

M. M. RUBBER COMPANY LIMITED

CIN: L25190KA1964PLC052092

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

TELEPHONE NO: 22866268 FAX NO: 22861542

Website Address: www.mmfoam.in EMAIL ID: mmfoam27@gmail.com

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Fiftieth Annual General Meeting of the members of M.M.Rubber Company Ltd., will be held on Wednesday, 28th September, 2016, at 12.00 Noon at Hotel Parag, No.3, Raj Bhavan Road, Bangalore-560 001.

The Agenda of the meeting will be as follows:

ORDINARY BUSINESS :**Item No.1 Adoption of Financial Statement:**

To receive, consider and adopt the Audited Financial Statements as at 31st March, 2016 and the report of the Directors and the Auditors.

Item No.2 Appointment of Director:

To appoint a Director in place of Mr. Mammen Philip (DIN: 01091481) who retires by rotation as per Section 152 and being eligible offers himself for re-appointment.

Item No.3 Appointment of Auditor:

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. S. R. Mandre & Co, Chartered Accountants (FRN No 001962S), Chartered Accountants, made in the Annual General Meeting on 26th September, 2014, as the Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS :**Item No.4 Appointment of Mr.Mammen Philip, as Consultant in Corporate Affairs:**

To consider and if thought fit to pass with or without modifications(s) the following Resolution as a 'special resolution':

"RESOLVED THAT pursuant to Sec.314(1) of the Companies Act and subject to such consent, approval, permission as may be required, the approval be and is hereby accorded to the continuation of appointment of Mr. Mammen Philip, to hold an office of place of profit under the Company as Consultant in Corporate Affairs from the expiry of previous term to 30th September, 2019, on a remuneration and reimbursement of expenses incurred for official purposes not exceeding Rs.30,000/- per month as hitherto and he be provided with the use of Company's vehicle for the purposes of his official duties of the Company".

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

PLACE: BANGALORE
DATE: 30-05-2016

ROY MAMMEN
MANAGING DIRECTOR
(DIN: 00077409)

NOTE:

1. The statement, pursuant to Section 102 of the Companies Act, 2013, with respect to item No.4 forms part of this notice. Additional information, pursuant to Clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking appointment at the Annual General Meeting is furnished as annexure to the Notice.
2. Pursuant to Section 105 of the Companies Act, 2013, a member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote on poll instead of himself / herself and the proxy need not be a member (Proxy form MGT - 11) is annexed herewith).
3. Pursuant to Section 105 of the Companies Act, 2013, the proxy form duly completed and in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the commencement of the meeting.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company holding voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.
5. The Company's Registrar and Share Transfer Agent for its Share Registry work (Physical and Electronic) are M/s.Cameo Corporate Services Limited, having their office premises at 'Subramanian Building', No.1, Club House Road, Chennai - 600 002.
6. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of Equity Shares of the Company will remain closed from 22nd September, 2016 to 28th September, 2016, both days inclusive.
7. Pursuant to provisions of Section 72 of the Companies Act, 2013, Members can avail of 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 in 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. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
8. Members are requested to intimate immediately any change of address to their Depositories Participants (DPs) in respect of their holdings in demat form and to the Company's Registrar and Share Transfer Agent, M/s.Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002, in respect of their physical share folios, if any.
9. Members who are desirous of seeking any further information or clarification, if any, particularly with regard to the accounts are requested to write to the Company at least seven days in advance of the meeting so that the information can be made available at the meeting.
10. Members or proxies should bring their attendance slip duly filled for attending the meeting. Members are requested to bring their copy of the Annual Report to the meeting.
11. 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.
12. Electronic (soft) copy of the Notice of the 50th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form and the Annual Report for 2015-16 is being sent to all the Members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes, unless any Member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 50th Annual General Meeting of the company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form and the Annual Report for 2015-16 is being sent in the permitted mode.

13. In terms of Clause 49(IV)(G) of the Listing Agreement with the Stock Exchanges, a brief profile of directors, who are proposed to be re-appointed / appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below:

Name of the Director	Date of Birth	Age	Qualification	List of companies in which directorship is held as on 31st March, 2016	Shareholding as on 31st March, 2016
Mr. MAMMEN PHILIP	09/02/1938	78	Graduate	a. Mammen Mappillai & Investments Private Limited	a. Held individually - 69,463
				b. M.M. Research Company Private Limited	b. Held jointly with others - NIL
				c. Philips Investments Private Limited	
				d. Balanoor Plantations & Industries Limited	

EXPLANATORY STATEMENT UNDER SEC.102 OF THE COMPANIES ACT, 2013

Item No. 4

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

a) **Meaning, Scope & Implication of the items of the business:**

Mr. Mammen Philip was rendering consultancy services to the Company in Corporate Management and on business development activities. It was decided by the Board of Directors that his services should be continued for a further period up to 30th September, 2019, as the Company requires his expert guidance for expanding its activities in foam products. It was further decided by the Board that he shall be paid a remuneration and reimbursement of expenses incurred for official purposes not exceeding of Rs. 30,000/- per month and provided with motor car facilities for official use.

b) **Interest of Director, Key Managerial personnel and their relatives:**

Except Mr. Mammen Philip, none of the

- Directors
- Key Managerial Personnel (CEO,CFO & CS)
- Relatives of the persons mentioned in i&ii are not interested in the above said resolution.

c) **Relevance of Resolution in any other Company:**

The above resolution does not affect any other company.

d) **Inspection of Documents:**

No documents are available for Inspection.

BY ORDER OF THE BOARD

PLACE: BANGALORE
DATE: 30-05-2016

ROY MAMMEN
MANAGING DIRECTOR
(DIN: 00077409)

E-VOTING FACILITY:

As per Section 108 of the Companies Act 2013, read with Companies (Management and Administration) Rules 2014, e-voting facility is a mandatory requirement for listed companies for General Meetings.

INSTRUCTIONS FOR E-VOTING:

Voting through electronic means will commence on 25th September, 2016, at 10 A.M and will end on 27th September, 2016, at 5 P.M. The members will not be able to cast their vote electronically beyond the date and time mentioned above.

