



**Mysore Petro Chemicals Limited**

45<sup>th</sup> Annual Report 2014-2015



# Mysore Petro Chemicals Limited

## BOARD OF DIRECTORS

Shri M M Dhanuka – *Chairman & Managing Director*

Shri Nikunj Dhanuka

Shri M M Jayakar

Shri Anil Kochar

Shri S N Maheshwari

Shri Shrikant Somani

Smt Uma Acharya

## COMPANY SECRETARY

Shri Anand Kadkol

## AUDITORS

M/s. Hariharan & Co.

Chartered Accountants

No. 133, 26<sup>th</sup> Cross

6<sup>th</sup> Block, Jayanagar

Bengaluru – 560 082

## INTERNAL AUDITORS

M/s. Shyam Malpani & Associates

Chartered Accountants

307, Chartered House,

297/299, Dr. Cawasji Hormasji Street,

Near Marine Lines Church

Mumbai – 400 002

## FACTORY LOCATION

### MALEIC ANHYDRIDE PLANT

T-1, MIDC Industrial Area

Taloja - 410 208, Dist. Raigad

Maharashtra

Tel : 022-39289100

Fax : 022-39289148 / 149

## REGISTERED OFFICE

D/4, Jyothi Complex

134/1, Infantry Road, Bengaluru - 560 001

Tel. : 080 - 22868372

Fax : 080 - 22868778

E-mail : [mys\\_petro@rediffmail.com](mailto:mys_petro@rediffmail.com)

Web : <http://igpetro.com>

CIN : L24221KA1969PLC001799

## CORPORATE OFFICE

401-404, Raheja Centre

214, Nariman Point

Mumbai-400 021

Tel : 022-30286100/30286133

Fax : 022-22040747

Email: [igpetro@vsnl.com](mailto:igpetro@vsnl.com)

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.

E-2/3, Ansa Industrial Estate,

Saki Vihar Road, Saki Naka,

Andheri (East), Mumbai - 400 072.

Tel.: 022-40430200 • Fax : 022-28475207

E-mail : [info@bigshareonline.com](mailto:info@bigshareonline.com)

# AGM

## 45<sup>th</sup> Annual General Meeting

Monday 24<sup>th</sup> August, 2015

at 12.30 p.m.

### Venue

Woodlands Hotel,

5, Raja Rammohan Roy Road

Bengaluru-560 025

## CONTENTS

Page

Notice .....	2
Directors' Report, Management Discussion and Analysis .....	14
Report on Corporate Governance .....	31
Independent Auditors' Report .....	42
Annexure to Independent Auditors' Report.....	44
Balance Sheet .....	46
Statement of Profit & Loss .....	47
Cash Flow Statement .....	48
Significant Accounting Policies .....	49
Notes on Financial Statements .....	52

# Mysore Petro Chemicals Limited

## NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the Forty Fifth Annual General Meeting of the members of **MYSORE PETRO CHEMICALS LIMITED** (CIN: L24221KA1969PLC001799) will be held at Woodlands Hotel, 5, Raja Rammohan Roy Road, Bengaluru – 560 025 on Monday, the 24<sup>th</sup> August, 2015 at 12.30 p.m. to transact the following business :

### As Ordinary Business

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2015 and the Report of the Board of Directors and the Auditors' Report thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri S N Maheshwari (DIN 00193540 ) who retires by rotation and being eligible offers himself for reappointment.

### 4. Appointment of Statutory Auditors

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014, (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Hariharan & Co., Chartered Accountants, Bengaluru, (Firm Registration No. 001083S), who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a term of two consecutive years from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Forty Seventh (47) AGM of the Company to be held in the year 2017 (subject to the ratification of their appointment at the next AGM) on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

### As Special Business

### 5. Revision of terms of appointment of Shri M M Dhanuka

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED that in partial modification of the resolution passed at the 43<sup>rd</sup> Annual General Meeting of the Company held on 24<sup>th</sup> September, 2013 for the appointment and terms of remuneration of Shri M M Dhanuka (DIN 00193456) as Managing Director of the Company and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, consent of the Company be and is hereby accorded to the revision in the terms of appointment and remuneration (including all perquisites) of Shri M M Dhanuka as the Managing Director of the Company effective 1st July, 2015 and that the term of his appointment be revised upto a period of three years i.e. upto 30th June, 2018 as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER that the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under Part II of Schedule V to the Act and the approval of the Central Government, if required.

