-based products such as Beds, Pillows etc.,			
(2) Date or expected date of commencement of commercial production	Not applicable since it is an existing company			
(3) Financial performance based on given indicators	Year	2022-23 (Rs. in thousands)	2021-22 (Rs. in thousands)	2020-21 (Rs. in thousands)
	Net profit/loss before depreciation and interest	41,866	24,757	-30,510
	Depreciation and interest	10,686	8,257	6,685
	Exceptional Items	-	-	-
	Net profit/loss after depreciation, interest and Exceptional Items	31,180	16,500	-37,195
(4) Export performance based on given indicators	Company is not exporting any goods.			



(5) Foreign Investments	NIL
II. Information about the appointee:	
(1) Background details	<p>Mr. Roy Mammen was first appointed as Managing Director in the year 2006 for a period of 5 years and thereafter there was further renewal as per the provisions of the Companies Act.</p> <p>Mr. Roy Mammen during his association with the company was instrumental in stabilizing the activities and expanding the product range dealt by the company, thereby ensuring the growth of the company's turnover. Further, the profitability of the company was healthy during his tenure except for the year in view of the outbreak of COVID-19 pandemic which has resulted in significant reduction in sales during the year 2020/21.</p> <p>Mr. Roy Mammen was instrumental in shifting the Company's entire production from Chennai to its own unit at Ranipet by expanding the production capacity at Ranipet and thereby reducing the production cost significantly.</p>
(2) Past remuneration	<p>Mr. Roy Mammen when he was appointed in the year 2006 as Managing Director of the company was paid a remuneration of Rs. 18,500/- with perquisites. On improved performance of the company, the members of the company at their meeting held on 29th September 2010, enhanced remuneration to Rs. 45,000/-, the members of the company at their meeting held on 27<sup>th</sup> September 2012, enhanced remuneration to Rs. 60,000/- and the members at their meeting held on 26th September 2014, enhanced remuneration to Rs.1,00,000/- with perquisites and the members at their meeting held on 25th September 2017, enhanced remuneration to Rs. 1,60,000/- with perquisites and the members at their meeting held on 25th September 2020, enhanced remuneration to Rs. 2,00,000/- with perquisites and presently he is drawing Rs. 2,45,000/- pm. with perquisites.</p>
(3) Recognition or awards	Company continues to be one of the pioneers in Foam Bedding Industry and is recognized for its quality and reliability
(4) Job profile and his suitability	Mr. Roy Mammen has considerable experience in Foam Industry and has extensively travelled all over the world in studying the latest technology in the industry and is constantly trying to adopt such technology in improving the quality of the company's produce
(5) Remuneration proposed	As per the resolution attached to the Notice seeking re-appointment and the remuneration.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is reasonable and compares favourably with the remuneration for similar post-paid to his peers in the industry. Further, Mr. Roy Mammen's role and responsibility have considerably increased on account of expansion of the product range and the input he provides in guiding in adoption of latest technology for the product manufactured.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Roy Mammen owns 287531 shares of the company amounting to 4.61% of capital of the company. Mr. Jacob Mammen is his brother who is the Managing Director of M/s. Badra Estates & Industries Ltd., is in the Board of Directors of the Company.

<b>III. Other information:</b>	
(1) Reasons of loss or inadequate profits	Not applicable
(2) Steps taken or proposed to be taken for improvement	The company constantly undertakes steps to improve the quality of its product and accordingly the company consistently changes the product process wherever requires. The company's distribution network is constantly monitored
(3) Expected increase in productivity and profits in measurable terms.	The company in view of its recent experience of managing production and distribution network are confident that it would be able to constantly improve its performance and thereby its profitability
<b>IV. Disclosures:</b>	
(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	
(ii) details of fixed component and performance linked incentives along with the performance criteria;	As per Resolution
(iii) service contracts, notice period, severance fees.	Not applicable
(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Nil

- **Interest of Director, Key Managerial personnel, and their relatives:**  
Except Mr. Roy Mammen none of the

- Director,
- Key Managerial Personnel (CEO & CFO)
- Relatives of the persons mentioned in i&ii

are interested in the above said resolution.

- **Relevance of Resolution in any other Company.**  
The above resolution does not affect any other company.
- **Inspection of Documents**  
There are no documents required for inspection for the purpose of this resolution.

**//BY ORDER OF THE BOARD//**  
**For MM RUBBER COMPANY LIMITED**

**Roy Mammen**  
Managing Director

(DIN: 00077409, Address: No.12, Walton Road,  
Behind UB City, Bangalore North Bengaluru 560001)

Place: Bengaluru  
Date : 04-8-2023

**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.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

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:

- (i) The voting period begins on 25<sup>th</sup> September 2023 at 9 A.M. and ends on 27<sup>th</sup> September 2023 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 21<sup>st</sup> September 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

**a) Pursuant to above said 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
<p>Individual Shareholders holding securities in Demat mode with CDSL Depository</p>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasinew/">https://web.cdslindia.com/myeasinew/</a> Home/Login or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting 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 &amp; 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be 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.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is</li> </ol>

	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) login through their Depository Participants	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 abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, if company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) 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](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [mmfoam27@gmail.com](mailto:mmfoam27@gmail.com) (designated email address by 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 [mmfoam27@gmail.com](mailto:mmfoam27@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 [mmfoam27@gmail.com](mailto:mmfoam27@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](mailto: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](mailto: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 ProOS, 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)**

Name 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, 3<sup>rd</sup> Floor, No. 29, Infantry Road, Bangalore- 560001.Website: [www.mmfoam.com](http://www.mmfoam.com), Email id: [mmfoam27@gmail.com](mailto:mmfoam27@gmail.com)

Ph:91-80-22866268,22867065 Fax:91-80-22861542

**BOARD'S REPORT****Dear Members,**

Your directors have pleasure in presenting before you the 57<sup>th</sup>Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2023.

**COMPANY ACTIVITY & PERFORMANCE:**

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

**FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:**

Particulars	Financial year ended March 31, 2023 Rs. In lakhs	Financial year ended Mar 31, 2022 Rs. In lakhs
Revenue from Operations	4145.52	3718.29
Other Income	3.35	2.00
Profit before Exceptional Items and Tax	311.80	165.00
Exceptional Items (Expenses)/Income	-	-
Profit before tax	311.80	165.00
Less: Taxation		
Current tax	42.00	15.00
Taxes of Prior years	9.90	(0.32)
Deferred Tax(credit)/Debit	3.88	4.93
Profit for the year	256.02	145.39
Total other comprehensive income (net of tax)	-	-
Total Comprehensive income for the year	256.02	145.39

**OPERATIONS & PERFORMANCE:**

Your directors are pleased to inform that the Company was able to achieve a turnover of Rs. 41.45 crores despite the setback the Company faced after COVID-19 pandemic, and the Company was able to make a profit of Rs.256.02 lakhs. The Company has spent an amount of Rs. 1.75 Crores on new building and machinery to increase its production capacity. The company is also very active in the social platform and digital marketing. A substantial amount is spent on digital marketing, which has helped the Company to increase its sales.