The company has appointed M/s.M.Damodaran & Associates, Company Secretaries, No.6, Appavoo Gramani, 1st Street, Mandaveli, Chennai-600 028 to act as the Scrutinizer for conducting the electronic voting process in a fair and electronic means is, as follows:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2016, at 10 A.M. and ends on 27th September, 2016, at 5 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field (Sl. No. mentioned in your address label can be used as Sequence No. for this purpose).
Dividend Bank Details or Date of Birth	<p>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.</p> <ul style="list-style-type: none"> 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 as mentioned in instruction (iv).

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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
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Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L25190KA1964PLC052092

Name of the Company : M.M.RUBBER COMPANY LIMITED

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

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No/Client Id :

DP ID :

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name: _____

Address:

E-mail Id:

Signature: _____, or failing him

2. Name : _____

Address:

E-mail Id:

Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 50th Annual General Meeting of the Company, to be held on Wednesday, 28th September, 2016, at 12.00 Noon at Hotel Parag, No3, Raj Bhavan Road Bangalore 560 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
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Ordinary Business

1	Adoption of Annual financial statements of the Company as on March 31, 2016.
2	Appointment of Mr. Mammen Philip (DIN: 01091481) Director, who retires by rotation.
3	Appointment of M/s. S.R. Mandre & Co., Chartered Accountants (FRN No.001962S), as Auditors

Special Business

4	Appointment of Mr. Mammen Philip as consultant corporate affairs.
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Signed this day of 2016.

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Re.1/-
Revenue
Stamp

Member's Signature

Note: A member entitled to attend the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. (i.e. on or before 12:00 Noon on Monday 26th September, 2016).

M.M. RUBBER COMPANY LIMITED

CIN: L25190KA1964PLC052092

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

ATTENDANCE SLIP

Fiftieth Annual General Meeting - 28th September, 2016
at 12.00 Noon at Hotel Parag, No. 3, Raj Bhavan Road, Bangalore 560001.

Name of the attending Member/Proxy (in block letters) :

Member's Folio No.:.....

No. of shares held :.....

I hereby record my presence at the Fiftieth Annual General Meeting held on 28th September, 2016.

.....
Member's / Proxy's Signature

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HANDOVER AT THE ENTRANCE DULY FILLED IN.



**Form No. SH-13
Nomination Form**

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To
The Board of Directors.

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

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

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

(2) PARTICULARS OF NOMINEE/S

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



(3) IN CASE NOMINEE IS A MINOR—

- (a) Date of birth:
- (b) Date of attaining majority :
- (c) Name of guardian:
- (d) Address of guardian:

Name of the Security Holder	
Signature	

Witness

Name	
Address	

M. M. RUBBER COMPANY LIMITED

CIN: L25190KA1964PLC052092

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

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

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

The Directors have pleasure in presenting before you the 50th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

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, 2016 ₹ in Lakhs	Financial year ended March 31, 2015 ₹ in Lakhs
Revenue from Operations	1875.95	1779.42
Operating Expenditure	1788.09	1691.12
Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	87.86	88.30
Other income (net)	12.99	10.72
Finance costs	67.12	67.20
Depreciation & amortization expense	8.00	7.94
Profit for the year after tax	25.73	23.88
Balance brought from previous year	-63.97	-82.10
Amount available for appropriation	-38.03	-58.16
Adjustment relating to fixed assets	-	5.81
Adjustment relating to TDS & FBT	-8.90	-
Adjustment relating to Income Tax provision	3.80	-
Provision for taxation	-	-
Amount transferred to General reserve	-43.13	-63.97
Dividend	-	-
Balance carried to balance sheet	-43.13	-63.97
The position of reserves is as under:		
General Reserve	-43.13	-63.97

OPERATIONS & PERFORMANCE:

The Company's turnover for the year ended 31st March, 2016, has increased marginally as compared to the previous year and the Company was able to maintain the same profit as the previous year in spite, the increase in cost of all the raw materials and wages.

PROSPECTS:

The company has recently launched the PU Products, accessories such as contour, travel and nursing pillow, hemorrhoid and coccyx cushions and has also launched different varieties of Dual and Coir mattresses.

DIVIDEND:

On the basis of the present profit position the company is unable to declare dividend to its shareholders. However, your Directors hope that in the coming years as the company's profitability improves suitable dividend would be considered.

DEPOSITS:

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

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2016-17 to Bombay Stock Exchange where the Company's Shares are listed.

DEMATERIALISATION OF SHARES:

40% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2016 and balance 60% is in physical form. The Company's Registrars are M/s CAMEO CORPORATE SERVICES LIMITED having their registered office at "Subramanian Building" No.1 Club House Road, Chennai – 600002.

DIRECTORS RESPONSIBILITY STATEMENT:

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

- a) in the preparation of the annual accounts for the year ended 31st March, 2016, 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 2015-16.

CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES:

During the year, the company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions. Refer Note No.22.8 to the financial statement which sets out related party disclosures.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr.Mammen Philip (DIN: 01091481) Director of the company retire by rotation and is eligible for reappointment.

NUMBER OF BOARD MEETINGS HELD:

The Board of Directors duly met four times during the financial year from 1st April, 2015 to 31st March, 2016. The dates on which the meetings were held are as follows:

Date of meeting	No. of directors as on the date	No. of Directors Present
29/05/2015	6	4
29/07/2015	6	6
30/10/2015	6	4
28/01/2016	6	4

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

The Auditors, M/s. S R Mandre & Co., (Firm registration No 001962S), Chartered Accountants, were appointed as statutory auditors of the company for a period of three consecutive years at the Annual General Meeting held on 26th September, 2014, who shall hold office until the conclusion of the annual general meeting to be held for the financial year 2016-17. As per section 139 of the Companies Act, 2013, the appointment needs to be ratified at every annual general meeting by the members. Directors recommend for ratification of the appointment of auditors made on 26.09.2014.

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

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 2015-16 till the date of this report. Further there was no change in the nature of the business of the company.

ii) Cost Auditors :

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

iii) Secretarial Audit :

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**1. Specific areas in which R&D carried out by the Company**

The Company has an ongoing programme on latex technology development and its related application to various products. Accordingly the Company has in the past launched different pillows and 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 furnace oil is replaced with firewood.

