



# THE COMPANY

## BOARD OF DIRECTORS

Vinay Kumar Modi  
Chairman

Alok Kumar Modi Managing  
Director

Kanwaljit Singh Bains  
Independent Director

Amrit Kapur  
Independent Director

Umesh Kumar Khaitan  
Independent Director

Piya Modi  
Whole-Time Director

Sanjeev Kumar Bajpai  
Head- Legal & Company Secretary

Kamal Gupta  
Chief Finance Officer

### REGISTERED OFFICE

Modinagar-201 204  
District Ghaziabad (Uttar Pradesh) CIN:  
L25199UP1971 PLC003392

### HEAD OFFICE

4-7C, DDA Shopping Centre, New  
Friends Colony,  
New Delhi-110 025  
website: [www.modirubberlimited.com](http://www.modirubberlimited.com)  
Phone : +91-11-47109398  
E-mail : [investors@modigroup.net](mailto:investors@modigroup.net)

### WORKS

Modinagar-201 204  
District Ghaziabad (Uttar Pradesh)

### BANKER

Axis Bank Ltd

### STATUTORY AUDITORS

P N A M & CO. LLP 902 & 906, New  
Delhi House, 27, Barakhamba Road,  
New Delhi 110 001

### SECRETARIAL AUDITORS

SANJAY GROVER & ASSOCIATES  
B-88, 1st Floor, Defence Colony New  
Delhi - 110 024

### INTERNAL AUDITORS

JRA and Associates  
B-IS GK- Enclave-2  
New Delhi-110048

### REGISTRAR & SHARE TRANSFER AGENT

MAS Services Ltd.  
T-34, II Floor, Okhla Industrial Area,  
Phase-II Ind, New Delhi 110 020  
Tel (011) 26387281 , 82, 83  
Fax (011) 26837286

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Book Closure Date:	23 <sup>th</sup> September, 2023 to 29 <sup>th</sup> September, 2023 (both days inclusive)		

**MODI RUBBER LIMITED**

(CIN: L25199UP1971PLC003392)

**Registered Office:** Modinagar-201204, Ghaziabad Uttar Pradesh, India.**Head Office:** 4-7C, DDA Shopping Center New Friends Colony New Delhi-110 025**Website :** [www.modirubberlimited.com](http://www.modirubberlimited.com), **Email :** [investors@modigroup.net](mailto:investors@modigroup.net), **Phone No:** +91-11-47109398**NOTICE**

Notice is hereby given that the 50<sup>th</sup> Annual General Meeting of the members of **Modi Rubber Limited ("the Company")** will be held on Thursday the September 29<sup>th</sup>, 2023 at 11:30 AM, through Video Conference / Other Audio Visual Means, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Modinagar-201204 (U.P)

**ORDINARY BUSINESSES:**

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors ('the Board') and auditor's thereon.
2. To appoint a Director in place of Mr. Vinay Kumar Modi (DIN: 00274605) who has consented to retire by rotation for compliance with the requirement of Section 152 of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESSES:**

3. To Consider and, if thought fit, to pass the following resolution, with or without Modifications as a **"Special Resolution"**.

**To consider the continuation of Directorship of Mr Umesh Kumar Khaitan (DIN-01180359), Non-Executive Independent Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 who will attain the age of Seventy-five (75) in this Financial Year and in this regard if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

**(RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, consent of Members be and is hereby accorded to Mr. Umesh Kumar Khaitan (DIN: 01180359), Director of the company, to continue to hold office of Independent Director of the company till his current tenure of appointment which ends on 27<sup>th</sup> May 2024 notwithstanding his attaining the age of Seventy-five (75) years on December 20, 2023."