**PROSPECTS:**

Since the Company's entire production is centralized at its own premises at Ranipet and to reduce the manpower and to bring down the cost of production, the Company will be investing an amount of Rs. 3 Crores on Machinery during the year 2023-24 to automatize its production facilities on a staged manner. Your directors are confident that with this move, the Company's production, 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 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 2022-23 to BSE Limited where the Company's Shares are listed.

**DEMATERIALIZATION OF SHARES:**

Your Company's 66.63% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March 2023 and balance 33.37% 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, 2023, your Board comprises of 4 Directors including 2 Independent Directors.

During the year Mr. Karun Philip (DIN 01091468) Director of the company expired on 13.12.2022. The Board places on record the immense contributions made by Mr. Karun Philip to the growth of your Company

The tenure of the Managing Director Mr. Roy Mammen will end on September 30, 2023 and the board has approved his reappointment for a further term of 5 years subject to approval of the Shareholders at the ensuing Annual General Meeting of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company Mr. Jacob Mammen (DIN: 00078010), Non-executive Director retires by rotation at forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The brief resume and other details as required under the Listing Regulations are provided in the Notice of the 57th Annual General Meeting of the Company.

In terms of Section 203 of the said Act, the following were designated as Key Managerial Personnel of your company by the Board:

- Mr. Roy Mammen – Managing Director
- Mr. M M Kushalappa – Chief Financial Officer
- Ms. Keerthi S Raj– Company Secretary

Ms. Sharvari Kulkarni – Company Secretary and Compliance Officer has resigned the office w.e.f. 27th January 2023 and Ms. Keerthi S Raj has been appointed as the Company Secretary and Compliance Officer with effect from 28th January,2023.

**DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year -**Nil**
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year - **One**
- (c) number of shareholders to whom shares were transferred from suspense account during the year – **No shares were transferred from suspense account.**
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year -**1 shareholder with 100 shares**
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- **Yes**

**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.

In the opinion of the Board, the independent directors possess necessary expertise and experience and,they were independent towards any decision of the management.

**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 30.05.2019. In terms of Section 178 of the Act, 2013. The objective of such policy shall be to attract, retain and motivate executive management and remuneration structured to link to Company's Strategic long-term goals, appropriateness, relevance, and risk appetite of the company.

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

**NUMBER OF BOARD MEETINGS HELD:**

The Board of Directors duly met four times during the financial year from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 The dates on which the meetings were held are as follows:

<b>Date of Meeting</b>	<b>No. of Directors as on the date</b>	<b>No. of Directors Present</b>
24-05-2022	5	4
10-08-2022	5	4
14-11-2022	5	4

27-01-2023	4	4
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**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.
24-05-2022	3	3
10-08-2022	3	3
14-11-2022	3	3
27-01-2023	3	3

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Committee consisting of three Directors namely Mr. Roy Mammen, Managing Director, Mr. Jacob Mammen, Director and Mrs. Susan Kurian, Independent Director. During the fiscal 2022 23 meetings were held on 01.04.2022, 22.04.2022, 05.04.2022, 13.05.2022, 25.05.2022, 13.06.2022, 15.06.2022, 28.06.2022, 18.07.2022, 29.07.2022, 12.08.2022, 19.08.2022, 31.10.2022, 18.11.2022, 14.12.2022, 05.12.2022, 03.11.2022, 03.10.2022, 02.01.2023, 15.02.2023, 10.01.2023, 24.01.2023, 30.01.2023, 03.02.2023, 16.02.2023, 24.02.2023, 13.09.2022, 07.03.2023, 21.03.2023, 31.03.2023 and 10.03.2023.

**DIRECTORS RESPONSIBILITY STATEMENT:**

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

- a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2023, the applicable accounting standards have been followed and there are no material departures.
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period.
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) they have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Based on the Internal Financial Controls and Compliance Systems established and maintained by the company, work performed by the internal, statutory, and secretarial auditors and reviews performed by the management, the Board is of the opinion that the company's internal financial controls were adequate and effective during the financial year 2022-23.

**AUDITORS & REPORTS****i) Statutory Auditors:**

M/s. R A M S and Company, (Firm Registration No.016594S), Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting held on 28<sup>th</sup> September 2022, who shall hold office until the conclusion of the 61<sup>st</sup> annual general meeting to be held for the financial year 2026-27.

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

The Auditors in their report have qualified the following:

“Valuation of finished products”

Your directors wish to clarify as under: -

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.

**ii) Cost Auditors:**

In terms of Section 148 of the Companies Act 2013, the Company has maintained cost records for the year ended March 31, 2023.

**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 2022-23. 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**.

The Secretarial Auditors' Report for the fiscal 2023 does not contain any qualification, reservation, or adverse remark nor any instances of fraud committed against the Company by its officers or employees during the year.

**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 2022-23.

**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 Bondmattress, 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 required by the Company as turnover of the Company Exceeds 35 Crores and accordingly Company is maintaining cost records.

**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-D**.

**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 2022-23 till the date of this report. Further there was no change in the nature of the business of the company.

**ANNUAL RETURN**

In accordance with Section 92(3) read with 134 (3) of the Companies Act, 2013, the Annual Return as of March 31, 2023 is made available on the website of the Company at [www.mmfoam.com](http://www.mmfoam.com).

**PARTICULARS OF EMPLOYEES:**

No Employee of the Company draws a salary exceeding Rupees One Crore and Two Lakh per annum or Rs. 8,50,000 (Rupees Eight Lakhs and Fifty thousand) per month during the financial year.

The details of ratio of the remuneration of each whole-time Director and Key Managerial Personnel (KMP) to the median of employees' remuneration as per the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as in Annexure B to this Report.

**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](http://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.

**For and on behalf of the Board of Directors**

Place: Bangalore  
Date:04-08-2023

**ASHOK KURIYAN**  
DIRECTOR  
(DIN: 00081374)

**ROY MAMMEN**  
MANAGING DIRECTOR  
(DIN: 00077409)

**ANNEXURE – A**

**FORM NO. MR -3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> MARCH, 2023**

[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,  
M M RUBBER COMPANY LIMITED,  
Empire Infantry, 3<sup>rd</sup>Floor, No.29,  
Infantry Road, Bengaluru – 560001,  
Karnataka, India.**

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 **31<sup>st</sup> March 2023** in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, whereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023** (‘Audit Period’) complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made herein after;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup>March 2023 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

We have relied on the representation made by the company & its Officers for systems & mechanism formed by the company for compliance under above-mentioned Other Laws specifically applicable to the company. We are of the opinion that the management has complied with the above-mentioned Laws.