3. Foreign Exchange Earning and Outgo

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

EXTRACT OF ANNUAL RETURN :

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

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

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

Sl. No.	Name	Designation	Remuneration paid FY 2015-16 in lakhs	Remuneration paid FY 2014-15 in lakhs	Increase in remuneration from previous year in lakhs	Ratio/Times per Median of employee remuneration
1.	Mr. Roy Mammen	Managing Director	16.50	14.85	1.65	7.78
2.	Mr. Mammen Philip	Director corporate affairs	2.07	2.07	-	0.98

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

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

ACKNOWLEDGEMENT:

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

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

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

PLACE: BANGALORE
DATE: 30.5.2016

ASHOK KURIYAN
Director
(DIN: 00081374)

ROY MAMMEN
Managing Director
(DIN: 00077409)

ANNEXURE – A

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on my verification of the M/s. M M RUBBER COMPANY LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M M RUBBER COMPANY LIMITED ("the Company") for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Take overs) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Other laws as may be applicable specifically to the company;

NIL

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

- i) The Listing Agreements entered into by the Company with BSE Limited.
- ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of debt securities;
- iii) The Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i) The Company has not appointed Whole-time Company Secretary as per section 203 (1) of the Companies act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

However, the Company has taken steps for identifying to appoint suitable person to the post of Company Secretary.

- ii) The Company has not appointed Chief Financial Officer (CFO) as per section 203 (1) of the Companies act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the Company has since appointed Chief Financial Officer (CFO) as on the date of this certificate.

- iii) The Company has not complied the Clause 41 (VI) of the Listing Agreement for the quarter 30.06.2015.

I further report that the Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

Place: Chennai	Name of Company Secretary in practice:	M. Damodaran
Date : 30.05.2016	FCS No.	5837
	C P No.:	5081

ANNEXURE - B

**EXTRACT OF ANNUAL RETURN
FORM MGT 9**

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

FINANCIAL YEAR ENDED ON 31.03.2016

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

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

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES :

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

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	-	487904	487904	9.7961	-	487904	487904	9.7961	-
b) Central Govt.or	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	-	487904	487904	9.7961	-	487904	487904	9.7961	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	487904	487904	9.7961	-	487904	487904	9.7961	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	700	700	0.140	-	700	700	0.0140	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	400	-	400	0.0080	-	-	-	-	-0.0080
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	400	700	1100	0.0220	-	700	700	0.0140	-0.0080
(2) Non Institutions									
a) Bodies corporates	88232	402463	490695	9.8521	86692	402413	489105	9.8202	-0.0319
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1586133	1959834	3545967	71.1960	1585903	1932982	3518885	70.6523	-0.5437
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	244000	52500	296500	5.9531	244000	52500	296500	5.9531	-
c) Any Other (specify)									
Hindu undivided families	50954	-	50954	1.0230	70955	-	70955	1.4246	0.4015
Clearing members	-	-	-	-	263	-	263	0.0052	0.0052
NRIs	22499	84555	107054	2.1494	31307	84555	115862	2.3262	0.1768
Foreign Bodies Corporate	-	-	-	-	-	-	-	-	-
Trusts	191	200	391	0.0078	191	200	391	0.0078	-
SUB TOTAL (B)(2):	1992009	2499552	4491561	90.1817	2019311	2472650	4491961	90.1897	0.0080
Total Public Shareholding (B)= (B)(1)+(B)(2)	1992409	2500252	4492661	90.2038	2019311	2473350	4492661	90.2038	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1992409	2988156	4980565	100.0000	2019311	2961254	4980565	100.0000	-

(ii) SHARE HOLDING OF PROMOTERS :

Sl.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	Mr.Mammen Philip	69,080	1.39	-	69,080	1.39	-	-
2	Late Mrs. C Philip	51,800	1.04	-	51,800	1.04	-	-
3	Late Mrs. C Philip	43,000	0.86	-	43,000	0.86	-	-
4	Late Mrs. C Philip	44,157	0.89	-	44,157	0.89	-	-
5	Late Mrs. C Philip	54,355	1.09	-	54,355	1.09	-	-
6	Late Mrs. C Philip	74,259	1.49	-	74,259	1.49	-	-
7	Ms. Divya Philip	3,510	0.07	-	3,510	0.07	-	-
8	Mrs. K Mammen Mappillai	26,375	0.53	-	26,375	0.53	-	-
9	Mr.K M Philip	35,150	0.71	-	35,150	0.71	-	-
10	Mr.Kandathil Mammen Philip	1,750	0.04	-	1,750	0.04	-	-
11	Mr.Kandathil Mammen Philip	26,700	0.54	-	26,700	0.54	-	-
12	Mr.Mammen Philip	383	0.01	-	383	0.01	-	-
13	Ms. Meera Philip	40,295	0.81	-	40,295	0.81	-	-
14	Mr.Peter Philip	3,700	0.07	-	3,700	0.07	-	-
15	Mr.Rohit Philip	11,390	0.23	-	11,390	0.23	-	-
16	Late Mrs. T Jacob	2,000	0.04	-	2,000	0.04	-	-

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

Sl.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	487,904	9.7951	487,904	9.7951
2	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	NIL			
3	At the end of the year	487,904	9.7951	487,904	9.7951

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

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. NAVEEN BOTHRA	244000	4.8990	244000	4.8990
2	M/s. M M HOUSING PRIVATE LIMITED	86354	1.7338	86354	1.7338
3	M/s. DEVON PLANTATIONS & INDUSTRIES LIMITED	82814	1.6627	82814	1.6627
4	M/s. BADRA ESTATES & INDUSTRIES LIMITED	70000	1.4054	70000	1.4054
5	M/s. BALANOOR PLANTATIONS & INDUSTRIES LIMITED	67850	1.3622	67850	1.3622
6	Mr. ARUN MAMMEN	52500	1.0540	52500	1.0540
7	M/s STABLE INVESTMENTS & FIN. CO.	50000	1.0039	50000	1.0039
8	Mrs. THANKAMMA SIMON	40410	0.8113	40410	0.8113
9	Ms. REKHA	37550	0.7539	37550	0.7539
10	M/s. HELA HOLDINGS PRIVATE LIMITED	37300	0.7489	37300	0.7489

