



M.M. RUBBER COMPANY LIMITED

REGD. OFFICE
EMPIRE INFANTRY, III FLOOR, 29, INFANTRY ROAD, BANGALORE-560 001, INDIA
PH : 91-80-22866268, 22867065 FAX : 91-80-22861542 URL : www.mmfoam.in
CIN : L25190KA1964PLC052092

May 30, 2019

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

Dear Sirs,

Audited Financial Results for the year ended 31st March 2019

Please find attached the company's audited financial results for the year ended 31st March 2019 duly approved by the Board of Directors at their meeting held on 30.5.2019

Please also find attached the Auditors Report for the year ended 31st March 2019 and statement of impact on audit qualifications - Annexure I

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For M.M. RUBBER CO. LTD.,


MANAGING DIRECTOR

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

..... **NATURAL** **LATEX** **FOAM** **RUBBER**

MATTRESSES

PILLOWS

CUSHIONS

M M RUBBER COMPANY LIMITED

CIN: L25190KA1964PLC052092

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH 2019

Ref: Listing code No.509196

Rs. In Lakhs

SI.	PARTICULARS	Three months ended 31-03-2019 (Audited)	Previous 3 months ended 31-12-2018 (Unaudited)	Corresponding 3 months ended in the previous year 31-03-2018 (Audited)	Year to date Figures for the current period ended 31-03-2019 (Audited)	Year to date Figures for the previous year ended 31-03-2018 (Audited)
1	Revenue from operations	769.06	805.30	758.73	2998.93	2591.90
2	Other Income	0.30	0.52	0.77	1.79	4.68
3	Total Income (1+2)	769.36	805.82	759.50	3000.72	2596.58
4	Expenses					
	Cost of Materials consumed	374.24	376.48	365.56	1350.10	1177.27
	Purchases of stock in trade					
	Changes in inventories of finished goods, Work in progress & Stock in Trade	58.50	-76.43	-9.56	-44.20	23.01
	Employees benefit expenses	144.04	113.70	112.97	470.42	379.11
	Finance Cost	14.14	17.27	16.60	61.39	62.17
	Depreciation & amortisation expenses	18.23	6.00	16.78	34.23	28.78
	Other expenses	249.77	301.45	243.87	1069.20	881.65
	Total Expenses (4)	858.92	738.47	746.22	2,941.14	2,551.99
5	Total Profit before exceptional item and tax (3-4)	(89.56)	67.35	13.28	59.58	44.59
6	Exceptional Items	-	-	-	-	-
7	Total Profit before tax (5-6)	(89.56)	67.35	13.28	59.58	44.59
8	Tax Expense					
	Current tax	9.00	3.00	3.00	12.00	3.00
	Deffered tax	-	-	11.48	-	11.48
9	Net Profit/(Loss) for the period from continuing operation (7-8)	(98.56)	64.35	(1.20)	47.58	30.11
10	Profit/(Loss) from discontinued operation before tax	-	-	-	-	-
11	Tax expense of discontinued operation	-	-	-	-	-
12	Net Profit/(Loss) from discontinued operation after tax (10-11)	-	-	-	-	-
13	Total profit/(loss)for the period (9+12)	(98.56)	64.35	(1.20)	47.58	30.11
14	Other Comprehensive Income					
	A (i) Items that wil not be reclassified to profit or loss	-	-	(148.50)	-	(148.50)
	(ii) Income tax relating items that will not be reclassified to profit or loss	-	-	-	-	-
	B (i) Items that will be reclassified to profit and loss	-	-	-	-	-
	(ii) Income tax relating items that will be reclassified to profit and loss	-	-	-	-	-
15	Total Comprehensive income for the period	(98.56)	64.35	(149.70)	47.58	(118.39)
16	Earnings per equity share (for continuing operation)					
	1. Basic	(1.98)	1.29	(0.02)	0.96	0.60
	2. Diluted	(1.98)	1.29	(0.02)	0.96	0.60
17	Earnings per equity share (for discontinued operation)					
	1. Basic	-	-	-	-	-
	2. Diluted	-	-	-	-	-
18	Earnings per equity share (for discontinued & continuing operations)	(1.98)	1.29	(0.02)	0.96	0.60

Notes:

1) As-17 in respect of segment reporting is not applicable to the Company.