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

- (i) 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.
- (ii) 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, Standards, etc, except for;

**We further report that** The Board of Directors and committees thereof of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and committees that took place during the period under review were carried out in compliance with the provisions of the Act subject to the observations in this report.

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 does not have any specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

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

Place : Bengaluru  
Date: 30-05-2023

**G Akshay & Associates**  
Practicing Company Secretary  
Membership No. F10967  
C. P. No. 15584  
UDIN: F010967E000418651

To,

**The Members,**  
**M M RUBBER COMPANY LIMITED,**  
Empire Infantry, 3<sup>rd</sup>Floor, No.29,  
Infantry Road, Bengaluru – 560001,  
Karnataka, India.

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

1. Maintenance of secretarial record 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. Our Audit report is limited to the verification and reporting of the statutory compliances on law / regulation / guidelines listed in our report and the same pertains to the Financial Year ended 31st March, 2023. 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.
3. 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.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and relied upon the Reports given by statutory auditors or other designated professionals.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
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.
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.

Place: Bengaluru  
Date:30-05-2023

**G Akshay & Associates**  
Practicing Company Secretary  
Membership No. F10967  
C. P. No. 15584  
UDIN: F010967E000418651

**ANNEXURE – B**

**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 2022-23

- (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

**For and on behalf of the Board of Directors**

Place: Bangalore  
Date:04-08-2023

**ASHOK KURIYAN**  
DIRECTOR  
(DIN: 00081374)

**ROY MAMMEN**  
MANAGING DIRECTOR  
(DIN: 00077409)

**ANNEXURE – C**

Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year

Name	Designation	Ratio to the Median
Mr. Roy Mammen	Managing Director	17.56

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, in the Financial Year:

Mr. Roy Mammen - Managing Director:0.52%

Mr. Machimada Muddappa Kushalappa - Chief Financial Officer:7.93%

Ms. Keerthi S Raj - Company Secretary:10.66%

3. The percentage increase in the median remuneration of employees in the Financial Year: 4% to 5%
4. The number of permanent employees on the rolls of Company as of March 31, 2023: 65
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in non-managerial salaries were in line with industry practice and market conditions.

6. Affirmation that the remuneration is as per the remuneration policy of the Company - The Company affirms that the remuneration is as per the remuneration policy of the Company

**For and on behalf of the Board of Directors**

Place: Bangalore  
Date:04-08-2023

**ASHOK KURIYAN**  
DIRECTOR  
(DIN: 00081374)

**ROY MAMMEN**  
MANAGING DIRECTOR  
(DIN: 00077409)



**ANNEXURE -D**

**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.

**Key Financial Ratios**

The details are furnished under Note No. 39 of Financial Statements

**For and on behalf of the Board of Directors**

Place: Bangalore  
Date:04-08-2023

**ASHOK KURIYAN**  
DIRECTOR  
(DIN: 00081374)

**ROY MAMMEN**  
MANAGING DIRECTOR  
(DIN: 00077409)

**R A M S AND CO.**  
**CHARTERED ACCOUNTANTS,**  
**BANGALORE**

**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 31<sup>st</sup> March 2023, 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, 2023, 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 2023.

**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.

Our opinion is not modified in respect of this matter.

**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.

SINo.	Key Audit Matters	Auditor's Response
1	<p><b>Accuracy and completeness of related party transactions and disclosures ( as described in Note No. 32 of Ind AS Financial statements.</b></p> <p>The Company has undertaken transactions with its related parties in the normal course of business at arm's length. These include lending and borrowing of Inter-corporate deposits and short term loans to or from the related parties.</p> <p>We identified the accuracy and completeness of the said related party transactions and its disclosure as set out in respective notes to the financial statements as a key audit matter due to the significance of transactions with related parties during the year ended 31.3.2023 and regulatory compliance thereon.</p>	<p>Principal Audit Procedures</p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls</p> <p>Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length ,obtaining approval , recording and disclosure of related party transactions.</p> <p>Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length.</p> <p>Tested related party transactions with the underlying contracts, confirmation letters , filing of returns with ROC and other supporting documents</p> <p>Agreed the related party information disclosed in the Ind AS financial statements with the underlying supporting documents</p>

### 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 Annual Report, for example Corporate overview, key highlights, Management Discussion and Analysis Report, Board's Report including Annexures to Board's Report, Business Responsibility Report, Shareholder's Information etc., 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.

### Responsibilities of Management and Those Charged with Governance 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by management and Board of Directors.
- Conclude on the appropriateness of management 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 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 Auditors 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 31<sup>st</sup> March 2023 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2023 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 with reference to financial statements 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 with reference to financial statements.

- 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, 2023
- 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
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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. R A M S And Co.**  
Chartered Accountants  
FRN No.016594S.

**(CA.GOVINDA RAJU Junjuru)**  
PARTNER  
Mem No.221304  
UDIN: 23221304BGXVMA4607

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**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 M M 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 revalued its Property Plant and Equipment (including right-of-use assets) during the year ( Please refer Note No. 37 to the **Ind AS** financial statements )
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 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 having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year-end. 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) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and services provided by it . We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central



Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (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, 2023 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) As represented to us by the Management, there were no whistle blower received by the company during the year and up to the date of this report.
- (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), (b) and (c) 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)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and 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. R A M S And Co**  
Chartered Accountants  
FRN No 016594S

**(CA. GOVINDA RAJU JUNJURU)**  
PARTNER  
Mem No.221304  
UDIN: 23221304BGXVMA4607

Place: Bangalore  
Date: 24-05-2023

## **ANNEXURE 'B' TO THE INDEPENDENT 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 M M Rubber Co. Ltd, of even date)

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

We have audited the internal financial controls with reference to financial statements of M M Rubber Co Ltd (the Company) as of 31<sup>st</sup> March 2023 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control 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 ("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 with reference to financial statements 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 with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 with reference to financial statements.

### **Meaning of Internal Financial Controls With reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 With reference to financial statements**

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

**Opinion**

In our opinion, 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 and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements 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. R A M S And Co**  
Chartered Accountants  
FRN No 016594S