(v) Shareholding of Directors and Key Managerial Personnel :

Sl.No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Shareholding of Key Managerial Personnel :				
1	MR. ROY MAMMEN	14256	0.2861	14256	0.2861
	Shareholding of Directors :				
2	MR. MAMMEN PHILIP	69463	1.3945	69463	1.3945
3	MRS. SUSAN KURIAN	7000	0.1405	7000	0.1405
4	MR. JACOB MAMMEN	6224	0.1249	6899	0.1249
5	MR. ASHOK KURIYAN	3275	0.0657	3275	0.0657

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

(In lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	395.93	45.00	-	440.93
ii) Interest due but not paid	-	12.98	-	12.98
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	395.93	57.98	-	453.91
Change in Indebtedness during the financial year				
• Addition	-	3.60	-	3.60
• Reduction	3.87	12.98	-	16.85
Net Change	-3.87	-9.38	-	-13.25
Indebtedness at the end of the financial year				
i) Principal Amount	392.06	45.00	-	437.06
ii) Interest due but not paid	-	3.60	-	3.60
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	392.06	48.60	-	440.66

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

(In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
		MR. ROY MAMMEN Managing Director	MR. MAMMEN PHILIP Director Corporate Affairs	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.00	2.07	17.07
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.50	-	1.50
	(c) Profits in lieu 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify			
5.	Others, please specify (Fee for attending Board committee meetings)	-	0.02	0.02
	Total (A)	16.50	2.09	18.59

B) Remuneration to other directors:

(In lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Ashok kuriyan	Mr. Jacob Mammen	Mrs. Susan Kurian	Mr. Karun Philip	
1.	Independent Directors					
	• Fee for attending committee meetings	0.035	-	0.010	-	0.045
	• Commission	-	-	-	-	-
	• Others, please	-	-	-	-	-
	Total (1)	0.035	-	0.010	-	0.045
2.	Other Non-Executive Directors					
	• Fee for attending -Board committee meetings	-	0.035	-	0.025	0.060
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	0.035	-	0.025	0.060
	Total = (1 + 2)	0.035	0.035	0.010	0.025	0.105
1.	Income-tax Act, 1961 Profits under in lieu section of salary 17 (3) of the Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total	0.035	0.035	0.010	0.025	0.105

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

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

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

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

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

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

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

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

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

c) Financial and Operational Performance :

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

d) Human Resources Development and Industrial Relations :

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

e) Cautionary Statement :

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

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

PLACE: BANGALORE
DATE: 30.5.2016

ASHOK KURIYAN
Director
(DIN: 00081374)

ROY MAMMEN
Managing Director
(DIN: 00077409)

NOTE: The Directors at their meeting held on 30.5.2016 have authorized Mr. Ashok Kuriyan and Mr. Roy Mammen, Directors to sign this report on their behalf.

ADDENDUM REGARDING QUALIFICATION IN AUDITORS REPORT:

The Auditors in their report have qualified the following.

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

Your Directors wish to clarify as under:-

- a) The company settles the gratuity liability of the employees as and when the said employee leaves the organization. The company in view of it being declared as sick industrial company and referred to BIFR in the earlier year, could not ascertain and make provision in the accounts for its accrued gratuity liability. However, steps are being taken and the company is in the process of ascertaining its accrued liability on account of gratuity. Pending such ascertainment no provision for gratuity has been made in the accounts. Further the company do not have the policy of allowing the employees to encash leave at their credit while in service and hence no provision is made for the liability if any towards encashment of leave for those employees who are still in service.
- b) The Company has completed gathering information, about the value of assets that are required to be removed consequent on closure of BOPP and Glove Division and steps are being taken to remove the value of such assets in books. Pending the same no adjustment is made in the accounts the impairment, if any, of the value of assets.
- c) The company is in the process of ascertaining the cost of each of the product dealt by it and pending such ascertainment the inventories are continued to be valued, as in previous year, at the net billing price.

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

PLACE: BANGALORE
DATE: 30.5.2016

ASHOK KURIYAN
Director
(DIN No. 00081374)

ROY MAMMEN
Managing Director
(DIN No. 00077409)

INDEPENDENT AUDITORS' REPORT

To The Members of M M Rubber Company Limited

Report on the Financial Statements:

We have audited the accompanying financial statements of M M Rubber Company Limited, (The Company) Bangalore which comprise the Balance Sheet as at 31st March, 2016 and the Statement of Profit & Loss Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and the other explanatory information.

Management's Responsibility for the Financial Statements:

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

Auditor's Responsibility:

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

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

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

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

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the act in the manner so required subject to the non-ascertainment of impact on the accounts of the company in respect of matters dealt with in the Note No.22.7(Revised Accounting Standard No.15 on Employees Retirement Benefits has been Complied with except that the Company neither has ascertained nor provided for actuarial value of its gratuity liability and Leave Encashment as on 31.3.2016, and subject to Note No 22.6(Accounting Standard A S 28 on Impairment of assets) and subject to Note no 22.1(Balances are subject to confirmations) and subject to deviation from Accounting Standard AS 2 regarding valuation of finished goods inventory for the reasons stated in Note No.22.5 of the notes to the accounts and read together with other notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of affairs of the Company as at 31st March, 2016 and the statement of Profit & Loss Account, and its Cash Flow Statement, for the year ended on that date.

Report on other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, based on the comments in the Auditor's Report of the Company and on the auditor's reports issued in accordance with the Order, we give in the annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

1. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

3. The Balance Sheet, the Statement of Profit & Loss and the Cash Flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
4. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
6. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31, 2016.
 - b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

B S Dinesh
Partner
Membership No 29624

Place : Bangalore
Date : 30.05.2016

ANNEXURE 'A' TO THE AUDITOR'S REPORT

Annexure referred to in Independent Auditor's Report to the members of the company on the financial statements for the year ended 31st March, 2016, we report that:

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

dues were in arrears as at 31st, March 2016, for a period of more than six months from the date they became payable.