2) The Figures for the last quarter of the current year and the previous year are the balancing figures between audited figures in respect of the full financial year and the published year to-date figures up to third quarter.

3) The Audit Committee has reviewed the above results and the Board of Directors at its meeting held on 30th May 2019 approved the above results.

Place: Bangalore
Date: 30-05-2019



By order of the Board

[Signature]
Roy Mammen
Managing Director

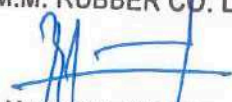
M M RUBBER COMPANY LIMITED
CIN:L25190KA1964PLC052092

Statement of Assets and Liabilities

Rs. In lakhs

Particulars	As at	As at
	31-03-2019	31-03-2018
	Audited	Audited
ASSETS		
Non-current Assets		
Property, Plant and Equipment	858.64	860.78
Capital work in progress	-	-
Other Intangible Assets	-	-
Financial Assets		
(i) Investments	0.09	0.09
(ii) Trade Receivables	-	-
(iii) Other Financial Assets	98.86	92.47
Total Non-Current Assets	957.59	953.34
Current Assets		
Inventories	432.05	387.85
Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	205.79	285.52
(iii) Cash and Cash Equivalents	54.63	38.57
(iv) Bank Balance other than Cash and Cash Equivalents	2.00	2.00
(v) Other Current Financial Assets	20.24	22.10
Total Current Assets	714.71	736.04
TOTAL ASSETS	1,672.30	1,689.38
EQUITY AND LIABILITIES		
EQUITY AND LIABILITIES		
Equity and Share Capital	99.61	99.61
Other Equity	565.74	518.15
d) Short term Provisions	-	-
Total Equity	665.35	617.76
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	101.12	133.90
(ii) Trade Payables	-	-
(iii) Other Financial Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities (Net)	148.87	148.87
Other Non-Current Liabilities	-	-
Sub-total -Non current Liabilities	249.99	282.77
Current Liabilities		
Financial Liabilities		
(i) Borrowings	396.57	402.41
(ii) Trade Payables	205.90	252.02
(iii) Other Financial Liabilities	132.13	117.10
Provisions	-	-
Current Tax Liabilities (Net)	-	-
Other Current Liabilities	22.36	17.32
Total Current Liabilities	756.96	788.85
Total Liabilities	1,006.95	1,071.62
TOTAL EQUITY AND LIABILITIES	1,672.30	1,689.38

For M.M. RUBBER CO. LTD.


 Managing Director



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VANDANA RAO AND COMPANY.
CHARTERED ACCOUNTANTS
E-mail: vrac@545@gmail.com

Telephone: 41474793
No.9/10, Ground Floor, 1st Cross, 16th "E" Main,
LIC Colony, G.H. Layout, Jayanagar 3rd Block East
BANGALORE 560 011

AUDITOR'S REPORT ON QUARTERLY AND ANNUAL FINANCIAL RESULTS OF M.M. RUBBER CO. LTD. BANGALORE.
PURSUANT TO REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS
AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015

To Board of Directors of M.M. Rubber Co., Ltd.,

We have audited the accompanying Statement of annual financial results of M. M. Rubber Co. Ltd., for the year ended March 31, 2019 ('annual financial results'), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (' Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended March 31, 2019 and the corresponding quarter ended in the previous year as reported in these annual standalone financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These annual financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these annual financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 , **subject to the**

1) *Valuation of finished goods which is not in accordance with the norms as specified in the Indian Accounting Standard No.2 as at 31 March 2019 (Finished Goods are Valued at Net Billing Price)*

2) *that the Company has neither ascertained nor provided for actuarial valuation of its gratuity liability and Leave Encashment as at 31.3.2019 as specified in Indian Accounting Standard No.19*

3) *In the absence of updation of Fixed Asset Register, the company is in the process of ascertaining the impairment, if any, on any of the fixed assets, to this extent, Ind AS Accounting Standard No.36 (Impairment of fixed assets) has not been complied.*

4) *In the absence of sufficient appropriate evidence, we are unable to comment upon the consequential impact if any on the accompanying Ind AS financial statements.*

and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

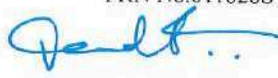
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual standalone financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the Management. We believe that our audit provides a reasonable basis for our opinion.