RESOLVED FURTHER that in the event of insufficiency or inadequacy of profits in any financial year during the tenure of the Managing Director, the above remuneration shall be paid as the minimum remuneration subject to the approval of the Central Government, if required.”

# Mysore Petro Chemicals Limited

## 6. Appointment of Independent Director

To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Uma Acharya (DIN 07165976) who was appointed as an Additional Director with effect from 25<sup>th</sup> May, 2015 and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years i.e. upto 24<sup>th</sup> May, 2020.”

## 7. Adoption of Articles of Association

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the necessary approvals, permissions and sanctions, if any, of the Registrar of Companies, Karnataka, Bengaluru, the existing set of Articles of Association of the Company be and is hereby replaced, altered, modified and revised as per the new set of Articles of Association and that the same be and is hereby approved and adopted as the Articles of Association of the Company in place and in exclusion and substitution of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board and/or Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to the resolution.”

## 8. Maintenance of the Register of Members and related statutory books at a place other than the Registered Office of the Company:

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 94 of the Companies Act, 2013 (“the Act”) and all other applicable provisions of the Act and the relevant Rules, if any, consent of the members of the Company be and is hereby accorded to keep the Register of Members and Index of Members, Register and Index of any other Security holders, Register of Renewed and Duplicate Share Certificates and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act and other related statutory books be kept at the Corporate Office of the Company situated at 401-404, Raheja Centre, 214, Nariman Point, Mumbai-400 021 or at the office of the Company’s Registrar and Transfer Agents i.e. Bigshare Services Private Limited situated at E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakivihar, Andheri (East), Mumbai-400 072.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to intimate to the Registrar of Companies, Karnataka, Bengaluru and to do all such acts, deeds and things as may be necessary.”

By order of the Board  
For **Mysore Petro Chemicals Limited**

**Anand Kadkol**  
Company Secretary

Mumbai  
17<sup>th</sup> July, 2015

**Registered Office :**  
D - 4, Jyothi Complex  
134/1, Infantry Road,  
Bengaluru – 560 001.

# Mysore Petro Chemicals Limited

## Notes :

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of Companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.**
- The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed hereto and forms part of the Notice.
- A statement giving the relevant details of the Directors seeking appointment/re-appointment under item Nos.3 and 6 of the accompanying Notice, as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange is annexed hereto. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- The register of members and share transfer books of the Company will remain closed from Tuesday, 18<sup>th</sup> August, 2015 to Monday, 24<sup>th</sup> August, 2015 (AGM date) (both days inclusive), for payment of Dividend, if declared at the Annual General Meeting.
- After the declaration of Final Dividend as recommended by the Board of Directors, payment of such dividend will be made on Friday, 28<sup>th</sup> August, 2015 as under:
  - To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 14<sup>th</sup> August, 2015;
  - To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 24<sup>th</sup> August, 2015.
- Members are requested to immediately intimate change of address, if any, to the Company/Registrar & Share Transfer Agents.
- 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 Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent/the Company.
- In terms of Sections 205C and 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). The Dividend for the years 2007-2008 and 2013-2014 shall be transferred to the IEPF after seven years of the respective dates of declaration. Shareholders are therefore requested to claim the same if not claimed earlier.
- Members holding shares in single name or in physical form are advised to make nomination in respect of their shareholding in the Company. The nomination forms can be downloaded from the company's website i.e. [www.igpetro.com](http://www.igpetro.com).
- Electronic copy of the Annual Report is being sent to the members whose email ID's are registered with the Company/Depository Participants for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2015 is being sent in the permitted mode. **A form for registration of your e-mail address is being sent. You are requested to kindly avail the facility of electronic communication.** Shareholders may note that even after registering their e-mail address, they shall always have a right to ask for a physical copy of the annual report.