(b) The details of due of excise duty, which have not been deposited as on 31st March, 2016, on account of disputes are given below:

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

- (viii) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions, banks debenture holder as at the balance sheet date.
- (xi) The company did not raise any money by way of initial public offer including Debt instrument or further public offer and term loan during the year.
- (x) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has complied with the requisite approvals mandated by the provisions of the section 197 read with schedule 5 to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions has been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examinations of the records of the company, the company has not entered into non -cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45 – 1A of the Reserve Bank of India Act, 1934.

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

Place: Bangalore
Date: 30.05.2016

ANNEXURE 'B' TO THE AUDITOR'S REPORT:

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

We have audited the internal financial controls over financial reporting of M M Rubber Co. Ltd., (the Company) as of 31st March, 2016, in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of the reliable financial information, as required under the companies act, 2013.

Auditors' Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India to the extent applicable to an audit of Internal Financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting:

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Basis for Qualified Opinion:

- a) The Company has in its books fixed assets with Gross block to the tune of Rs.88902178/- and net block of Rs.6882722/-. However, the fixed assets records do not show updated value both in respect of the Gross Block and Net Block.

Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting subject to qualified opinion above and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

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

Place: Bangalore
Date: 30.05.2016

Partner
Membership No. 29624

BALANCE SHEET AS AT 31ST MARCH 2016

	Notes No.	As at 31.3.2016 ₹	As at 31.3.2015 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	99,61,130	99,61,130
Reserves & Surplus	3	-43,09,458	-63,93,395
		56,51,672	35,67,735
Non-current Liabilities			
Long Term Borrowings	4	2,28,810	4,12,938
Deferred Tax Liability (net)	-	--	--
Other Long Term Liabilities	-	--	--
Long Term Provisions	5	--	3,80,000
		2,28,810	7,92,938
Current Liabilities			
Short Term Borrowings	6	4,40,66,264	4,53,90,943
Trade Payables	7	1,49,08,633	1,85,59,332
Other Current Liabilities	8	1,73,52,230	1,71,69,252
Short Term Provisions		--	--
		7,63,27,127	8,11,19,527
Total		8,22,07,609	8,54,80,200
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	9	68,82,722	65,36,704
Intangible Assets	-	--	--
Capital Work-in-progress	-	--	--
		68,82,722	65,36,704
Non Current Investments (NSS)		8,567	8,567
Long Term Loans & Advances	10	46,63,779	41,79,277
		46,72,346	41,87,844
Current Assets			
Current Investments	-	--	--
Other Current Assets	11	14,15,049	29,47,732
Inventories	12	4,14,19,058	4,32,46,595
Trade Receivables	13	1,60,18,446	1,40,79,196
Cash and Bank Balances	14	35,30,174	45,10,138
Short Term Loans and Advances	15	82,69,814	99,71,991
		7,06,52,541	7,47,55,652
Total		8,22,07,609	8,54,80,200
Significant Accounting Policies	1		
Notes are an Integral part of the financial statements			

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

(B S DINESH)

Partner
Membership No 29624

Place : Bangalore
Date : 30.05.2016

ROY MAMMEN
Managing Director

ASHOK KURIYAN
Director

JACOB MAMMEN
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016

	Notes	Year Ended 31.3.2016 ₹	Year Ended As at 31.3.2015 ₹
INCOME			
Revenue from Operations	16	18,75,95,315	17,79,42,245
Other Income	17	12,99,318	10,72,701
Total Revenue		18,88,94,633	17,90,14,946
EXPENSES			
Cost of Materials Consumed	18a	7,34,96,508	7,57,28,389
Purchases of Stock-in-trade	18b	41,64,384	37,46,335
Changes in Inventories of finished goods	18c	18,27,537	-11,84,646
Employee Benefits Expense	19	3,10,51,948	2,77,23,263
Other Expenses	20	6,82,68,231	6,30,98,212
Total Expenses		17,88,08,608	16,91,11,553
EARNINGS BEFORE INTEREST, TAX			
DEPRECIATION, AMORTISATION and DEPLETION			
		1,00,86,025	99,03,393
Depreciation and Amortisation Exp	9	8,00,510	7,94,120
Finance Costs	21	67,12,450	67,20,848
		75,12,960	75,14,968
Loss/Profit Before Tax		25,73,065	23,88,425
Less: Tax Expenses			
Current Tax Provision		--	--
Excess Provision/Added Back		20,839	5,175
		20,839	5,175
Loss/Profit After Tax		25,93,904	23,93,600
EARNINGS PER SHARE			
Basic		0.52	0.48
Diluted		0.52	0.48
(Face value of Rs 2/-each)			
Significant Accounting Policies	1		
Notes are an Integral part of the financial statements			

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

(B S DINESH)

Place : Bangalore
Date : 30.05.2016

ROY MAMMEN
Managing Director

ASHOK KURIYAN
Director

JACOB MAMMEN
Director

Partner
Membership No 29624

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	Year Ended 31.3.2016 ₹	Year Ended 31.3.2015 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/Loss before Tax as per Profit & Loss Account	25,93,904	23,93,600
Add: Interest paid	67,12,450	67,20,848
Depreciation/Amortisation/Depletion expenses	8,00,510	7,94,120
Excess Provision added back	(20,839)	(5,175)
	1,00,86,025	99,03,393
Less :		
Other Income	12,99,318	10,72,701
Operating Profit Before working capital changes	87,86,707	88,30,692
Working Capital Changes		
Increase/(Decrease) in Trade & Other Payables	(36,50,701)	(45,69,931)
Increase/(Decrease) in inventories	18,27,537	(11,84,646)
Increase/Decrease in Trade & Other Receivables	(19,39,250)	39,02,080
Increase/Decrease in Other Current Liabilities	(1,82,980)	(33,68,317)
Increase/Decrease in Provision	3,80,000	-
Cash Generated from Operations	35,65,393	52,20,814
Tax paid (Net)	-	-
Net Cash From Operating Activities	52,21,314	36,09,878
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(11,46,528)	(27,83,948)
Other Income	12,99,318	10,72,701
Net Cash(Used in) Investing Activities	1,52,790	(17,11,247)
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/Decrease in Long Term Borrowings	(1,84,128)	(1,84,138)
Increase/Decrease in Short Term Borrowings	(13,24,679)	(17,067)
Increase/Decrease in Long term advances	(13,88,511)	10,81,938
Increase/Decrease in Short Term Loans	32,34,861	36,86,049
Interest paid	(67,12,450)	(67,20,848)
Bonus provision	20,839	5,175
Cash used(-)/(+)Generated for Financing Activities (C)	(63,54,068)	(21,48,891)
NET Increase(+)/Decrease(-)	(9,79,964)	(2,50,260)
IN CASH AND CASH EQUIVALENTS (A+B+C)	45,10,138	47,60,398
CASH AND CASH EQUIVALENTS OPENING BALANCE	35,30,174	45,10,138
CASH AND CASH EQUIVALENTS CLOSING BALANCE	9,79,964	2,50,260
CASH AND CASH EQUIVALENTS (YEAR END)	33,97,848	43,79,260
BALANCES WITH BANKS	1,32,326	1,30,878
CASH IN HAND	35,30,174	45,10,138

