



M.M. RUBBER COMPANY LIMITED

REGD. OFFICE

EMPIRE INFANTRY, III FLOOR, 29, INFANTRY ROAD, BANGALORE-560 001. INDIA
PH : 91-80-22866268, 22867065 FAX : 91-80-22861542 URL : www.mmfoam.in
CIN : L25190KA1964PLC052092 GST IN : 29AAACM2611E1ZX

June 28, 2021

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

Dear Sirs,

Audited Financial Result for the quarter and year ended 31st March 2021

Please find attached the company's:

- Audited Financial Results,
- Limited Review Report of the Auditors,
- Auditor's Report and
- Statement of Impact of Audit Qualification

for the quarter and year ended 31st March 2021 duly approved by the Board of Directors at their meeting held on 28.06.2021.

Kindly acknowledge and take the same on your records.

Thanking you,

Yours faithfully,

For M.M. RUBBER CO. LTD.,

Sharvari Kulkarni

Company Secretary(A55902)

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 COMPA+A1010:G1035NY LIMITED

CIN: L25190KA1964PLC052092

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH 2021

Ref: Listing code No.509196

Rupees In lakhs

Sl.	PARTICULARS	Three months ended	Previous 3 months ended	Corresponding 3 months ended in the previous year	Year to date Figures for the current period ended	Previous Accounting year ended
		31-03-2021 (Audited)	31-12-2020 (unaudited)	31-03-2020 (Audited)	31-03-2021 (Audited)	31-03-2020 (Audited)
1	Revenue from operations	897.05	936.87	674.16	2792.86	3127.01
2	Other income	0.72	0.78	1.35	1.97	2.47
3	Total Income (1+2)	897.77	937.65	675.51	2794.83	3129.48
4	Expenses					
	Cost of Materials consumed	482.30	431.30	354.53	1280.57	1549.55
	Purchases of stock in trade	-	-	-	-	-
	Changes in inventories of finished goods, Work in progress & Stock in Trade	-12.10	-11.55	-80.99	69.51	-134.66
	Employees benefit expenses	185.95	475.79	242.21	830.35	604.12
	Finance Cost	11.01	3.71	4.61	20.01	41.29
	Depreciation & amortisation expenses	19.83	9.00	9.69	46.83	36.69
	Other expenses	308.34	244.25	309.80	919.51	1166.64
	Total Expenses (4)	995.33	1,152.50	839.85	3,166.78	3,263.63
5	Total Profit before exceptional item and tax (3-4)	(97.56)	(214.85)	(164.34)	(371.95)	(134.15)
6	Exceptional Items	-	-	189.63	-	189.63
7	Total Profit before tax (5-6)	(97.56)	(214.85)	25.29	(371.95)	55.48
8	Tax Expense					
	Current tax	-	-	15.00	-	15.00
	Deffered tax	2.93	-	18.21	2.93	18.21
9	Net Profit /(Loss) for the period from continuing operation (7-8)	(100.49)	(214.85)	(7.92)	(374.88)	22.27
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)	(100.49)	(214.85)	(7.92)	(374.88)	22.27
14	Other Comprehensive income					
	A (i) Items that wil not be reclassified to profit or loss	-	-	69.58	-	69.58
	(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	(100.49)	(214.85)	61.66	(374.88)	91.85
16	Earnings per equity share (for continuing operation)					
	1. Basic	(1.61)	(3.44)	(0.13)	(6.02)	0.36
	2. Diluted	(1.61)	(3.44)	(0.13)	(6.02)	0.36
17	Earnings per equity share (for discontinued operation)					
	1. Basic	-	-	-	-	-
	2. Diluted	-	-	-	-	-
18	Earnings per equity share (for discontinued & continuing operations)	(1.61)	(3.44)	(0.13)	(6.02)	0.36

Notes:

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 company has considered the possible effects that may ARISE OUT OF THE STILL UNFOLDING COVID-19 pandemic in the preparation of these financial results including recovering of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company has at the date of approval of financial results, used Internal and external sources of information including credit reports and related information, economic forecasts, etc., expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of the same.