**By order of the Board  
for Modi Rubber Limited**

**(Sanjeev Kumar Bajpai)**  
**Head-Legal & Company Secretary**  
**Membership Number- A10110**

**Address: 4-7C, DDA Shopping Centre  
New Friends Colony, New Delhi-110025**

**Place: New Delhi**  
**Date: 05/09/2023**

**NOTES:**

1. Pursuant to the General Circular No. 10/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"),

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 50<sup>th</sup> Annual General Meeting ("Meeting" or "AGM") of the Company is being held through VC / OAVM on Thursday 29<sup>th</sup> September, 2023 at 11:30 a.m. (IST). The proceedings of AGM deemed to be conducted at the Registered Office of the Company situated at Modinagar. Following is the Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, The Notice has also been hosted on the website of the Company [www.modirubberlimited.com](http://www.modirubberlimited.com).

2. Along with the compliance of the said Circulars, the Company has also published a public notice by way of an advertisement in Newspaper and both having a wide circulation along with their electronic editions, inter alia, advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.
3. The Company has enabled the Members to participate at the 50<sup>th</sup> AGM through VC facility. The instructions for participation by Members are given in the subsequent pages. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.
4. As per the provisions under the MCA Circulars, Members attending the 50<sup>th</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013
5. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process and instructions for remote e-voting are provided in the subsequent pages. Such remote e-voting facility is in addition to voting that will take place at the 50<sup>th</sup> AGM being held through VC.
6. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
7. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 50<sup>th</sup> AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 50<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
8. The members who have not yet registered their e-mail ids with the Company may contact Mas Services Limited (**Registrars & Share Transfer Agents**) at T-34, 2nd Floor, Okhla Industrial Area, Phase - II,, New Delhi - 110 020, Ph:- 26387281/82/83 Fax:- 26387384 email:- [info@masserv.com](mailto:info@masserv.com) for registering their e-mail ids on or before 23/09/2023 The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes
9. The Register of Members and Share Transfer Books of the Company shall remain closed from 23.09.2023 to 29.09.2023 (both days inclusive).
10. If there is any change in e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form & to DPs in respect of shares held in electronic form.

11. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility.
12. In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and applicable provisions of the SEBI Listing Regulations, the Company has engaged the services of [CDSL/NSDL] to provide the facility of voting through electronic means to the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting.
13. Voting rights of the members (for voting through remote e-voting or e-voting system provide in the Meeting itself shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e.22/09/2023. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e- voting system provided in the Meeting.
14. In accordance with the aforementioned MCA Circulars, the Company has appointed Mas Services Ltd. for providing the VC facility to the members for participating in the Meeting. The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism: a. The login-id and password for joining the meeting has been separately provided along with this Notice; b. The facility for joining the Meeting shall be kept open 30 minutes before the time scheduled to start the meeting i.e. [11:30AM] and 15 minutes after the expiry of the said scheduled time i.e. till [o]; c. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos. and members who hold shares in physical form are requested to furnish their folio number for easy identification of attendance at the Meeting; d. Participation of single member shall only be allowed at a time; e. Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to [o]at least seven days in advance of the meeting so that the answers may be made readily available at the meeting; f. Members are requested to e-mail at [o] or call at [o] in case of any technical assistance required at the time of log in/ assessing/ voting at the Meeting through VC; g. [other relevant information to be provided]
15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
16. In view of the MCA Circulars, no proxy shall be appointed by the members. However, corporate members are required to send to the Company/ RTA/ Scrutinizer, a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.
17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC.
18. All other relevant documents referred to in the accompanying notice/explanatory statement shall be made open for inspection by the members only in electronic form at the Meeting on all working days, except Saturdays, from 11:00 a.m. to 1:00 p.m. up to the date of the Meeting.
19. The Notice for this Meeting along with requisite documents and the Annual Report for the financial year ended 2022-23 shall also be available on the Company's website[www.modirubberlimited.com]
20. The results of remote e-voting & e- voting system provided in Meeting shall be aggregated & declared within 48 hours of Meeting.
21. The results declared along with the report of the scrutinizer shall be placed on the Company's website [www.modirubberlimited.com] and on the website of NSDL immediately after the result is declared by the Chairman and simultaneously communicated to the Stock Exchanges.
22. Members desirous of obtaining any information concerning the Accounts of the Company are requested to send their request at the 4/7C DDA Shopping Centre New Friends Colony, New Delhi-110025 Head Office of the Company atleast seven days before the date of the Meeting, so that the information required may be made available at the Meeting.
23. Corporate members are requested to send a duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.
24. Members holding shares in dematerialized mode are requested to intimate all changes with respect to the change of address, e-mail address, change in name etc, to the depository participant. These changes will be automatically reflected in the Company's records which will help in the Company to provide efficient and better service to the members.
25. Members holding shares in the physical form are requested to intimate changes with respect the change of address, e-mail address, change in name etc, immediately to the Company/RTA.
26. Voting through electronic means:  
In compliance with section 108 of the Companies Act, 2013 and rule 20 of the Companies (Management Administration) Rules, 2014, and regulation 44 of SEBI (LODR) the Company is pleased to provide to members facility to exercise their right to vote at the 50th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - I. The process and manner for remote e-voting are as under:
    - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
      - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
      - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
      - (iii) Click on Shareholder - Login
      - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
      - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
      - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
      - (vii) Select "EVEN" of "Modi Rubber Limited".
      - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
      - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
      - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
      - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested

specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [rashmikir@gmail.com](mailto:rashmikir@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### General Instructions:

- The remote e-voting period commences on 26<sup>th</sup> September, 2023 (9:00 am) and ends on 28<sup>th</sup> September, 2023 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September, 2023, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  - The voting rights of shareholders shall be in proportion to their shares of the paid-up capital of the Company as on the cut-off date (record date) of 22/09/2023.
  - If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
  - You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - Any person, who acquires shares of the Company and become member of the Company after send of the email and holding shares as of the cut-off date i.e. 22/09/2023, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@massservices.com](mailto:info@massservices.com).
  - However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
  - A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting system.
  - The Company has appointed M/s Rashmi Saxena and Associates, Practicing Company Secretaries (C.P. No. 6938) as the scrutinizer for conducting the e-voting process in a fair and transparent manner.
  - The scrutinizer shall, within a period not exceeding 48 hours from the conclusion of the e-voting period unblock the votes in presence of at least 2 (two) witnesses not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour, against, if any, forthwith to the chairman of the Company.
  - The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared alongwith the scrutinizer's report shall be placed on the Company's Website [www.modirubberlimited.com](http://www.modirubberlimited.com) and on the website of NDSL within two (2) days of passing of the resolutions at the AGM of the Company.
27. The Notice of annual general meeting & copies of audited financial statements, directors report, auditors report etc, will also be displayed on website ([www.modirubberlimited.com](http://www.modirubberlimited.com)) of Company.
28. The Securities and exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participant with whom they are maintain their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company/RTA.
29. As required by regulation 36 of SEBI (LODR) 2015 and as required under Secretarial Standard-2, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting forms integral part of the notice. The Directors have furnished the requisite

declarations for their re-appointment and their brief profile forms part of the explanatory statement.

30. Kindly register your e-mail addresses and contact details with us, by writing to the Secretarial Department at The Corporate Office, or at our e-mail ID: [investors@modigroup.com](mailto:investors@modigroup.com). This will help us in prompt sending you notice, annual reports and other shareholder communications in electronic form.

#### STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE "ACT"):

The following Statement sets out all material facts relating to the special businesses mentioned in the accompanying Notice.

##### Item No. 3

This statement is provided under Regulation of 36(5) of SEBI (LODR) Regulation 2015, and other applicable provisions, if any, and for better understanding.