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

(B S DINESH)

Partner
Membership No 29624

Place : Bangalore
Date : 30.05.2016

ROY MAMMEN
Managing Director

ASHOK KURIYAN
Director

JACOB MAMMEN
Director

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016**CORPORATE INFORMATION:**

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

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

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of accounting to comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules 2006 and with the relevant provisions of the Companies Act, 2013. The Accounting policies applied by the Company are consistent with those used in the previous year.

B) REVENUE RECOGNITION:

- a) Revenue from sale of mattresses, pillows, etc. are recognized and are recorded exclusive of Vat, Excise duty and sales discount which is generally on dispatch of goods.
- b) Other income is recognized on receipt basis.

C) INVESTMENTS:

Investments are stated at cost.

D) FIXED ASSETS : (AS10)

Tangible and Intangible Assets:

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

E) DEPRECIATION AND AMORTISATION:

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

F) IMPAIRMENT OF FIXED ASSETS: (AS28)

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

G) INVENTORIES:

Inventories are valued as under:

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

Finished goods – Net Billing Price

Work-in-Progress – At factory cost.

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

H) EMPLOYEE BENEFITS:**a) Defined Contribution Plan:**

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

b) Retirement Plan:

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

I) FOREIGN CURRENCY TRANSACTIONS:

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

J) TAXATION:

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

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

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

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

M) EVENTS OCCURRING AFTER THE DATE OF BALANCE SHEET:

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

N) CASH & CASH EQUIVILANTS:

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

O) EARNINGS PER SHARE:

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

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

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

NOTES FORMING PART OF BALANCE SHEET

	As at 31.3.2016 ₹	As at 31.3.2015 ₹
NOTE NO : 2 SHARE CAPITAL		
Authorised:		
35000000 Equity shares of Rs 2/ each	7,00,00,000	7,00,00,000
	7,00,00,000	7,00,00,000
Issued: - Equity Shares:		
4985315 Shares of Rs.2/- each issued	99,70,630	99,70,630
	99,70,630	99,70,630
Subscribed, Called and Paid-up:		
Equity Shares:		
40000 Shares of Rs.2/- each issued pursuant to a contract without payment being received in cash	80,000	80,000
4841682 shares of Rs 2/-each issued as fully paid up for cash	96,83,364	96,83,364
98883 shares of Rs 2/-each allotted as fully paid up by way of bonus shares by capitalisation reserves	1,97,766	1,97,766
	99,61,130	99,61,130

	As at 31.03.2016	As at 31.03.2015
(a) Reconciliation of Number of Shares:		
Shares outstanding at the beginning of the year	49,80,565	49,80,565
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	49,80,565	49,80,565
(b) Shares held by each shareholder holding more than 5% shares	Nil	Nil
(c) Aggregate Number & Class of Shares		
	Number of shares	Class of shares
Year 2016	49,80,565	Equity
Year 2015	49,80,565	Equity
Year 2014	49,80,565	Equity
Year 2013	49,80,565	Equity
Year 2012	49,80,565	Equity

Rights, preferences and restrictions attached to shares:

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

No preference shares are issued till the date of balance sheet. The equity shares having a face value of Rs 2/- per share. Each shareholder of equity shares is entitled to one vote per share. The dividend proposed by the Board of the Directors is subject to the approval of the shareholders at the ensuing annual general meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

The Company has not declared any dividend during the year.

NOTE NO : 3 RESERVES & SURPLUS

(a) Capital Reserve:		
share premium account as per balance sheet	3,750	3,750
Add: Additions during the year	--	--
	3,750	3,750
(b) Profit & Loss Account		
As per Last Balance Sheet	(63,97,145)	(82,10,098)
Add: Loss/Profit for the year after tax	25,93,904	23,93,600
Amount available for appropriations	(38,03,241)	(58,16,498)
Less: Adjustment relating to Fixed Assets	--	(5,80,647)
Less: Adjustment relating to TDS & FBT	(8,89,967)	-
Add : Adjustment relating to Income Tax provision	3,80,000	-
Closing Balance	(43,13,208)	(63,97,145)
	(43,09,458)	(63,93,395)