# Mysore Petro Chemicals Limited

11. Members are requested to bring their personal copy of the Annual Report to the Meeting. Corporate members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
12. Members may also note that the Notice of the 45<sup>th</sup> Annual General Meeting and the Annual Report will also be available on the Company's website [www.igpetro.com](http://www.igpetro.com) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal working days, up to and including the date of the Annual General Meeting of the Company.
14. The Company is providing the facility to the Members to cast their vote by electronic means i.e. through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice and the Members may cast their vote on resolutions through such e-voting.
15. The facility for voting, either through e-voting or ballot or polling paper shall also be made available to the Members at the meeting and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to vote either through ballot or polling at the meeting. However, the Members who have cast their vote by remote e-voting prior to the meeting may attend the meeting but they shall not be able to cast their vote again at the meeting.

## PROCESS FOR MEMBERS OPTING FOR E-VOTING

### For Members whose e-mail addresses are registered with the Company/Depositories

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

PAN

Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/ mail) in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.

# Mysore Petro Chemicals Limited

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user ID, who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on 20<sup>th</sup> August, 2015 (10.00 a.m. IST) and ends on 23<sup>rd</sup> August, 2015 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 17<sup>th</sup> August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



# Mysore Petro Chemicals Limited

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **For Members whose e-mail addresses are not registered with the Company/Depositories:**

Members will receive a Ballot Form along with the Annual Report. They have two options:

- i. To opt for e-voting by using the initial password that is provided in the enclosed Ballot Form. Follow all steps as given in Sr. No. (ii) to Sr. No. (xvi) above, to cast your vote.
- OR
- ii. To opt for casting your vote in physical form, fill in the Ballot Form and post it to the address mentioned in the enclosed Business Reply Envelope.

## **Other Instructions:**

- i. The e-voting period commences on 20<sup>th</sup> August, 2015 (10.00 a.m. IST) and ends on 23<sup>rd</sup> August, 2015 (5.00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialised form as on 17<sup>th</sup> August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on the Resolution is cast by the Member, he/she shall not be allowed to alter it subsequently.
- ii. The voting rights of Members shall be in proportion to the shares held by them on the paid up equity share capital of the Company as on 17<sup>th</sup> August, 2015 and as per the Register of Members of the Company.
- iii. Mr. Himanshu Kapadia, Practicing Company Secretary (Membership No.2285) or failing him Mr. Vipin Meha, Practicing Company Secretary (Membership No.9869) have been appointed as the Scrutinizer to scrutinise the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 27<sup>th</sup> August, 2015 a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members opting to vote in physical form should send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer, in the enclosed postage pre-paid self addressed envelope not later than 21<sup>st</sup> August, 2015 (6.00 p.m. IST). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted. Members have the option to request for a physical copy of the Ballot Form by sending an e-mail to [udhuri@igpetro.com](mailto:udhuri@igpetro.com) by mentioning their Folio No./DP ID and Client ID No. However, the duly completed Ballot Forms should reach the Scrutinizer not later than, 21<sup>st</sup> August, 2015 (6.00 p.m. IST).
- vi. A Member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a Member casts his/her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.

The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.igpetro.com](http://www.igpetro.com) and on the website of CDSL [www.evoting.cdsl.com](http://www.evoting.cdsl.com) immediately after the result is declared by the Chairman. The Company shall also simultaneously forward the results to BSE where its shares are listed.