Mr. Umesh Kumar Khaitan, aged 74, is the Non-Executive Independent Director of the Company. . In accordance with Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the Directorship of any person as a Non-Executive Director who has attained the age of seventy-five years unless a special resolution is passed to that effect. Mr. Umesh Kumar Khaitan will attain the age of 75 years in December, 2023 and the continuation of his Directorship will be subject to approval by the shareholder by special resolution. Hence the approval of the shareholders is sought for the continuation of his Directorship on the Board of the Company even after attaining the age of 75 years. His brief profile is given below

Qualification	Graduate
Expertise in specific functional areas	Legal & Advisory
Relationship with Director	Not Related
Directorship in other Companies	1.Sutlej textiles and industries limited 2.Ferro alloys corporation limited 3.The ayer manis rubber estate limited 4.Cremica food industries limited 5.Isk biosciences india private limited 6.Sobo estate development pvt Ltd 7.Ghaziabad investment limited 8.Shree parna holdings private limited 9.Ashutosh holdings private limited 10.Ombine overseas limited 11.Shengdi consultancy services pvt ltd
Shareholding in Company	Nil

The Board of the Company is of the opinion that Mr. Umesh Kumar Khaitan has been an integral part of the Board and has provided valuable insights to the Company and his continuation as Director will be in the interest of the Company notwithstanding his completion of seventy five years of age. Hence the Board recommends the resolution set out in item No. 3.

Except Mr. Umesh Kumar Khaitan, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at **Item No. 3**.

#### INSPECTION OF DOCUMENTS

All material documents referred to in the Notice will be kept open for inspection by the members, at the Registered Office of the Company, from 11AM to 1 PM on all working days from 22<sup>nd</sup> September 2023 upto the date of the AGM.

**By order of the Board  
for Modi Rubber Limited**

(Sanjeev Kumar Bajpai)  
Head-Legal & Company Secretary  
Membership Number- A10110  
Address: 4-7C, DDA Shopping Centre  
New Friends Colony, New Delhi-110025

Place: New Delhi  
Date: 05/09/2023

## DIRECTORS' REPORT

Your Directors have pleasure in sharing with you the 50<sup>th</sup> Annual Report on the business and operations of the Company, alongwith the audited financial statements for the financial year ended March 31, 2023 ("FY").

### IMPLEMENTATION STATUS OF BIFR SCHEME

The Central Government vide its Notification No.S.O.3568 (E) Dated 25 November 2016 put into force the provisions of the Sick Industrial Company (Special Provisions) Repeal Act 2003 repealing SICA 1985. However, the Repeal Act shall not affect any order made by the BIFR for sanctioned Scheme. In compliance of direction issued by BIFR, your company continue to implement the unimplemented provisions of sanctioned scheme by the BIFR on 8.4.2008.

In this respect, industrial rehabilitation for Modinagar Tyre Factory (MTF) could not be achieved as yet. The matter for possession of MTF Plant is pending with Hon'ble Allahabad High Court. The OL appointed by the Allahabad High Court in Modi Export Processors Limited's (MEPL) winding up proceedings has put his seal on The MTF Plant. Company has taken a legal recourse for re-possession of MTF Plant. Litigation with one creditor is also pending who have till date not accepted the dues as per scheme sanctioned by the BIFR.

Your Company has been following up with Govt agencies/authorities/department/Creditors to provide relief and concessions and to accept settlement as per scheme sanctioned by the BIFR.

The Company has taken new initiatives to improve its long term prospects and performance. These include:-

1. Your Company has been very vigorously taking actions to get re-possession of Company's properties which were occupied by illegal occupants/Ex- Employees. Efforts include legal recourse, and also settlement as per BIFR Scheme wherever possible.
2. Company is taking several steps to utilize its real- estate resources and wherever possible to put them to generate revenue.

### FINANCIAL RESULTS

During the FY 2022-23, your company has earned a net Profit (Standalone) after tax Rs 796.64 Lacs as compared to net profit of Rs 523.10 Lacs in previous year and a total comprehensive income of Rs 137.69 as compared to income of 16202.45 Lacs in the previous year. Income of your company is mainly from guest house operations, Interest & dividend.

### DIVIDEND

Since, there is no adequate profit; your Board does not recommend any dividend.

### FIXED DEPOSITS

Your Company has not accepted any fixed deposits from public during the year under review.