In our opinion and to the best of our information and according to the explanations given to us these annual standalone financial results:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view of the net profit and other comprehensive income and other financial information for the year ended March 31, 2019.

PLACE: BANGALORE
DATE: 30.5.2019

For VANDANA RAO AND COMPANY
CHARTERED ACCOUNTANTS
FRN No.011628S


(CA VANDANA S.RAO)
PROPRIETRIX
Membership No.218797



**VANDANA RAO AND COMPANY
CHARTERED ACCOUNTANTS,
BANGALORE**

INDEPENDENT AUDITORS' REPORT

**To the Members of M M Rubber Company Limited
Report on the Audit of the Financial Statements**

Qualified Opinion

We have audited the accompanying financial statements of **M M Rubber Company Limited, (The Company) Bangalore** which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit & Loss (including Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and the other explanatory information. (Hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for disclosure of the information referred to in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

As discussed in

1. Note No. 35 to the *Ind AS financial statements* the Company's *valuation of finished goods for the reasons stated in Note is not valued as per Indian Accounting Standard No.2* as at 31 March 2019.
2. Note No.36 to the Ind AS financial statements *Ind AS Accounting Standard No.19 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 at 31.3.2019*
3. Note No.37 to the Ind AS financial statements, *in the absence of updation of Fixed Asset Register, the company is in the process of ascertaining the impairment, if any, on any of the fixed assets, to this extent, Ind AS Accounting Standard No.36 (Impairment of fixed assets) has not been complied.*
4. *The balances in Sundry Debtors and Sundry Creditors is subject to confirmation.*
- 5.. In the absence of sufficient appropriate evidence, we are unable to comment upon the consequential impact if any on the accompanying Ind AS financial statements.

The financial statements do not adequately disclose this matter. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further

described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these



requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

SI No.	Key Audit Matters	Auditor's Response
1	<p>Contingent liability on account of Indirect Taxes Payable</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes</p> <p>Refer Note No,29(a) of the Financial Statements</p>	<p>Principal Audit Procedures</p> <p>We have involved our Internal experts to review the nature of the amounts payable, the sustainability and the likelihood of liability upon final resolution.</p> <p>Company's appeal against the liability has been allowed as per the Final order No. 43171/2018 Dated 31.12.18 passed by Customs, excise & service Tax Appellate Tribunal South Zonal bench, Chennai</p>
2	<p>Shifting of Operations to Ranipet, Tamil Nadu</p> <p>The Company is in process of closing its operation in Chennai factory and shifting of Machinery to the Company owned plant at Ranipet to reduce the burden of overheads</p> <p>Refer Note No,29(b) of the Financial Statements</p>	<p>Principal Audit Procedures</p> <p>Obtained an understanding of the significant management judgements applied in shifting of operations from Chennai to Ranipet and assessed and tested the reasonableness of these judgements.</p> <p>Assessed the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.</p>

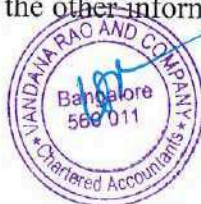
Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's

Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the



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financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) . This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies: making judgments and estimates that are reasonable and prudent: and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



□ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

□ Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

□ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

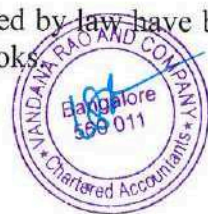
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

1.As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

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




- c) The Balance Sheet, the Statement of Profit & Loss including other comprehensive income, the Cash Flow statement and statement of changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of Act, **except for disclosure of the information referred to in the Basis for Qualified Opinion section of our report** read with relevant Rules thereunder:
- e) On the basis of the written representations received from the directors as on 31st March 2019 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164(2) of the Companies Act,2013
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31,2019.
- 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.

