



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

June 12, 2018

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

Dear Sirs,

W enclose herewith the statement of the impact of audit report in the prescribed format for the year 2017-18

Kindly acknowledge receipt.

Thanking you,

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

MANAGING DIRECTOR

Encl: as stated

Marketing Office : 'Janapriya Crest', 3rd Floor, Pantheon Road, Egmore, Chennai-600 008.
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• • • • NATURAL LATEX FOAM RUBBER • • • •
MATTRESSES • PILLOWS • CUSHIONS

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, 2018				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	25,96,58,638	25,96,58,638
	2.	Total Expenditure	25,51,99,044	25,51,99,644
	3.	Net Profit/(Loss)	44,59,594	44,59,594
	4.	Earnings Per Share	0.60	0.60
	5.	Total Assets	16,89,38,930	16,89,38,930
	6.	Total Liabilities	16,89,38,930	16,89,38,930
	7.	Net Worth	6,17,76,440	6,17,76,440
	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 9 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

For VANDANA RAO AND COMPANY
Chartered Accountants
Statutory Auditor



(VANDANA S. RAO)
Proprietrix
M. No.. 218797



Place: Bangalore
Date: 12-06-2018