NOTES FORMING PART OF BALANCE SHEET

	As at 31.3.2016 ₹	As at 31.3.2015 ₹
<u>NOTE NO : 4 LONG TERM BORROWINGS</u>		
1. From ICICI BANK CAR LOAN	2,28,810	4,12,938
Car loan taken on hire purchase repayable in 60 monthly payments at 10.25% interest		
<u>NOTE NO : 5 LONG TERM PROVISIONS</u>		
Provision for income tax	-	3,80,000
Note: Represents tax on book profit in respect of earlier year and is outstanding more than a year	-	3,80,000
<u>NOTE NO : 6 SHORT TERM BORROWINGS</u>		
A) SECURED LOANS		
1. From South Indian Bank Ltd		
Cash Credit. Repayable on demand	3,92,06,264	3,95,92,970
Nature of Security:		
Note:		
1. Collaterelly secured by equitable mortgage of 2.95 acres of land with factory building at Ranipet, Tamilnadu, with a total limit of Rs 4.00 crores with interest of 12.95% per annum and hypothecation of stock and book debts Renewable on yearly basis		
B) UNSECURED LOANS:		
Inter-Corporate Deposits	48,60,000	57,97,973
Period of one year carries interest at 16% and @ 9% from a private limited company		
Note: There is no default in repayment of principal or interest thereon.		
	4,40,66,264	4,53,90,943
<u>NOTE NO : 7 TRADE PAYABLE</u>		
Due to Micro, small and medium enterprises	--	--
Others	1,49,08,633	1,85,59,332
Note:		
Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected.		
<u>NOTE NO : 8 OTHER CURRENT LIABILITIES</u>		
Amount held in Trust	25,51,423	31,58,548
Due to Balanoor Plantations	2,50,000	2,50,000
Due to Jacob Mammen	51,00,973	50,99,863
Due to Malayala Manorama	50,000	50,000
	79,52,396	85,58,411
Payable towards Outstanding liabilities	28,32,049	15,29,319
Due to Provident Fund	22	20
Due to Managing Director	19,56,464	30,62,126
Payable towards Tds under Income Tax	2,47,780	2,38,680
Payable towards tax under Vat	20,50,034	20,70,110
Others payable	21,29,357	15,26,458
Current maturities of term loan borrowing (Refer Note No. 4)	1,84,128	1,84,128
	93,99,834	86,10,841
	1,73,52,230	1,71,69,252

NOTE 9: FIXED ASSETS (TANGIBLE ASSETS)

Particulars	ORIGINAL COST GROSS BLOCK				DEPRECIATION/AMORTISATION/DEPLETION				BALANCE NET BLOCK	
	As at 31.03.2015 ₹	Additions/ Transfers ₹	Deductions/ Transfers ₹	Total ₹	Upto 31.3.2015 ₹	For the Year Depreciation ₹	Deductions/ Adjustments ₹	Total ₹	As at 31.3.2016 ₹	As at 31.3.2015 ₹
LAND	33,375	-	-	33,375	-	-	-	-	33,375	33,375
BUILDINGS	54,72,683	-	-	54,72,683	45,09,561	34,397	-	45,43,958	9,28,725	9,63,122
PLANT & MACHINERY	6,23,70,485	5,07,495	-	6,28,77,980	5,90,10,762	2,84,530	-	5,92,95,292	35,82,688	33,59,723
MOULDS	84,06,086	73,129	-	84,79,215	83,75,268	12,462	-	83,87,730	91,485	30,818
OFFICE & OTHER EQUIPMENTS	55,72,167	2,73,524	-	58,45,691	53,83,175	1,76,490	-	55,59,665	2,86,026	1,88,992
VEHICLES	18,23,840	-	-	18,23,840	11,19,436	1,47,427	-	12,66,863	5,56,977	7,04,404
FURNITURE & FIXTURES	40,77,014	2,92,380	-	43,69,394	28,20,744	1,45,204	-	29,65,948	14,03,446	12,56,270
TOTAL	8,77,55,650	11,46,528	-	8,89,02,178	8,12,18,946	8,00,510	-	8,20,19,456	68,82,722	65,36,704

NOTES FORMING PART OF BALANCE SHEET

	As at 31.3.2016 ₹	As at 31.3.2015 ₹
<u>NOTE NO : 10 LONG TERM LOANS AND ADVANCES</u>		
Unsecured and Considered Good		
Sundry Deposits	46,63,779	41,79,277
	46,63,779	41,79,277
<u>NOTE NO : 11 OTHER CURRENT ASSETS</u>		
	14,15,049	29,47,732
	14,15,049	29,47,732
Current Investments	Nil	Nil
<u>NOTE NO : 12 INVENTORIES</u>		
STOCK-IN-TRADE		
(At cost or market value/average realised price, whichever is lower)		
(As valued and certified by the Management)		
Finished Goods	4,10,91,367	4,23,18,267
Raw Material	3,27,691	11,08,328
(As valued and certified by the Management)		
	4,14,19,058	4,32,46,595
<u>NOTE NO : 13 TRADE RECEIVABLES</u>		
UNSECURED, CONSIDERED GOOD		
Debts outstanding for a period exceeding six months:	19,42,500	19,42,500
Others - Considered Good	1,40,75,946	1,21,36,696
	1,60,18,446	1,40,79,196
<u>NOTE NO : 14 CASH & BANK BALANCES</u>		
Cash on hand	1,32,327	1,30,878
Balance in Current Accounts with Scheduled Banks	33,97,847	43,79,260
	35,30,174	45,10,138
<u>NOTE NO : 15 SHORT TERM LOANS & ADVANCES</u>		
Unsecured considered good		
Advances: Staff	4,56,712	3,91,708
Other Advances	77,44,762	94,80,730
Prepaid Expenses	68,340	99,553
	82,69,814	99,71,991

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	Year Ended 31.3.2016 ₹	Year Ended 31.3.2015 ₹
<u>NOTE NO : 16 REVENUE FROM OPERATIONS</u>		
Sale of Products	21,48,90,631	20,54,84,258
Less: Excise Duty	2,39,74,198	2,29,95,181
	19,09,16,433	18,24,89,077
Less: Sales discount	33,21,118	45,46,832
	18,75,95,315	17,79,42,245
<u>NOTE NO : 17 OTHER INCOME</u>		
Others	12,99,318	10,72,701
	12,99,318	10,72,701
<u>NOTE NO : 18(A) COST OF MATERIALS CONSUMED</u>		
Consumption of Stores, Components & Spare Parts	7,34,96,508	7,57,28,389
	7,34,96,508	7,57,28,389
<u>NOTE NO : 18(B) PURCHASES OF STOCK IN TRADE</u>		
F G Purchases	41,64,384	37,46,335
<u>NOTE NO : 18(C) CHANGES IN INVENTORIES OF FINISHED GOODS</u>		
Stock at the Beginning of the Year		
Finished goods	4,21,38,267	4,04,53,486
Raw Materials	11,08,328	16,08,463
	4,32,46,595	4,20,61,949
Stock at the End of the Year		
Finished goods	4,10,91,367	4,21,38,267
Raw Materials	3,27,691	11,08,328
	4,14,19,058	4,32,46,595
	18,27,537	(11,84,646)
<u>NOTE NO : 19 EMPLOYEE BENEFITS EXPENSES</u>		
Salaries & Wages		
a) M. D's Salaries and Allowances	15,00,000	13,50,000
b) Salaries and allowances	1,28,66,620	1,14,28,337
c) Wages	1,12,68,245	1,01,66,291
d) Company's Contribution to Staff & workers PF admn charges	2,40,441	2,09,112
e) Company's Contribution to Staff & workers PF Fund	19,57,064	17,65,461
f) Company's Contribution to ESI	1,25,077	1,60,225
g) Welfare Expenses	18,58,507	18,94,156
h) Bonus	5,19,228	2,63,292
i) Gratuity	7,16,766	4,86,389
	3,10,51,948	2,77,23,263
<u>NOTE NO : 20 OTHER EXPENSES</u>		
a) Repairs & Maintenance		
Buildings	18,49,572	17,26,121
Other Equipment	3,67,747	4,15,448
Machinery	16,50,869	18,11,286
	38,68,188	39,52,855