**(CA. GOVINDA RAJU JUNJURU)**  
PARTNER  
Mem No.221304  
UDIN: 23221304BGXVMA4607

Place: Bangalore  
Date 24-05-2023

**M M RUBBER COMPANY LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2023**

Particulars	Note No.	In Thousands	
		As at March 31, 2023 ₹	As at March 31, 2022 ₹
<b>I. ASSETS</b>			
Non-current assets			
(a) Property, plant and equipment	2	194,983	126,344
(b) Financial assets			
(i) Investments	3	9	9
(ii) Other financial assets	4	1,628	1,039
(c) Deferred tax assets			
(d) Other non-current assets	5	7,111	3,790
<b>Total Non-current assets</b>		<b>203,731</b>	<b>131,182</b>
Current assets			
(a) Inventories	6	69,410	50,519
(b) Financial assets			
(i) Trade receivables	7	17,365	27,207
(ii) Cash and cash equivalents	8	3,404	4,456
(iii) Other Bank balances	8	200	200
(iv) Other financial assets	9	3,807	8,645
(c) Other Current Assets	10	104	110
<b>Total Current assets</b>		<b>94,290</b>	<b>91,137</b>
<b>TOTAL ASSETS</b>		<b>298,021</b>	<b>222,318</b>
<b>I. EQUITY AND LIABILITIES</b>			
Shareholders' funds			
(a) Share capital	11	12,462	12,462
(b) Other equity	12	183,093	117,842
<b>TOTAL EQUITY</b>		<b>195,555</b>	<b>130,304</b>
<b>II. LIABILITIES</b>			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	1,458	358
(b) Deferred tax liabilities (net)	14	34,257	19,939
<b>Total Non current liabilities</b>		<b>35,715</b>	<b>20,297</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	23,918	31,776
(ii) Trade payables			
(i) micro and small enterprises,	16	9,586	7,145
(ii) other than micro and small enterprises	16	17,800	15,152
(iii) Other financial liabilities	17	4,834	7,607
(b) Other current liabilities	18	6,413	8,538
(c) Current Tax Liabilities (Net)	19	4,200	1,500
<b>Total Current liabilities</b>		<b>66,751</b>	<b>71,718</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>298,021</b>	<b>222,318</b>

As per our Report of even date  
**For R A M S AND COMPANY**  
Chartered Accountants  
FRN NO 016594S

For and on behalf of the Board

**GOVINDA RAJU JUNJURU**  
MEM NO.221304

**ROY MAMMEN**  
MANAGING DIRECTOR

**ASHOK KURIYAN**  
DIRECTOR

BANGALORE  
DATE:24-05-2023

**MACHIMADA MUDDAPPA KUSHALAPPA**  
CHIEF FINANCIAL OFFICER

**KEERTHI S RAJ**  
COMPANY SECRETARY

**M M RUBBER COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2023**

Particulars	Note No.	In Thousands	
		Year Ended March 31, 2023 ₹	Year Ended March 31, 2022 ₹
I Revenue from operations	20	414,553	371,829
II Other income	21	<u>335</u>	<u>200</u>
III Total revenue (I + II)		<b><u>414,888</u></b>	<b><u>372,030</u></b>
IV Expenses:			
Purchases of stock in trade	22	193,500	186,011
Changes in inventories of finished goods, work in progress and Stock-in-Trade	23	<u>(18,890)</u>	<u>(799)</u>
		174,610	185,212
Employee benefits expense	24	55,203	44,949
Finance costs	25	3,419	2,899
Depreciation and amortization expense	26	7,267	5,358
Other expenses	27	<u>143,209</u>	<u>117,112</u>
Total expenses		<b><u>383,708</u></b>	<b><u>355,530</u></b>
V Profit before exceptional and extraordinary items and tax (III-IV)		31,180	16,500
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V-VI)		31,180	16,500
VIII Extraordinary items		-	-
IX Profit before tax (VII-VIII)		31,180	16,500
X Tax expense:			
Current tax		4,200	1,500
Taxes of prior years		990	(32)
Deferred tax		<u>388</u>	<u>493</u>
Total tax expense		<b><u>5,578</u></b>	<b><u>1,961</u></b>
XI Profit for the year from continuing operations (IX- X)		<b><u>25,602</u></b>	<b><u>14,540</u></b>
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		53,579	-
b) Less: Taxes on above		<u>13,931</u>	-
(ii) Items that may be reclassified to profit or loss			
a) Mark to Market of Investments		-	-
b) Taxes on above		-	-
Total OCI		<b><u>39,649</u></b>	<b><u>-</u></b>
XV Profit/Loss for the year (XI + XIV)		<b><u>25,602</u></b>	<b><u>14,540</u></b>
XVI Earning per equity share before exceptional item:			
Basic & diluted (in Rs)	29	<b><u>4.11</u></b>	<b><u>2.33</u></b>
XVII Earning per equity share after exceptional item:			
Basic & diluted (in Rs)	29	<b><u>4.11</u></b>	<b><u>2.33</u></b>
(Paid up value per share)		2	2

As per our Report of even date

For and on behalf of the Board

**For R A M S AND COMPANY**

Chartered Accountants

FRN NO 016594S

**GOVINDA RAJU JUNJURU**

MEM NO.221304

BANGALORE

DATE:24-05-2023

**ROY MAMMEN**  
MANAGING DIRECTOR

**MACHIMADA MUDDAPPA KUSHALAPPA**  
CHIEF FINANCIAL OFFICER

**ASHOK KURIYAN**  
DIRECTOR

**KEERTHI S RAJ**  
COMPANY SECRETARY

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023**

In Thousands

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	₹	₹	₹	₹
<b>Cash flows from operating activities</b>				
Profit / (Loss) before taxation		31,180		16,500
Adjustments for:				
Depreciation and amortisation	7,267		5,358	
Other Income	(335)		(200)	
Loss on sale of fixed assets	-		4	
Finance costs	3,419		2,899	
		<u>10,350</u>		<u>8,060</u>
		<u>41,530</u>		<u>24,560</u>
Increase/ decrease in trade receivables	9,841		(5,219)	
Increase/ decrease in inventories	(18,890)		(799)	
Increase/ decrease in other assets	934		(3,852)	
Increase/ decrease in other liabilities	(4,898)		(1,392)	
Increase/ decrease in trade payables	<u>5,090</u>		<u>5,893</u>	
		<u>(7,923)</u>		<u>(5,370)</u>
		33,607		19,190
Income taxes paid		(2,490)		32
<b>Net cash from operating activities</b>		<b>31,117</b>		<b>19,223</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(22,326)		(14,657)	
Proceeds from sale of property, plant and equipment	-		250	
Other Income	335		200	
<b>Net cash from investing activities</b>		<b>(21,991)</b>		<b>(14,207)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issue of share capital	-		-	
Proceeds / (repayment) from long term borrowings	1,100		(4,024)	
Proceeds / (repayment) of short term borrowings	(7,859)		1,776	
Finance costs	(3,419)		(2,899)	
<b>Net cash from financing activities</b>		<b>(10,177)</b>		<b>(5,146)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,051)</b>		<b>(130)</b>
Cash and cash equivalents at beginning of the year		<u>4,656</u>		<u>4,786</u>
<b>Cash and cash equivalents at end of the year</b>		<b><u>3,604</u></b>		<b><u>4,656</u></b>

**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 R A M S AND COMPANY**  
Chartered Accountants  
FRN NO 016594S

**GOVINDA RAJU JUNJURU**  
MEM NO.221304  
BANGALORE  
DATE:24-05-2023

For and on behalf of the Board

**ROY MAMMEN**  
MANAGING DIRECTOR  
**MACHIMADA MUDDAPPA KUSHALAPPA**  
CHIEF FINANCIAL OFFICER

**ASHOK KURIYAN**  
DIRECTOR  
**KEERTHI S RAJ**  
COMPANY SECRETARY

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

M M RUBBER COMPANY LIMITED ("the Company") CIN: L25190KA1964PLC052092 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.