### MANAGEMENT DISCUSSION & ANALYSIS & CORPORATE GOVERNANCE REPORTS

A detailed Management Discussion & Analysis Report and a Corporate Governance Report along with certificate from the statutory auditors of the Company in pursuance with compliance of Listing Regulations are attached and form part of this Annual Report of the Company.

### Directors and Key Managerial Personnel

#### A) Appointment/Re-appointment of Directors and Key Managerial Personnel

There is no change in the Composition of Board of Directors and Key Managerial Personnel.

#### B) Meeting of the Board of Directors

During the financial year ended on March 31, 2023, 4 (Four) Board Meetings and 1 (one) meeting of Independent Directors were held. Further, details of the meetings of the Board and its Committees are given in Corporate Governance Report, forming part of the Annual Report.

#### C) Declaration by Independent Director(s)

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under applicable regulations of SEBI (LODR) 2015 with the Stock Exchanges.

#### D) Board Evaluation

The Company has formulated a policy on performance evaluation for the Directors, Board and its Committees and other individual Directors on the parameters inter alia covering attendance, effective participation, domain knowledge, access to management outside Board Meetings and Compliance with the Code of Conduct, vision and strategy and benchmark to peers.

Pursuant to policy on performance evaluation, a process for performance evaluation was carried out for Independent director, board, committees and other individual directors.

Policy for Board evaluation is available on company's website. <https://modirubberlimited.com/polices/>

### SUBSIDIARIES/JOINT VENTURES/ ASSOCIATE COMPANIES

As on March 31, 2023, your Company has 2 (two) subsidiaries).

During the FY 2022-23, no company has ceased to be a subsidiary of the Company.

A statement containing salient features of financial statements of subsidiaries (including their contribution) forms part of the Consolidated Financial Statements for the financial year ended March 31, 2023.

### CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the Companies Act, 2013 and applicable Ind-AS 110 on Consolidated Financial Statement, Ind-AS 28 on Accounting for Investments in Associates and Joint Ventures, the audited consolidated financial statement for the year ended March 31, 2023 is provided in the Annual Report.

### AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference mentioned in the Corporate Governance Report forms part of Annual Report.

All the recommendations made by the Audit Committee were accepted by the Board.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable Ind-AS with the requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023

and of the profit of the Company for the year ended on that date;

- iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts of the Company for the financial year ended March 31, 2023 on a 'going concern' basis;
- v) the Directors have laid down internal financial control to be followed by the Company and that such internal financial control are adequate and were operating effectively; and
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **RISK ASSESSMENT/ MANAGEMENT**

The Company has formulated and adopted a Risk Management Policy. Board of Directors of the Company is responsible for the direction and establishment of internal control to mitigate material business risks. The policy is framed to identify element of risks like misstatement, frauds etc and their mitigation for achieving its business objective and to provide reasonable assurance.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has in place well defined and adequate internal financial control framework. During the year, such controls were tested and no material weaknesses in their design or operation were observed.

#### **COST RECORD**

The provision of Cost audit as per section 148 are not applicable on the Company.

#### **PREVENTION AND PROHIBITION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE**

At Modi Rubber Limited ("MRL"), it is our desire to promote a healthy and congenial working environment irrespective of gender, caste, creed or social class of the employees. We value every individual and are committed to protect the dignity and respect of every individual. The Company has always endeavored for providing a better and safe environment free of sexual harassment at all its work places. Consequent to the enactment of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, MRL had constituted an Internal Complaints Committee ("ICC") to deal with complaints or issues that may arise, in the nature of sexual harassment of women employees. The Company has also prepared and implemented Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace. During the year ended March 31, 2023, there was no case reported to ICC.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year under review there was insufficient profit from the operations hence no CSR activities was undertaken. The applicable disclosures as stipulated under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in **Annexure I** to this Report.