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	Year Ended 31.3.2016 ₹	Year Ended 31.3.2015 ₹
NOTE NO : 20 OTHER EXPENSES (Contd...)		
b) Miscellaneous Expenses		
Advertisement expenses	69,56,967	20,12,790
Auditors travelling expenses	9,000	17,443
Bank Charges	3,92,216	3,49,837
Registration Expenses	54,919	14,017
Sitting Fee	12,500	5,000
Conference and Seminar Expenses	8,590	7,500
Service Tax on Transport of Goods	1,22,720	47,722
	75,56,912	24,54,309
Insurance	2,41,930	2,60,894
Rates and Taxes	3,48,112	5,25,244
Travelling and Conveyance	63,76,850	53,07,441
Freight expenses	75,48,669	72,06,188
Rent	57,75,551	61,66,254
Professional Charges	31,29,144	33,90,976
Sales Promotion Expenses	32,69,222	19,48,040
Fabrication Charges	11,06,953	15,72,284
Turnover Discount	72,03,548	67,26,180
Vehicle Maintainance	3,75,975	3,72,373
Audit fee	1,25,000	1,00,000
Consumption of spares	4,79,372	3,80,629
Watch & Ward Expenses	7,93,622	7,09,909
Power and Fuel	56,49,851	70,39,339
Stiching Charges	13,27,936	9,08,349
Telephone Expenses	6,74,533	7,46,713
Commission on sales	9,95,930	19,92,667
Postage Expenses	10,11,266	8,70,945
Printing & Stationery	9,90,137	9,41,834
Prompt Payment Discount	27,20,290	27,87,881
Manufacturing Expenses	4,09,905	3,70,300
Inward Freight on Import	9,50,192	10,28,988
Other Expenses	53,39,143	53,37,620
	5,68,43,131	5,66,91,048
	6,82,68,231	6,30,98,212
NOTE NO : 21 FINANCE COSTS		
Interest on Bank Borrowings	67,12,450	67,20,848
	67,12,450	67,20,848

22 ADDITIONAL NOTES (FORMING INTEGRAL PART OF ACCOUNTS)

22.1 The balance in Sundry Debtors is subject to confirmations.

22.2 Deferred Taxation: There is no deferred tax liability during the year.

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

22.4 The Company's claim for refund of excise duty amounting to Rs 216.55 lakhs along with applicable interest till the date of refund preferred in earlier years before the Central Excise Authorities are still pending.

22.5 Closing Stock of inventory pertaining to finished products comprising of different individual products is valued at such products' net billing price as it not possible to ascertain cost for each such product.

22.6 Company is in the process of ascertaining of the impairment, if any, on any of the fixed assets and subject to such ascertainment, no recognition during the year is made in the accounts for impairment of fixed assets.

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

22.8. Related party disclosures :

Related party disclosures as required are as given below.

List of related party

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

M/s. Balanoor Plantations & Industries Ltd.,

M/s Malayala Manorama Co. Ltd

22.8.2 Key managerial personnel

Mr. Roy Mammen – Managing Director

Mr. Mammen Philip – Director Corporate Affairs

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

With key management personnel

Remuneration paid – Managing Director Rs.16,50,000/-

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

22.9 VALUE OF IMPORTS

Value of imports calculated on CIF basis-

(i) Capital Goods

NIL

(ii) Purchase of latex foam rubber sheets

Rs.1,15,80,788/-

22.10 EXPENDITURE IN FOREIGN CURRENCY (CASH BASIS)

(a) Other matters

Rs.13,60,361/-

22.11 LEASE PAYMENTS UNDER OPERATING LEASE

(i) Factory Buildings - Rs.10,49,088/-

(ii) Godowns and Office premises – Rs.47,26,463/-

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

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

Place : Bangalore
Date : 30.05.2016

ROY MAMMEN
Managing Director

ASHOK KURIYAN JACOB MAMMEN
Director Director

(B S DINESH)
Partner
Membership No 29624

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




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

Valid upto 31st March 2017

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

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

*on MRP Rate

Service Centres authorised to accept this voucher :

mm
FOAM **Service Centres**

- 1 84, SIDCO Industrial Estate, Ambattur, Chennai - 600 098 (Phone : 42080042)
- 1 97, F.I.E, Patparganj Industrial Area, New Delhi - 110 092 (Phone : 22158630/22158631)
- 1 Gate No. 1, Opp. R. Station Daria, Chandigarh - 161 101 (Phone : 2650999)
- 1 4-1-1018, 16-18 Ramkoti Tilak Road, Hyderabad - 500 001 (Phone : 24761266)
- 1 45, Gubbanna Industrial Area, VI Block, Rajaji Nagar, Bangalore - 560 010 (Phone : 23150671)
- 1 No. 41/2206, Veekshanam Road, Opp. Veekshanam Press, Cochin - 682 018 (Phone : 4047477)
- 1 32-28-1/1, Veeranna Street, Maruthinagar, Vijayawada - 520 004 (Phone : 2441455)