The Financial statements of the Company for the year ended 31-3-2023, were approved for issued in accordance with the resolution of the Board of Directors on 24-05-2023.

**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. All the assets and liabilities are classified into current and non-current generally based on the nature of products/activities of the Company and the normal time between acquisition of assets/liabilities and their realisation/settlement in cash or cash equivalents. The Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

**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 to 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:/Computer software:**

Intangible assets are accounted at cost of acquisition less depreciation /amortization. The intangible assets are amortized on straight line basis from the date that they are available for use.

**(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 customers:**

Revenue from contract with customers is recognised when the Company 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. Accumulated 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.

**d. 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 IMPAIRMENT OF ASSETS:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss, in the year in which an asset is identified as impaired.

**k 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.

**l EARNINGS PER SHARE:**

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.

**m FINANCIAL INSTRUMENTS:**

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 instrument

**n 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.

**(ii) Non-Financial Assets:**

A non-financial asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss, in the year in which an asset is identified as impaired.

**O Exceptional Items:**

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

**1C Changes in Accounting Standard and recent accounting pronouncements:**

Key accounting judgement, estimates and Assumptions The preparation of the financial statements required the Management to exercise judgment and to make estimates and assumptions. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these financial statements and has used internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic. The areas involving critical estimates or judgements are:

**i. Depreciation and amortisation:**

Depreciation and amortisation are based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

**ii. Employee Benefits:**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using various assumptions. The assumptions used in determining the net cost/(income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

**1D Recent accounting pronouncements The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:**

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

**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	Intangible Asset	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Balance as at 31 March 2021</b>	44,976	46,541	9,378	88,454	8,945	9,024	7,234	-	2,14,553
Additions	-	6,347	1,105	6,415	426	364	-	-	14,657
Less: Revaluation deficit/surplus	-	-	-	-	-	-	-	-	-
Less: Asset Discarded	-	-	8,136	55,441	3,824	2,077	846	-	70,324
Less: Sale of assets	-	-	-	-	-	-	510	-	510
<b>Balance as at 31 March 2022</b>	<b>44,976</b>	<b>52,888</b>	<b>2,348</b>	<b>39,429</b>	<b>5,546</b>	<b>7,311</b>	<b>5,878</b>	<b>-</b>	<b>1,58,375</b>
Additions	-	16,060	1,826	1,325	880	736	-	1,500	22,326
Less: Revaluation deficit/surplus* + (-)	32,126	21,454	-	-	-	-	-	-	53,579
Less: Sale of assets	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>77,101</b>	<b>90,402</b>	<b>4,174</b>	<b>40,753</b>	<b>6,426</b>	<b>8,047</b>	<b>5,878</b>	<b>1,500</b>	<b>2,34,281</b>
<b>Accumulated depreciation</b>									
<b>Balance as at 31 March 2021</b>	-	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	843	555	-	5,358
Depreciation withdrawn/scrapped	-	-	8,136	55,441	3,824	2,077	1,356	-	70,834
Adjustments + (-)	-	-	-	-	-	-	254	-	254
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>10,705</b>	<b>797</b>	<b>9,538</b>	<b>4,093</b>	<b>3,404</b>	<b>3,495</b>	<b>-</b>	<b>32,032</b>
Depreciation charge for the year	-	2,289	303	2,541	725	585	735	89	7,267
Adjustments + (-)	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>12,994</b>	<b>1,100</b>	<b>12,079</b>	<b>4,818</b>	<b>3,989</b>	<b>4,229</b>	<b>89</b>	<b>39,298</b>
<b>Net block</b>									
<b>Balance as at 31 March 2022</b>	44,976	42,183	1,551	29,891	1,454	3,907	2,383	-	1,26,344
<b>Balance as at 31 March 2023</b>	<b>77,101</b>	<b>77,408</b>	<b>3,074</b>	<b>28,674</b>	<b>1,608</b>	<b>4,058</b>	<b>1,648</b>	<b>1,411</b>	<b>1,94,983</b>

**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.

\* Please refer note No.37

## NOTES TO FINANCIAL STATEMENTS

## 3. Non current investments:

In Thousands

Details of investments	Name of the Company	As at March 31, 2023			As at March 31, 2022		
		No of shares	Face value	Amount	No of shares	Face value	Amount
				₹			₹
<b>a) Investments in equity Instruments:</b>							
i) In government securities: (Other than Trade, Unquoted)							
Fully paid up							
National Savings Certificate				9			9
<b>Total</b>				<b>9</b>			<b>9</b>
Less:							
Provision for diminution in value of investments				-			-
<b>Total</b>				<b>9</b>			<b>9</b>

In Thousands

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹		₹	
<b>4 Other Financial Assets:</b>				
<b>(Unsecured and considered good)</b>				
i) Security deposits	1,628		1,039	
	<b>1,628</b>		<b>1,039</b>	
<b>5 Other non current assets:</b>				
<b>(Unsecured and considered good)</b>				
i) Balances with revenue authorities	7,111		3,790	
	<b>7,111</b>		<b>3,790</b>	
Less: Allowance for bad and doubtful receivables	-		-	
	<b>7,111</b>		<b>3,790</b>	
<b>6 Inventories:</b>				
i) Raw Materials	3,121		3,638	
ii) Finished Goods	66,289		46,882	
	<b>69,410</b>		<b>50,519</b>	
<b>7 Trade receivables:</b>				
Trade receivables				
i) exceeding six months	554		760	
ii) others	16,812		26,447	
	<b>17,365</b>		<b>27,207</b>	
Less: Allowance for doubtful receivables				
Exceeding 6 months	-		-	
	<b>17,365</b>		<b>27,207</b>	

**NOTES TO FINANCIAL STATEMENTS**

Additional information:

## 1) Breakup of above:

i)	Secured, considered good	-	-
	Unsecured, considered		
ii)	good	17,365	27,207
iii)	Doubtful	-	-
	<b>Total</b>	<b>17,365</b>	<b>27,207</b>

Less: Allowance for doubtful  
receivables exceeding six months

-	-
<b>17,365</b>	<b>27,207</b>

## 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

- - - - -

## 3) Trade Receivables ageing schedule:

In Thousands

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	16,812	-	-	-	-	16,812
(ii) Undisputed Trade Receivables – considered doubtful	-	-	554	--	-	554
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	0
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	0
<b>Total</b>	<b>16,812</b>	<b>-</b>	<b>554</b>	<b>-</b>	<b>-</b>	<b>17,365</b>

## 8 Cash and Cash Equivalents:

## a) Cash and cash equivalents:

i)	Balances with banks		
	- in other accounts	3,258	4,250
ii)	Cash on hand	146	205
		<b>3,404</b>	<b>4,456</b>