2.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.



For, Vandana Rao And Company
Chartered Accountants
FRN No 011628S


(CA.VANDANA.S.RAO)
Proprietrix
Mem No.218797

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 2019, we report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets; *however, such Fixed Asset records do not show updated value both in respect of Gross Block and Net Block*
 - (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,
 - (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, Limited Liability Partnerships 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, making investments, and providing guarantees and securities made.
- v) According to information and explanations given to us, the Company has not accepted any public 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) Having regard to the nature of the Company's business/activities, reporting under clause (VI) of the order with regard to cost records is not applicable.
- vii) (a) According to the information and explanations given to us, and on the basis of our examination of the records of the company has generally been regular in depositing 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 with appropriate authorities, There were no undisputed amount 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 2019, 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 2019, 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. The Company has not issued any debentures.

ix) The company did not raise any money by way of initial public offer including Debt instrument or further public offer or term loans 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 them, and hence provisions of section 192 of the companies Act, 2013 are not applicable to the Company.

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



For , Vandana Rao And Company

Chartered Accountants

FRN No 0116285

(CA.VANDANA.S.RAO)

Proprietrix

Mem No.218797

Place: Bangalore

Date: 30.5.2019

ANNEXURE 'B' TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of M M Rubber Co Ltd (the Company) as of 31st March 2019 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. 176791996./- and net block of Rs. 85863650/--. 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 Internal Financial Controls with reference to financial statements over financial reporting subject to qualified opinion above and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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 , Vandana Rao And Company
Chartered Accountants
FRN No 011628S



(Handwritten Signature)
(CA.VANDANA.S.RAO)
Proprietrix
Mem No.218797

Place: Bangalore
Date: 30.5.2019

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ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019			
Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	30,00,72,905	30,00,72,905
2.	Total Expenditure	29,41,14,477	29,41,14,477
3.	Net Profit/(Loss)	47,58,428	47,58,428
4.	Earnings Per Share	0.96	0.96
5.	Total Assets	16,72,30,579	16,72,30,579
6.	Total Liabilities	16,72,30,579	16,72,30,579
7.	Net Worth	6,65,34,869	6,65,34,869
8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

1. Non-Provision in the accounts for certain retirement benefits:
2. Non-ascertainment of impairment of assets.
3. Valuation of finished products not done as per Indian Accounting Standards NO.2.

b. Type of Audit Qualification: Qualified opinion:

c. Frequency of Qualification: Repetitive past 10 years.

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management views: NA.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification.

- 1) The company settles the gratuity liability of the employees as and when the said employee leaves the organisation. The company in view of its being declared sick industrial Company and referred to BIFR in the earlier year's, 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 company do not have the policy of allowing the employees to encash leave at their credit while in service and hence no provision for the liability if any towards encashment of leave for those employees who are still in service.
- 2) As already reported, the company has completed the verification of continuing assets which are in use after the closure of the BOPP division. However, the company is in the process of shifting its production facilities to its own premises at Ranipet. Pending of the shifting activity, the company is yet to ascertain the impairment of assets, if any, of the value of assets.
- 3) 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 the previous year, at the net billing price.

ii) If Management is unable to estimate the impact, reasons for the same: N/A

iii) Auditors' comments on (i) or (ii) above

- 1) In respect of gratuity accrued, the company has not ascertained the same on actuarial basis nor provided for it in the accounts. Further the company has not ascertained accrued leave cash benefit payable to its employees. Accordingly, the company accounts both gratuity and leave encashment as and when paid.
- 2) Company is in the process of ascertaining of the impairment, if any on any of the fixed assets subject to such ascertainment, there has been no financial impact on accounts of the company with regard to impairment of the fixed assets.
- 3) Closing stock of inventory pertaining to finished products comprising of different individual products is valued on the basis of net billing price of such product. Hence, it is not possible to ascertain the financial impact due to the fact that the company has not been able to arrive at the cost price of each such product.

III. Signatories



CEO/Managing Director



CFO



Audit Committee Chairman



Statutory Auditor

Place: Bangalore
Date: 30-05-2019