#### **VIGIL MECHANISM**

The Company promotes ethical behavior in all its business activities. Towards this endeavor the Company has adopted a policy on vigil mechanism and whistle blower. Company has developed a Mechanism where violation can be reported to the Chairman of the Audit Committee for appropriate resolution. The confidentiality of such reporting will be maintained and they are not subjected to any discriminatory practice or victimization. The Audit Committee shall oversee the Vigil Mechanism. The Board of MRL confirmed that no

personnel/official/employees etc has been denied the access to the audit committee. The policy on vigil mechanism and whistle blower is available on Company's website. <https://modirubberlimited.com/polices/>

#### **RELATED PARTY TRANSACTIONS**

The contracts/ arrangements / transactions by the company during the year under review with related parties were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the companies Act 2013.

During the year, the Company had not entered into any contract/ arrangement/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Suitable disclosure as required by the Accounting Standards has been made in the Notes to the Financial Statement. The policy on Related Party Transaction and determining material Subsidiaries as approved by the Board is uploaded on the company's website <https://modirubberlimited.com/polices/>

#### **PARTICULARS OF LOAN, GUARANTEES, SECURITY OR INVESTMENTS**

Details of Loans, Guarantee, Securities and Investments during the year under review are given in the Notes to the financial statements pursuant to requirement of under Section 186 of the Companies Act, 2013.

#### **AUDITOR & AUDITOR'S REPORT**

M/s PNAM & Co. LLP, Chartered Accountants (Firm Registration No. 001092N), have submitted their Report on the Financial Statements of the Company for the FY 2022-23, which forms part of the Annual Report 2022-23. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Reports on standalone and consolidated financial statements.

The Auditors have issued an unmodified opinion on the Financial Statements, both standalone and consolidated, for the financial year ended March 31, 2023. During the year 2022-23, the statutory auditors has not reported any matter under Section 143(12) of the Act. The said Auditors' Report(s) for the financial year ended March 31, 2023 on the financial statements of the Company forms part of the Annual Report.

#### **MANAGERIAL REMUNERATION**

The information required in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5 (1), (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. **(Annexure-II)**

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

The Secretarial Audit Report for the financial year ended March 31, 2023, in the prescribed format is attached and marked as **Annexure III** with this report. The secretarial audit report contains certain remarks, explanations which are given as under:-

- Promoter's shareholding couldn't be demated as certain shares in physical form are still under lien.
- Late submission of RPT details, already complied and compounded.

#### **Certificate from Company Secretary in practice regarding Non-disqualification of Directors**

M/s. MN Gupta & Co. has issued a certificate under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Company by SEBI, Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed as Annexure-IV to this report.

#### **SECRETARIAL AUDIT REPORT OF UNLISTED SUBSIDIARIES COMPANIES**

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] for the financial year ended March 31, 2023, The Secretarial Audit Report in the prescribed format of material Subsidiaries companies are attached and marked as **Annexure V** with this report.

#### EXTRACT OF ANNUAL RETURN

In terms of Sections 92(3) and 134(3)(a) of the Act, annual return is available under the 'Investors' section of the Company's

website, [https://drive.google.com/file/d/1gdaOiWGNDRVkW\\_Qc9SYnLnBCiFh8f-t/view](https://drive.google.com/file/d/1gdaOiWGNDRVkW_Qc9SYnLnBCiFh8f-t/view)

#### COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

#### STATUTORY DISCLOSURES

Since there was no production, there is no information required to be given for energy conservation, technology absorption, fuel consumption etc. u/s 134(3) (m) of the Companies Act, 2013. Information about foreign exchange earnings is nil and outgo is 163.20 Lacs during the year as disclosed in note no.40 of Standalone Financial Statement.

#### OTHER DISCLOSURES.

During the financial year under review:

1. The Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings, respectively.
2. The Company do not have any stock option plan in force.
3. The Company have neither invited nor accepted any deposits from the public within the purview of the Act and the Rules made thereunder, and accordingly no amount on account of principal or interest on public deposits was outstanding as on March 31, 2023.