By order of the Board  
**For Mysore Petro Chemicals Limited**

Mumbai  
17<sup>th</sup> July 2015

**Anand Kadkol**  
**Company Secretary**

**Registered Office :**  
D-4, Jyothi Complex  
134/1, Infantry Road  
Bengaluru – 560 001.

# Mysore Petro Chemicals Limited

## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

### Item No. 5

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved the revision of remuneration of Shri M M Dhanuka as set out below effective 1st July, 2015 and for the change in tenure of his contract so as to expire on 30th June, 2018 instead of 30th November, 2018:

### Remuneration

- I. Salary : ₹ 5,00,000/- per month.
- II. Personal Pay : Equivalent to two month's salary per year.
- III. Perquisites : Perquisites shall be in addition to the salary and are classified in three categories:

### Category A

#### (a) Housing

The expenditure by the Company for hiring the furnished accommodation shall not exceed ₹ 25,000/- per month.

In case no accommodation is provided by the Company, Shri M M Dhanuka shall be entitled to the house rent allowance of ₹ 25,000/- per month.

#### (b) Medical reimbursement

Expenses incurred by him and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

#### (c) Leave travel concession

For self and family once in a year in accordance with the rules of the Company.

#### (d) Leave

Earned leave with full pay and allowance as per the rules of the Company but not exceeding to one month's leave for every eleven months of service. Encashment of leave at the end of the tenure as per the rules of the Company will be allowed.

#### (e) Club fees

Subject to a maximum of two clubs. No life membership fee will be paid by the Company.

### Category B

Contribution to provident fund, superannuation fund or annuity fund as per the rules of the Company. Gratuity payable shall not exceed half month's salary for each completed year of service.

### Category C

Provision for use of car and telephone for Company's business as per the rules of the Company.

### IV. Term of Appointment

The term of appointment of Shri M M Dhanuka shall expire on 30th June, 2018.

### V. Minimum Remuneration

In the event of insufficiency or inadequacy of profits in any financial year during the term of his contract, he may be paid the remuneration as set out above as the minimum remuneration in accordance with Section II, Part II of Schedule V to the Act.

# Mysore Petro Chemicals Limited

Disclosure as required under Schedule V to the Companies Act, 2013 is appended herewith.

Shri M M Dhanuka is B.E. (Chem.) and is the Promoter of the Company. He has over three decades of experience and expertise in the technical, production and marketing areas. He has been responsible for the overall management of business and the corporate strategies of the Company.

In terms of Part II, Schedule V to the Act, the revision of remuneration was approved by the Board based on industry standards, responsibilities handled by the Managing Director of the Company

Approval of the shareholders is sought for the revision in his terms of appointment effective 1st July, 2015.

Except for Shri M M Dhanuka, no other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution.

## I. General Information

Nature of Industry		Manufacture of Maleic Anhydride		
Date or expected date of Commercial Production		N.A. since the Company has already commenced its business activities.		
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus		N.A.		
Financial performance:-		(₹ in lacs)		
Particulars	For the year ended			
	31st March 2013	31st March 2014	31st March 2015	
Total Income	13298.04	3998.87	3381.68	
Depreciation	318.49	352.59	273.98	
Total Expenses	12992.24	3556.16	2148.49	
Net Profit	204.22	337.32	721.54	
Paid up Capital	658.76	658.76	658.76	
Reserves & Surplus	2121.51	2280.94	2268.25	

Foreign Investments or collaborations, if any – There is no direct foreign investment in the Company except to the extent shares held by NRI's /Foreign Institutional Investors (FI) acquired through secondary market. There is no foreign collaboration in the Company.

# Mysore Petro Chemicals Limited

## II. Information about the Appointees

Background details	Given in the body of this statement
Past Remuneration (₹ in lacs)	₹ 55.41 lacs
Recognition and Awards	Nil
Job profile and his suitability	Information given under the requirements of Clause 49 of the Listing Agreement
Remuneration proposed	As mentioned in the resolution
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company.