4) The Audit Committee has reviewed the above results and the Board of Directors at its meeting held on 28th June 2021 approved the above results. The Statutory Auditors of the Company has conducted audit for the quarter and year ended 31st March 2021.



By order of the Board

[Signature]

Roy Mammen
Managing Director

Place: Bangalore
Date: 28-06-2021

M M RUBBER COMPANY LIMITED

CIN:L25190KA1964PLC052092

Statement of Assets and Liabilities

Rs. In lakhs

Particulars	As at	As at
	31-03-2021	31-03-2020
	Audited	Audited
ASSETS		
Non-current Assets		
Property, Plant and Equipment	1,172.98	1,019.67
Capital work in progress	-	-
Other Intangible Assets	-	-
Financial Assets		
(i) Investments	0.09	0.09
(ii) Trade Receivables	-	-
(iii) Other Financial Assets	33.98	32.05
Total Non-Current Assets	1,207.05	1,051.81
Current Assets		
Inventories	497.21	566.72
Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	219.87	179.73
(iii) Cash and Cash Equivalents	45.86	230.72
(iv) Bank Balance other than Cash and Cash Equivalents	2.00	2.00
(v) Other Current Financial Assets	63.34	85.18
Total Current Assets	828.28	1,064.35
TOTAL ASSETS	2,035.33	2,116.16
EQUITY AND LIABILITIES		
EQUITY AND LIABILITIES		
Equity and Share Capital	124.62	124.62
Other Equity	1,033.02	1,407.90
d) Short term Provisions	-	-
Total Equity	1,157.64	1,532.52
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	43.82	104.47
(ii) Trade Payables	-	-
(iii) Other Financial Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities (Net)	194.46	191.53
Other Non-Current Liabilities	-	-
Sub-total -Non current Liabilities	238.28	296.00
Current Liabilities		
Financial Liabilities		
(i) Borrowings	300.00	-
(ii) Trade Payables	164.03	213.37
(iii) Other Financial Liabilities	80.77	51.27
Provisions	-	-
Current Tax Liabilities (Net)	-	-
Other Current Liabilities	94.61	23.00
Total Current Liabilities	639.41	287.64
Total Liabilities	877.69	583.64
TOTAL EQUITY AND LIABILITIES	2,035.33	2,116.16



For M.M. RUBBER CO. LTD.

Managing Director

M M RUBBER COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹
Cash flows from operating activities		
Profit / (Loss) before taxation	(371.95)	55.49
Adjustments for:		
Depreciation and amortisation	46.83	36.69
Other Income	(1.97)	(2.48)
Loss on sale of Fixed Assets	0.15	-
Finance costs	20.01	41.29
	<u>65.02</u>	<u>75.51</u>
	(306.93)	131.00
Increase/ decrease in trade receivables	(40.14)	26.06
Increase/ decrease in inventories	69.51	(134.66)
Increase/ decrease in other assets	19.91	1.87
Increase/ decrease in other liabilities	101.1	(80.21)
Increase/ decrease in trade payables	(49.33)	7.46
	<u>101.05</u>	<u>(179.48)</u>
	-205.88	(48.49)
Income taxes paid	0.00	(15.00)
Net cash from operating activities	<u>-205.88</u>	<u>(63.49)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(203.68)	(105.01)
Proceeds from sale of property, plant and equipment	3.39	1.30
Other Income	1.97	2.48
	<u>(198.32)</u>	<u>(101.23)</u>
Cash flows from financing activities		
Proceeds from issue of share capital	-	775.32
Proceeds/Repayments from long term borrowings	(60.65)	3.35
Proceeds/Repayments of short term borrowings	300.00	(396.57)
Finance costs	(20.01)	(41.29)
Net cash from financing activities	<u>219.34</u>	<u>340.80</u>
Net increase/(decrease) in cash and cash equivalents	<u>-184.86</u>	<u>176.09</u>
Cash and cash equivalents at beginning of the year	<u>232.72</u>	<u>56.63</u>
Cash and cash equivalents at end of the year	<u><u>47.86</u></u>	<u><u>232.72</u></u>

Cash & Cash equivalents:

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



For M.M. RUBBER CO. LTD.