4. The Company has not issued shares with differential voting rights and sweat equity shares.
5. No disclosure is required under Section 67 (3) (c) of the Act in respect of voting rights not exercised directly by employees of the Company, as the provisions of the said section are not applicable.
6. No significant or material orders were passed by the regulators or courts or tribunals which could impact the going concern status of the Company and its future operations.
7. No material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company.
8. During the year under review, there are no proceedings, either filed by the Company or filed against Company, pending under the Insolvency and Bankruptcy Code, 2016, before Hon'ble National Company Law Tribunal or other Court.
9. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: Not Applicable.

#### ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks for support and co-operation from Banks, UP Government and other Government Authorities and shareholders during the year period review. Your Directors also appreciate services of executives and staff of the Company for unstinted support.

For and on behalf of the Board of Directors

Alok Modi  
(DIN: 00174374)  
Managing Director  
Place: New Delhi  
Date: August 14<sup>th</sup>, 2023

Piya Modi  
(DIN: 03623417)  
Whole-time Director

#### Annexure I

#### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

1	Brief outline of Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programs	Refer Section Corporate Social Responsibility in this Report
2	Composition of the CSR Committee.	Refer Corporate Governance Report
3	Average Net Profit of the Company for last three financial years	Not Applicable
4	Prescribed CSR Expenditure (two percent of the amount as in item No. 3 above)	Not Applicable
5	Details of CSR spent during the financial year:	
(a)	total amount to be spent for the financial year	Not Applicable
(b)	amount unspent, if any	Not Applicable
(c)	manner in which the amount spent during the financial year	Not Applicable
6	In case the Company fails to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board report.	Not Applicable

#### Responsibility Statement

The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Place: New Delhi  
Date: August 14<sup>th</sup>, 2023

Alok Modi  
(DIN: 00174374)  
Managing Director

Piya Modi  
(DIN: 03623417)  
Wholetime Director

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2022-23 (in Rs.)	% increase in Remuneration in the Financial Year 2022-23
1	Mr. Vinay Kumar Modi (Non-Executive Chairman)	No remuneration	N.A
2	Mr. Alok Kumar Modi (Managing Director)	He opted not to draw any remuneration from Company during implementation of BIFR revival scheme.	N.A
3	Ms. Piya Modi (WHD)	39.99 Lacs	NIL
4	Mr. Kanwaljit Singh Bains (Non-Executive Independent Director)	Sitting Fees only*	N.A
5	Mr. Amrit Kapur (Non-Executive Independent Director)	Sitting Fees only*	N.A
6	Mr. Umesh Khaitan (Non-Executive Independent Director)**	Sitting Fees only*	N.A
7	Mr. Sanjeev Kumar Bajpai (Head – Legal & Company Secretary)	53.31 Lacs	16.06
8	Mr. Kamal Gupta (CFO)	59.85 Lacs	4.65

\*Sitting fees are Rs. 10000/- For attending each board meeting and Rs. 5000/- For attending each committees meeting

\*\* Apart from sitting fee, company also pays fees to the Law Firm for legal professional services of which Mr. Khaitan is Partner.

- The median remuneration of employees of the Company during the financial year was Rs ; 9,39,499;
- In the financial year 2022-23, the median remuneration of employees Increased by 11%.
- There were 18 permanent employees(Including KMPs) on the rolls of Company as on March 31, 2023;
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-23 and comparison with the percentage increase/(decrease) in managerial remuneration:
- 1:1.50 is the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year
- It is hereby affirmed that the remuneration paid is as per Policy for Directors, Key Managerial Personnel, Senior Management and other Employees.

**Annexure III**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023**

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

To,  
The Members,  
Modi Rubber Limited  
(CIN: L25199UP1971PLC003392)  
Modi Nagar, Ghaziabad,  
Uttar Pradesh – 201204

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Modi Rubber Limited (hereinafter called “the Company”) which is listed on BSE Limited and National Stock Exchange Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

**We report that: —**

Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. We adhered to the best professional standards and practices as could be possible while carrying out audit. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of the financial statements of the Company.

Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc.