Comparative remuneration profile with respect to industry, size of company, profile of the position and person:

During last decade, the Indian economy has seen increased growth and spending on infrastructure activities. Due to this there is growth in the industries such as paints, plasticizers etc. In turn there is rise in demand for the company's product. Due to economic unviability the company had to close down the PAN division. However the MAN division is performing well and is profitable. In view of this the Company requires experienced professionals to understand the consumer behavior and market trends. It also requires expertise for appropriate fund allocation, optimum utilization of various resources in the business. Shri M M Dhanuka has successfully proved his expertise in very effective manner and driven the Company towards the growth over the period of time. Hence, the Board of Directors considers that the remuneration proposed to him is justified commensurate with other organisations of the similar type, size and nature of industry.

## III. Other information:

### 1. Reasons for loss or inadequate profits:

Due to the losses incurred by the Company in the PAN division it was required to close the unit as it was economically unviable and was finally closed down in July 2013. Thereafter MA division continued to show profits. However the overheads of PA division still continued and hence there was inadequate profits. Moreover due to fall in crude oil prices all the downstream product prices fell in tandem with crude prices, thereby reducing the MA prices considerably resulting into lower profits during the previous fiscal.

### 2. Steps taken or proposed to be taken for improvement:

The Company produces Maleic Anhydride from the waste stream of I G Petrochemicals Ltd. (IGPL). As such the Company is dependent upon IGPL for the continuous supply of raw materials. With optimum utilization of resources and less inventory, there can be improved efficiency in the production process. Also with stable or rise in crude oil prices, the profitability may improve.

### 3. Expected increase in productivity and profits in measurable terms:

With political stability visible and governments thrust on infrastructure spending the demand for the product will increase thereby hoping that the profits may increase in the years to come.

## IV. Disclosures:

The relevant disclosures under this head forms part of the Corporate Governance Report.

# Mysore Petro Chemicals Limited

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

## Item No. 6

Pursuant to Clause 49 of the Listing Agreement and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to appoint one woman director. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed, effective 25<sup>th</sup> May, 2015, Smt. Uma Acharya (DIN 07165976) as an Additional Independent Director of the Company who in terms of Section 161 of the Companies Act, 2013 holds office upto the date of this Annual General Meeting. The Company has received notice pursuant to Section 160 of the Companies Act, 2013 from a member proposing the appointment of Smt. Uma Acharya as a Director along with a deposit of ₹ 1,00,000/-.

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Smt. Uma Acharya as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years i.e. upto 24<sup>th</sup> May, 2020.

The Board of Directors believe that the association of Smt. Uma Acharya as Independent Director with the Company shall be beneficial to the progress of the Company and also fulfils the mandatory requirement and hence, the Board recommends her appointment as Independent Director as set out in Item No. 6 for the approval of the shareholders at the Annual General Meeting.

In the opinion of the Board, Smt. Uma Acharya fulfils the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement and she is independent of the management. Further, the Board has received a declaration from her to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

A brief profile of Smt. Uma Acharya including nature of her expertise and other disclosure as required under Clause 49 of the Listing Agreement, is annexed to this Notice.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Except for Smt. Uma Acharya, no other Directors, Key Managerial Personnel and their relatives are concerned or interested in the said Resolution.

## Item No. 7

The existing Articles of Association has been in force since the incorporation of the Company under the Companies Act, 1956 subject to necessary alterations from time to time. With the enforcement of the Companies Act, 2013 introducing several new provisions, the reference to the existing Articles of Association have been rendered ineffective to the extent they are inconsistent with the Companies Act, 2013 ("the Act").

It is, therefore, considered expedient to replace, substitute or alter the existing Articles of Association of the company with the new Articles of Association so as to align with Table F of Schedule I to the Act, which sets out the model Articles of Association.

In terms of Section 5 and 14 of the Act, read with Companies (Incorporation) Rules, 2014, consent of the Members of the Company by way of special resolution is sought to adopt the new set of Articles of Association in complete substitution to the existing Articles of Association of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection by the members at the Registered Office of the Company during the office hours on any working day, between 11.00 a.m. to 6.00 p.m. up to the date of the AGM.