## b) Other bank balances:

i)	Balances with banks		
	- in margin money, security for borrowings, guarantees and other commitments	200	200
		<b>200</b>	<b>200</b>
	<b>Total (a + b)</b>	<b>3,604</b>	<b>4,656</b>

## 9 Other Financial Assets:

i)	Security deposits	2,232	2,065
ii)	Prepaid expenses	125	145
iii)	Others	-	-
iv)	Advances Given to Vendors	1,450	6,435
		<b>3,807</b>	<b>8,645</b>
	Less: Allowance for doubtful advances	-	-
		<b>3,807</b>	<b>8,645</b>

**NOTES TO FINANCIAL STATEMENTS**

Additional information:

1) Breakup of above:				
i) Secured, considered good		-	-	
ii) Unsecured, considered good		3,807	8,645	
iii) Doubtful		-	-	
Total		<b>3,807</b>	<b>8,645</b>	
Less: Allowance for doubtful advances		-	-	
		<b>3,807</b>	<b>8,645</b>	
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		-	-	
<b>10 Other Current Assets:</b>				
i) GST Input Tax Credit		-	-	
ii) Loans and Advances- others		104	110	
		<b>104</b>	<b>110</b>	

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹		₹	
<b>11 Share capital:</b>				
Authorized: (*)				
Equity shares of ₹ 2/- each	35,000	70,000	35,000	70,000
	<b>35,000</b>	<b>70,000</b>	<b>35,000</b>	<b>70,000</b>
<b>Issued:</b>				
Equity shares of ₹ 2/- each	6,236	12,472	6,236	12,472
	<b>6,236</b>	<b>12,472</b>	<b>6,236</b>	<b>12,472</b>
<b>Issued, subscribed and fully paid up:</b>				
<b>Equity shares of ₹ 2/- each</b>				
At the beginning of the year	6,231	12,462	4,981	9,961
Issued during the year	-	-	1,251	2,501
At the close of the year	<b>6,231</b>	<b>12,462</b>	<b>6,231</b>	<b>12,462</b>
<b>Total carried to Balance Sheet</b>		<b>12,462</b>		<b>12,462</b>

**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
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**NOTES TO FINANCIAL STATEMENTS**

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, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
(i) Naveen Bothra	400000	6.42%	411936	6.61%

**Disclosure of Promoters Shareholding Pattern:**

Shares held by promoters at the end of the year 2022-23						% Change during the year 2022-23
S No.	Promoter name	As at Mar' 31, 2023		As at Mar' 31, 2022		
		No of Shares	%of total shares	No of Shares	%of total shares	
(i)	Mr. Mammen Philip	95,363	1.5304	95,363	1.5304	-
(ii)	Ms. Meera Philip & Mr. Peter Philip	106,668	1.7117	106,668	1.7117	-
(iii)	Mr. Peter Philip	3,550	0.0569	3,550	0.0569	-
<b>Total</b>						

**Statement of Changes in Equity****12. Other Equity**

In Thousands

Particulars	Attributable to owners of the Company			
	Other Equity			Total Other equity
	Share premium	Revaluation reserve	Retained earnings	
₹	₹	₹	₹	
<b>Total Other Equity as at March 31 2021</b>	<b>75,035</b>	<b>50,912</b>	<b>(22,645)</b>	<b>103,302</b>
Add/(Less): Profit for the period	-	-	14,539	14,539
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	-	-	-	-
<b>Total Other Equity as at March 31 2022</b>	<b>75,035</b>	<b>50,912</b>	<b>(8,105)</b>	<b>117,842</b>
Add/(Less): Profit for the period	-	-	25,602	25,602
Add/(Less): Share Premium during the year due to the issuance of shares	-	-	-	-
Less: INDAS adjustment for Revaluation of land and building	-	53,579	-	53,579
Less: Tax Adjustment on Ind AS items	-	(13,931)	-	(13,931)
Less/Add: Depreciation on revaluation reclassified	-	-	-	-
<b>Total Other Equity as at March 31 2023</b>	<b>75,035</b>	<b>90,561</b>	<b>17,497</b>	<b>183,093</b>

**NOTES TO FINANCIAL STATEMENTS**

Particulars	As at March 31, 2023 ₹	As at March 31, 2022 ₹
<b>Non- Current Liabilities</b>		
<b>13 Borrowings:</b>		
<b>Secured loans:</b>		
a. Loan from Banks	1,458	4,073
Less: Current maturities on loan from banks	-	3,715
<b>Total borrowings</b>	<b>1,458</b>	<b>358</b>

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, Tamandu at an interest rate of 9.25% per annum repayable in 74 equated monthly instalments.

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

**14 Deferred tax Liabilities (Net):**

**i) Deferred tax liability:**

On account of depreciation on fixed assets (other than

a) land	14,211	8,245
b) On account of revaluation of land	20,046	11,694
<b>Total</b>	<b>34,257</b>	<b>19,939</b>

**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)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Net Deferred tax (liability)/asset**

**34,257      19,939**

**Current Liabilities**

**15 Borrowings:**

**Secured loans:**

a) Loans repayable on demand		
- from banks	11,168	9,026

**Unsecured Loans:**

- from Others	12,750	22,750
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**Total**

**23,918      31,776**

**NOTES TO FINANCIAL STATEMENTS**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 9.25% 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.

Particulars	As at March	As at March
	31, 2023	31, 2022
	₹	₹
<b>Current Liabilities</b>		
<b>16 Trade payables:</b>		
a) <b>Total outstanding dues of micro and small enterprises</b>		
Trade payables	9,586	7,145
	<b>9,586</b>	<b>7,145</b>
b) <b>Total outstanding dues of creditors other than micro and small enterprises</b>		
Trade payables	17,800	15,152
	<b>17,800</b>	<b>15,152</b>
<b>Total A+B</b>	<b>27,386</b>	<b>22,296</b>

**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 2021 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, 2023	As at March 31, 2022
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.	-	-

In Thousands

**Trade Payables ageing schedule**

Particulars	Outstanding for following periods from due date of payments				
	Less than 6 months	1-2 years	2-3 years	More than 3 year	Total
	₹	₹	₹	₹	₹
(i) MSME	9,586	-	-	-	9,586
(ii) Others	17,800	-	-	-	17,800
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>27,386</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,386</b>

**17 Other Financial Liabilities:**

Current maturities of secured loan from			
a) banks		-	3,715
b) Deposits from dealers		4,081	3,139
c) Others		754	754
		<b>4,834</b>	<b>7,607</b>

**18 Other current liabilities:**

a) Statutory Dues		-	-
- Tax Deducted at Source		569	458
- Goods and Service Tax		859	4,138
- Others		1,090	190
b) Others		1,429	1,056
c) Advance from Customers		105	214
d) Provision for Retirement leave		2,361	2,482
		<b>6,413</b>	<b>8,538</b>