Managing Director

VANDANA RAO AND COMPANY

CHARTERED ACCOUNTANTS

Independent Auditor's Report on financial results of M M RUBBER Co. Ltd, for the quarter and year ended 31st March 2021, pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
M M RUBBER CO.LTD
BANGALORE

Opinion

1. We have audited the accompanying statement of financial results of M M Rubber Co. Limited (the "Company") for the quarter and year ended 31 March 2021 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("listing Regulations").

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

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India

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 2021 (Finished Goods are Valued at Net Billing Price)*
- 2) *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.*
- 3) In the absence of sufficient appropriate evidence and information we are unable to quantify and comment upon the consequential impact if any on the accompanying Ind AS financial statements.

of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended 31 March 2021.

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Basis for opinion

- 3 We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act 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 opinion on the financial results.

Emphasis of matter

4. We draw attention to Note 3 to the Statement, which describes the economic and social consequences the entity is facing as a result of Covid-19 which is impacting operations of the Company, supply chains, personnel available for work etc.

Our opinion is not modified in respect of this matter of emphasis.

Management's and Board of Director's responsibilities for the financial results

5. The Statement has been prepared on the basis of the interim financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, 34 prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

Auditor's responsibilities for the audit of the financial results

8. Our objectives are to obtain reasonable assurance about whether the Statement 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 the Statement.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - A. Identify and assess the risks of material misstatement of the Statement, 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.
 - B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - D. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast



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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 Statement 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.

- E. Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.

Other Matters

12. The Statement includes the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to nine months ended 31 December 2020 of the current financial year which were subjected to limited review by us.

Our opinion is not modified in respect of these other matters.

For M/S VANDANA RAO AND COMPANY
Chartered Accountants,
FRN No.011628S





(CA.Vandana P Rao)
Proprietrix

Membership No.218797

Dated: 28.6.2021
Place :- Bangalore

VANDANA RAO AND COMPANY

CHARTERED ACCOUNTANTS

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 2021, the Statement of Profit & Loss (including Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the other explanatory information. (Hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for disclosure of the information referred to in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and the 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. 36 to the *Ind AS* financial statements the Company's *valuation of finished goods for the reasons stated in Note is not valued as per Indian Accounting Standard No.2* as at 31 March 2021.
2. 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.*
- 3.. *In the absence of sufficient appropriate evidence and information we are unable to quantify and comment upon the consequential impact if any on the accompanying Ind AS financial statements.*

The financial statements do not adequately disclose this matter. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of

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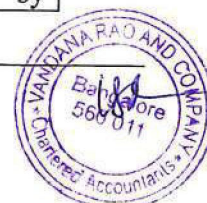
Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

Sl No.	Key Audit Matters	Auditor's Response
1	<p>Accuracy and completeness of related party transactions and disclosures (as described in Note No. 32 of Ind AS Financial statements.</p> <p>The Company has undertaken transactions with its related parties in the normal course of business at arm's length. These include lending and borrowing of Inter-corporate deposits and short term loans to or from the related parties.</p> <p>We identified the accuracy and completeness of the said related party transactions and its disclosure as set out in respective notes to the financial statements as a key audit matter due to the significance of transactions with related parties during the year ended 31.3.2021 and regulatory compliance thereon.</p>	<p>Principal Audit Procedures</p> <p>Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length ,obtaining approval , recording and disclosure of related party transactions.</p> <p>Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length.</p> <p>Tested related party transactions with the underlying contracts, confirmation letters , filing of returns with ROC and other supporting documents</p> <p>Agreed the related party information disclosed in the Ind AS financial statements with the underlying supporting documents</p>
2	<p>Revenue recognition: Discounts, Incentives and Rebates etc.:</p> <p>As disclosed in note 20 to the financial statements, Sale of products is measured net of any Sales discounts and note 27 to the</p>	<p>Principal Audit Procedures</p> <p>Assessed the appropriateness of the Company's revenue recognition accounting policies, those relating to trade allowances and rebates by</p>