# Mysore Petro Chemicals Limited

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the said Resolution.  
The Board of Directors recommend the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

## **Item No. 8**

Pursuant to the provisions of Section 88, 92 and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Register of Members and Index of Members, Register and Index of any other Security holders, Register of Renewed and Duplicate Share Certificates and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Sections 92 of the Act and other related books are required to be kept at the registered office of the Company. However, the provisions of the Act and the Rules framed under the Act allows the Company to keep the above mentioned Registers, Returns, etc. at any other place within the city, town or village in which the registered office of the Company is situated or at any other place in India in which more than one-tenth of the total members of the Company reside with the consent of the members in the general meeting by way of special resolution.

Based on the data provided by the Company's Registrar and Transfer Agent i.e. Bigshare Services Private Limited, out of the total 7,796 members as on 17<sup>th</sup> July, 2015, 2,252 members constituting 28.89% reside in the city of Mumbai.

The Board of Directors recommends the Resolution at item no. 8 as a Special Resolution for approval of the members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the aforesaid resolution.

By order of the Board  
For **Mysore Petro Chemicals Limited**

**Anand Kadkol**  
Company Secretary

Mumbai  
17<sup>th</sup> July, 2015

**Registered Office :**  
D-4, Jyothi Complex  
134/1, Infantry Road  
Bengaluru-560 001.

## Mysore Petro Chemicals Limited

Details of Directors seeking Appointment/Re-appointment as required under Clause 49 of the Listing Agreement with the Stock Exchange

Name of the Directors	Shri S N Maheshwari	Smt. Uma Acharya
Directors Identification Number (DIN)	00193540	07165976
Date of Birth	19.10.1956	14.09.1983
Date of Appointment	19.11.2001	25.05.2015
Qualifications	B.Com., F.C.A.	B.Com; LL.M
Expertise	He has vast knowledge and experience in finance, accounts and taxation fields.	She has experience in legal area and is specialised in Intellectual property Laws.
Directorship held in other Public Companies (excluding foreign and private Companies)	Seasky Investments Limited Vincent (I) Limited	Nil
Chairmanships / Memberships of Committee across	Nil	Nil
Shareholding of Directors	700 Shares	Nil
Relationship between directors <i>inter-se</i>	Nil	Nil

# Mysore Petro Chemicals Limited

## DIRECTORS' REPORT

To,  
The Members

Your Directors hereby present the Forty Fifth Annual Report alongwith Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2015.

### 1. Financial Results

₹ in Lacs

	2014-2015	2013-2014
Revenue from Operations (Gross)	3,696.73	4,474.78
Less: Excise duty	409.99	482.26
Revenue from Operations (Net)	3,286.74	3,992.52
Other Income	94.94	6.35
Total Revenue	3,381.68	3,998.87
Gross Profit	1,642.31	1,041.60
Less:		
Finance Cost	135.14	246.30
Depreciation and Amortisation expenses	273.98	352.59
Profit/(Loss) before Tax	1,233.19	442.71
Tax Expenses:		
– Current Tax	462.00	68.55
– Deferred Tax	49.65	36.84
Profit for the year	721.54	337.32
Less: Appropriations		
Transfer to General Reserve	200.00	100.00
Proposed Final Equity Dividend @20%	131.67	98.75
Tax on Proposed Dividend / earlier year	27.56	16.02
Balance brought forward from previous year	1,153.54	1,030.99
Balance carried forward to Balance Sheet	1,515.85	1,153.54

### 2. Operational Review

The Company's Maleic Anhydride (MA) Plant at Taloja, Maharashtra operated uninterruptedly during most part of the year. The Net Sales Turnover was ₹ 3,286.74 lacs during the year as against ₹ 3,992.52 lacs during the previous year 2013-2014. In spite of rise in production, the sales turnover was less due to fall in sale price of MA during the third quarter of the year as a result of the steep fall in the international crude oil prices, due to which there was equal fall in the prices of the downstream petro products including MA. The production was affected during October 2014 due to less Wash Water available from M/s. I G Petrochemicals Limited (IGPL) due to stoppage of one of its Plant for change of Catalyst. However the Net Profit for the year was substantially higher at ₹ 721.54 lacs as against ₹ 337.32 lacs in the previous year 2013-2014. This was on account of better realization on sales and reduction in Finance and other costs and minimum overheads of the closed Phthalic Anhydride (PA) Unit at Raichur, Karnataka.