**19 Current Tax Liabilities (Net):**

a) Provision for tax (net of advance tax)		4,200	1,500
		<b>4,200</b>	<b>1,500</b>

**20 Revenue from operations:**

i) <b>Sale of Products</b>			
Domestic Sales		451,044	400,472
		<b>451,044</b>	<b>400,472</b>
Less: Sales discount		36,491	28,642
		<b>414,553</b>	<b>371,829</b>

**21 Other income:**

i) Others		335	200
ii) Profit on sale of fixed assets		-	-
		<b>335</b>	<b>200</b>

**NOTES TO FINANCIAL STATEMENTS****22 Cost of Purchase:**

i) Consumption of Stores, Components & Spare Parts	187,707	180,401
ii) Purchase of stock in trade	5,794	5,610
	<b>193,500</b>	<b>186,011</b>

**23 Changes in inventories of stock in trade:**

Stocks at the end of the year		
i) Finished goods	66,289	46,882
ii) Raw Materials	3,121	3,638
	<b>69,410</b>	<b>50,519</b>
Less: Stocks at the beginning of the year		
i) Finished goods	46,882	48,054
ii) Raw Materials	3,638	1,667
	<b>50,519</b>	<b>49,721</b>
	<b>(18,890)</b>	<b>(799)</b>

**24 Employee benefit expenses:**

i) Salaries, wages and bonus	49,195	39,487
ii) Contribution to provident and other funds	2,078	1,872
iii) Gratuity	1,500	800
iv) Staff welfare expenses	1,966	2,439
v) Leave Encashment	464	351
	<b>55,203</b>	<b>44,949</b>

**25 Finance costs:**

i) Interest expense	3,419	2,899
	<b>3,419</b>	<b>2,899</b>

**26 Depreciation and amortization:**

i) Depreciation	5,789	5,358
	<b>5,789</b>	<b>5,358</b>

**27 Other expenses:**

i) Repairs & Maintenance		
- Buildings	3,712	2,915
- Machinery	6,556	3,801
- others	728	356
ii) Advertisement expenses	22,560	18,319
iii) Bank Charges	415	665
iv) Coolie and cartage	2,307	2,071
v) Sitting Fee	36	36
vi) Conference and Seminar Expense	857	302

**NOTES TO FINANCIAL STATEMENTS**

vii)	Insurance	1,633	1,497
viii)	Rates and Taxes	680	818
ix)	Travelling and Conveyance	7,842	4,514
x)	Freight expenses	25,923	21,090
xi)	Rent	9,299	10,100
xii)	Professional Charges	11,019	9,265
xiii)	Sales Promotion Expenses	8,699	5,636
xiv)	Fabrication Charges	1,063	1,798
xv)	Turnover Discount	16,335	16,127
xvi)	Vehicle Maintenance	1,312	805
xvii)	Audit fee		
	- as auditor	300	200
	- reimbursement of internal audit expenses	170	162
xviii)	Consumption of spares	555	383
xix)	Watch & Ward Expenses	1,194	874
xx)	Power and Fuel	6,292	3,901
xxi)	Stitching Charges	2,494	2,249
xxii)	Telephone Expenses	508	477
xxiii)	Commission on sales	353	61
xxiv)	Postage Expenses	817	736
xxv)	Printing & Stationery	893	857
xxvi)	Prompt Payment Discount	6,813	5,916
xxvii)	Manufacturing Expenses	574	246
xxviii)	Other Expenses	1,271	930
xxix)	Loss on sale of fixed assets	-	4
		<b>143,209</b>	<b>117,112</b>
<b>28</b>	<b>Additional Information:</b>		
a)	<i>Value of Imports calculated on CIF basis:</i>		
i)	Purchases of Stock in Trade	-	5,694
ii)	Capital goods	-	-
b)	<i>Expenditure in foreign currency: (net of withholding tax)</i>		
i)	Other matters	462	-
c)	<i>Details of non-resident shareholdings</i>		
i)	Number of non-resident share holders	86	74
ii)	Number of shares held by non-resident shareholders	120	132
iii)	Amount remitted during the year in foreign currency on account of dividends	-	-
d)	<i>Earnings in foreign exchange:</i>		
i)	Sale of products	-	-

**NOTES TO FINANCIAL STATEMENTS****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 for the year after tax expense	25,602	14,539
Weighted average number of equity shares	6,231	6,231
Paid up value per share	2.00	2.00
Earnings per share (basic & diluted) (*)	4.11	2.33

Particulars	As at March 31, 2023 ₹	As at March 31, 2022 ₹
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**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.

**b) Commitments**

i) Other commitments*	25,000	15,000
ii) Warranty on Sale of Products - Amount not ascertainable	-	-

\*The Company is in 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 Keerthi S Raj - 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

**NOTES TO FINANCIAL STATEMENTS**
**(b) Transactions with the related parties**
**In Thousands**

Particulars	Relationship	Year Ended March 31, 2023 ₹	Year Ended March 31, 2022 ₹
<b>Purchase of goods and services:</b> Nil	-	-	-
<b>Software Sales &amp; Service Exports</b> Nil	- -	-	-
Interest paid to Managing Director	Managing Director	1,478	2,243
<b>Remuneration paid:</b>			
Roy Mammen*	Managing Director	4,438	4,414
Sharvari Sham Kulkarani ( Upto 27-01-2023)	Company Secretary	487	516
Keerthi S Raj ( w.e.f. 28-01-2023)	Company Secretary	84	-
Machimada Muddappa Kushalappa	Chief Financial Officer	966	895

\* The remuneration paid to the Managing Director includes Medical, gas, electricity, subscription, etc.

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

Particulars	Relationship	As at March 31, 2023 ₹	As at March 31, 2022 ₹
Nil	Wholly Owned Subsidiary		
Nil	Step down subsidiary		
Nil	Associates		
Roy Mammen (Loan Received)	Key Management Personnel and their relatives ("KMP")	12,500	22,500
Jacob Mammen		-	-
Keerthi S Raj		-	-
Machimada Muddappa Kushalappa		-	-
Balanoor Plantations & Industries Limited	Enterprises over which key management personnel and their relatives are able to exercise significant influence	250	250

**33 OPERATING LEASE (Ind AS 17):**

The Company has various operating leases for office facilities which is renewable on a periodic basis, and cancellable at its option. Rental expenses for operating leases included in the financial statements for the year are ₹ 92,98,768/- (Previous Year ₹ 1,01,00,363/-).