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<p>financial statements, with regard to Turnover discount, Commission on sales, Prompt payment discount.</p> <p>Total Amount involved on all the aforesaid head of accounts is quite substantial compared to the turnover .Therefore We identified the evaluation of accrual for Commission and discounts as a key audit matter.</p> <p>Material estimation by the Company is involved in recognition and measurement of discounts and commission. This includes establishing an accrual at year end, particularly in arrangements with varying terms which are based on shorter-term arrangements. In addition, the value and timing of promotions for products varies from period to period, and the activity can span beyond the year end.</p>	<p>comparing with applicable accounting standards.</p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls</p> <p>Inspecting on a sample basis, key customer contracts. Based on the terms and conditions relating to Commission and discounts, we assessed the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards;</p> <p>Performing substantive testing by selecting samples of Commission and discount transactions recorded during the year including credit notes issued and matching the parameters used in the computation with the relevant source documents;</p> <p>Understanding the process followed by the Company to determine the amount of accrual of Commission and discounts.</p> <p>Checking completeness and accuracy of the data used by the Company for accrual of Commission and discounts</p>
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Emphasis of matter

We draw attention to Note No. 39 to the Financial Statement, which describes the economic and social consequences the entity is facing as a result of Covid-19 which is impacting operations of the company, supply chains, personnel available for work etc.
Our opinion is not modified in respect of this matter.

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

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



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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but

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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 in the financial statements made by management and Board of Directors.

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

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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 2021 and taken on record by the Board of Directors, we report that none of the directors

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is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Companies Act,2013

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31,2021
- 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 in terms of Section 143(11) of the Act, based on the comments in the Auditor's Report of the Company and on the auditor's reports issued in accordance with the Order, we give in the annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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



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

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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 2021, 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, except goods-in-transit, 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. There were no loans granted during the year under Section 185 of the Act.
- 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.



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- 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, GST, Cess and other statutory dues has been deposited with the appropriate authorities.
- b) According to the information and explanations given to us 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, GST, Cess and other statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- 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, nor have we been informed of any such case by the management.
- xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of the section 197 read with schedule V 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

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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 – IA of the Reserve Bank of India Act,1934

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



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

Place: Bangalore
Date: 28.6.2021

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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 2021 in conjunction with our audit of the financial statements of the company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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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. 214552564/- and net block of Rs. 117298345/--, However, both these values does not reflect the values from the date of incorporation of the Company and it is only for a limited period and Limited items of fixed assets.*

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, 2021, 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.

Place: Bangalore

Date: 28.6.2021

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



(CA.VANDANA.P.RAO)

Proprietrix

Mem No.218797

STATEMENT OF IMPACT OF Audit QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINIO) SUBMITTED ALONE-WITH ANNUAL AUDITED FINANCIAL RESULTS (STAND ALONE AND CONSOLIDATED SEPERATELY)

I. Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021.

SL NO.	PARTICULARS	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	279482863	279482863
2.	Total Expenditure	316677959	316677959
3.	Net Profit/(Loss)	(37488012)	(37488012)
4.	Earnings Per Share	-6.02	-6.02
5.	Total Assets	203533051	203533051
6.	Total Liabilities	203533051	203533051
7.	Net Worth	64141887	64141887
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-ascertainment of impairment of assets,
2. 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) 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 has shifted its production facilities from Chennai to its own unit at Ranipet recently , therefore company is yet to ascertain the impairment of assets, if any, of the value of assets.



2) 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) 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.

2) 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**


Roy Mammen
CEO/ Managing Director


Machimada Muddappa Kushalappa
Chief Financial Officer


Ashok Kandathil Kuriyan
Audit Committee Chairman


Sharvari Sham Kulkarni
Company Secretary

For M/S VANDANA RAO AND COMPANY

Chartered Accountants,
FRN No.011628S



(CA.Vandana P Rao)

Proprietrix

Membership No.218797



Place: Bangalore

Date: 28.6.2021