The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of: —

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable to the Company during the audit period]
  - (d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021; [Not applicable to the Company during the audit period]
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; [Not applicable to the Company during the audit period]
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; [Not applicable to the Company during the audit period]
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not applicable to the Company during the audit period] and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations').

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India as well as listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited which, along with above, need to be further strengthened by the Company. Further, the Company was generally regular in filing of Forms/Returns/intimations with the Registrar of Companies and Stock Exchanges.

During the audit period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above except that: -

- There is violation of Regulation 31(2) of LODR Regulations with respect to entire shareholding of promoters to be in dematerialized form. The same was reported in our previous report which has continued during the financial year under report.
- The Related Party Disclosure for period ending 31st March 2022 was submitted with delay which was compounded by BSE and NSE after payment of fine.

(vi) As informed by the Management, the Company was earlier engaged in manufacture of automotive tyres, tubes, flaps and other allied products in its plants set-up in 1974 at Modipuram, Meerut and Modinagar. Pursuant to the BIFR Scheme, Modinagar plant continued to be with the Company for carrying out its industrial activities. However, Modinagar Plant of the Company is under the Seal of Official Liquidator (OL) attached to the Allahabad High Court appointed by Allahabad High Court pursuant to CP No.7 of 2005 in "Punjab National Bank Vs Modi Export Processors Ltd," as the Company had taken Industrial Shed and land on perpetual lease from Modi Export Processors Ltd, on which Company had installed its Plant & Machinery for Modinagar Plant. The Company has filed Special Appeal No.1917 of 2008 with Allahabad High Court for re-possession from the OL which is pending for final adjudication before the Hon'ble High Court. Further, the Company continues to implement the unimplemented provisions of BIFR Scheme.

As confirmed by the management, the Company generates its income/revenue from rentals on real estate and Guest House at Modipuram, income from Fund Management/ Investments and also dividend and management fees from Joint Venture Companies in which Company has Management & Equity Collaborations. As informed by the Management, there is no sector specific law applicable on the Company.

#### **We further report that:-**

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

Adequate notice was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

Board decisions were carried out with unanimous consent as recorded in the minutes of the meetings thereof.

We report further that in our opinion based on verification done on test basis and to the best of our information and according to explanations given to us, there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: New Delhi  
Date: August 14, 2023

For Sanjay Grover & Associates  
Company Secretaries  
Firm Registration No.: P2001DE052900  
Peer Review Certificate no.: 1352/2021

Vijay K. Singhal  
Partner  
CP No.: 10385/ Mem. No. A21089  
UDIN: A021089E000803629

#### Annexure-IV

#### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
Modi Rubber Limited  
(CIN::L25199UP1971PLC003392)  
Modinagar-UP-201204

1. That Modi Rubber Limited (CIN::L25199UP1971PLC003392) is having its registered office at Modinagar-Up-201204 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.
2. I have examined the relevant disclosures received from the Directors & registers, records, forms, and returns maintained by the Company and produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. I have also done examination and verification of the disclosures under section 149, 164, 184 and 189 received from the Directors and Register of Directors and Key Managerial Personnel and their Shareholding under Section 170 of the Companies Act, 2013 (the Act) and DIN status of the Directors at MCA portal i.e. www.mca.gov.in. In my opinion and to the best of my knowledge and on the basis of information furnished to me by the Company and its officers, I certify that none of the below named Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2023:

DIN	Name	Begin date
0000174374	ALOK KUMAR MODI	14/06/2008
0000274605	VINAY KUMAR MODI	27/02/1971
0000508710	AMRIT KAPUR	29/05/2018
0001180359	UMESH KUMAR KHAITAN	28/05/2019
0001444259	KANWALJIT SINGH BAINS	26/08/2009
0003623417	PIYA MODI	08/08/2014

4. Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on our verification and this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
5. This certificate is based on the information and records available as on March 31, 2023 and i have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For Mn Gupta & Co.

Sd/-

Place: New Delhi  
Date: 04.09.2023  
UDIN: F008269E000931501

Neha Gupta  
CP No.:8269  
FCS No. 16876