**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.



**NOTES TO FINANCIAL STATEMENTS**

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, 2023 and March 31, 2022 :**

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, 2023 and March 31, 2022 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, 2023	As at March 31, 2022
	₹	₹
<b>Financial Assets at amortized cost:</b>		
Investments	9	9
Trade Receivables	17,365	27,207
Other Financial Assets	5,434	9,684
Cash & cash equivalents	3,404	4,456
Other Bank Balances	200	200
<b>Total Financial Assets</b>	<b>26,413</b>	<b>41,555</b>
<b>Financial Liabilities at amortized cost:</b>		
Borrowings	1,458	358
Other Financial Liabilities	4,834	7,607
Trade Payables	27,386	22,296
<b>Total Financial Liabilities</b>	<b>33,678</b>	<b>30,261</b>

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** Revaluation of Fixed Assets - The Company has revalued Land and Building during the current year and the value of Land and Building as on 31-3-2023 is Rs.13 Crores.

**38 DISCLOSURES AS PER IND AS 19 "EMPLOYEE BENEFITS":**

**(a) Defined Contribution Plan:**

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

Particulars	In Thousands	
	March 31, 2023 ₹	March 31, 2022 ₹
Employer's contribution to provident & pension funds	2,078	1,872

**(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, 2023	March 31, 2022
	Gratuity	Gratuity
	₹	₹
Defined Benefit obligation at beginning of the year	1,785	-
PV of Past Service Benefit	5,341	1,217
Current Service Cost (*)	602	568
Interest Cost	-	-
Actuarial (gain)/ loss	-	-
Benefits Paid	-	-
Defined Benefit obligation at end of the year	7,729	1,785
<b>2. Reconciliation of opening and closing balance of fair value of plan assets:</b>		
Fair value of plan assets at beginning of the year	1,785	-
Expected return on plan assets	-	-
Employer Contribution	1,502	1,785
Benefits paid	-	-
Actuarial gain/(loss)	-	-
Fair value of plan assets at year end	3,288	1,785
Reconciliation of fair value of assets and obligations:		
Fair value of plan assets	3,288	1,785
Present value of obligation	7,729	1,785
Amount recognized in Balance Sheet under liabilities:	7,729	1,785
<b>Expense recognized during the year: (under "Note 24" "Employee Benefit Expenses" in the Statement of Profit and Loss)</b>	<b>March 31, 2023 Gratuity</b>	<b>March 31, 2022 Gratuity</b>
In Income Statement:		
Current Service Cost	602	568
Past service cost	5,341	1,217
Expected return on plan assets	-	-
In Other Comprehensive Income:		
Actuarial (gain)/ loss	-	-
Net Cost	5,943	1,785

**NOTES TO FINANCIAL STATEMENTS**

<b>Actuarial assumptions:</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Mortality Table	<b>Indian Assured Lives (2006 -08) (Ultimate)</b>	<b>Indian Assured Lives (2006 -08) (Ultimate)</b>
Discount rate (per annum)	7.25% p. a.	7% p. a.
Expected rate of return on plan assets (per annum)	-	-

(\*) 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.

**(c) 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 Thousand)

<b>Particulars</b>	<b>March 31, 2023</b>		<b>March 31, 2022</b>	
	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>
Change in discounting rate (delta effect of +/- 1.0%)	0.00	0.00	0.00	0.00
Change in rate of salary increase (delta effect of +/- 1.0%)	0.00	0.00	0.00	0.00
Change in rate of Mortality (delta effect of +/- 0.5%)	0.00	0.00	0.00	0.00
Change in rate of Attrition (delta effect of +/- 0.5%)	0.00	0.00	0.00	0.00

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.

**NOTES TO FINANCIAL STATEMENTS**
**39 Additional Regulatory Information:**
**Ratios**

Sl No	Ratio Name	Formula	FY 2022-23	FY 2021-22	% 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	1.41	1.27	11.16%	Not applicable
ii)	Debt Equity Ratio	Total Debt/ Shareholder's fund	0.13	0.28	-53.66%	On repayment of borrowings during the year
iii)	Debt Service Coverage Ratio	EBIT/ Interest+Principal	8.58	3.55	141.69%	The improvement in Debt service ratio is because of increase profit before taxes for the FY 2022.23
iv)	Return on Equity Ratio(in %)	Net Earnings/ Shareholder's fund	1.57%	0.12%	1208.33%	The increase in ROE is due to increase in net profit in current FY 2022-23
v)	Inventory Turnover ratio	Cost of Goods Sold / Average Inventory	6.91	7.42	-6.87%	Not applicable
vi)	Trade Recievables Turnover Ratio	Net credit sales/ Avg Trade Recievables	18.60	15.12	23.02%	Not applicable
vii)	Trade Payables Turnover Ratio	Net credit purchases / Avg Trade payables	7.78	9.57	-18.70%	Not applicable
viii)	Net Capital Turnover Ratio	Net annual sales/ Working capital	15.05	19.15	-21.39%	Not applicable
ix)	Net Profit Ratio(in %)	Net profit/Sales	6.18%	3.91%	57.94%	It is due to increase in the Net Profit during the FY 2022-23 as compared to FY 2021-22
x)	Return on Capital Employed	EBIT/ Capital Employed	0.13	0.11	18.18%	Not applicable
xi)	Return on Investment(ROI)	Income generated from investments/Time weighted average investments	0.00%	0.00%	0.00%	

**NOTES TO 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 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 the balance sheet date.
- 47 The Company hasn't traded or invested in Crypto currency or Virtual Currency during the financial year.

**48. Deferred Tax Asset**

The breakup of Deferred tax asset is as follows:

Particulars	In Thousands	
	As at March 31, 2023	As at March 31, 2022
	₹	₹
<b>Deferred Tax Asset - (A)</b>		
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)	-	
<b>Deferred Tax Liability - (B)</b>		
Written Down Value of Fixed Assets	14,211	8,245
Others (Revaluation of Land)	20,046	11,694
<b>Net Deferred Tax Asset - (A)-(B)</b>	<b>(34,257)</b>	<b>(19,939)</b>

**NOTES TO FINANCIAL STATEMENTS****Movement in Deferred Tax**

Particulars	Charge/ (Credit) to Statement of P&L		Charge/ (Credit) to OCI	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Deferred Tax Asset-</b>				
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)	-	-	-	-
<b>Deferred Tax Liability –</b>				
Written Down Value of Fixed Assets	388	493	-	-
Others (Revaluation of Land)	-	-	-	-
<b>Total</b>	<b>(388)</b>	<b>(493)</b>	-	-

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

As per our Report of even date

For and on behalf of the Board

**For R A M S AND COMPANY**

Chartered Accountants

FRN NO 016594S

**ROY MAMMEN**  
MANAGING DIRECTOR

**ASHOK KURIYAN**  
DIRECTOR

**GOVINDA RAJU JUNJURU**

MEM NO. 221304

PLACE: BANGALORE

DATE: 24.05.2023

**MACIMADA MUDDAPPA KUSHALAPPA**  
CHIEF FINANCIAL OFFICER

**KEERTHI S RAJ**  
COMPANY SECRETARY

**57th Annual Report 2022-23**

If undelivered please return to:

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