# Mysore Petro Chemicals Limited

## 3. Dividend

Your Directors are pleased to recommend dividend of ₹ 2/- (20%) per equity share of ₹ 10/- each. The total outgo on account of dividend for the current year amounts to ₹ 159.23 lacs, (including dividend distribution tax) as against ₹ 114.77 lacs (including dividend distribution tax).

## 4. Share Capital

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2015 was ₹ 658.76 lacs. During the year under review, the Company has neither issued any shares nor granted any stock options or sweat equity. The Promoter shareholding as on 31<sup>st</sup> March, 2015 is 72.99%.

## 5. Particulars of Loans, Guarantees or Investments

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

## 6. Management's Discussion and Analysis

### a) Performance Review

The Company's MA Plant at Taloja, Maharashtra operated uninterruptedly during most part of the year with a Net Sales turnover of ₹ 3,286.74 lacs. The production was less during October 2014 due to less availability of Wash Water and also the price realization fell sharply due to fall in the price of MA in tandem with the steep fall in the international crude oil prices. Prices started picking up during the last quarter of the year due to which the sales and profits improved reasonably.

The PA Plant at Raichur, Karnataka was closed since July, 2013 due to economic unviability and the management staff and a few workmen accepted the retrenchment compensation offered by the Company. 52 (fifty two) workmen have not accepted the offer and have approached the Labour Department, Government of Karnataka for further demands and the matter is pending before the Industrial Tribunal, Hubballi, Karnataka. The management is awaiting the outcome of the Tribunal's judgement in this regard.

### b) Taxes and Duties

The Company has contributed ₹ 971.17 lacs to the Central and State exchequer by way of Central Excise, Sales Tax, Income Tax, Wealth Tax and Professional Tax.

### c) Economic Scenario, Opportunities, concerns and future outlook

The Indian economy which was at its low during 2013 improved during 2014 thereby helping the economy to grow at 5.12% from 4.7%. Some of the proactive measures taken by the Government recently coupled with the fall in crude oil prices has resulted in taming the inflation levels. Due to strong agricultural growth, gradual reduction in interest rates and the Government's determination to bring in reforms, the economic activity in the medium term to long term is expected to improve.

MA is used in the manufacture of Resins, paints and certain plasticizer industries and there is a steady growth in these industries. Therefore the demand for MA is on the rise. The Company is the only manufacturer of MA in India and the shortfall is met through imports.

I G Petrochemicals Limited (IGPL) supplies Wash Water to the Company and hence the performance of the Company is dependent on the uninterrupted supply of the product to the Company. The Governments import policies and other environmental issues are the other areas which is a cause of concern. The Company constantly keeps itself abreast with these situations and strives to perform better.

The demand for MA is on the rise with newer applications and growth in demand from user industries. The performance since the last quarter of the year has improved and continues during the current quarter and hence the Company is optimistic about the performance in the current financial year.

### d) Internal Control System

The Company has internal controls commensurate with the size of its business and has established framework of internal controls to ensure that the assets are safeguarded and are productive. Necessary checks and balances are in place to ensure that transactions are adequately authorized and reported correctly. The

# Mysore Petro Chemicals Limited

Company is following all the Accounting Standards for properly maintaining the books of accounts and the reporting of financial statements. The Company has appointed the Internal Auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board and corrective actions are taken by the Company when needed.

**e) Human Resource Development/Industrial Relations**

The PA Plant at Raichur, Karnataka has closed down its operations since July, 2013 and the settlement with the workers is in progress.

Industrial relations continued to remain cordial at the manufacturing unit at Taloja, Maharashtra.

**f) Cautionary Statement**

Statements made in this report describes the Company's objectives, projections and estimates and may be forward looking and are stated as required by applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include market conditions, Government regulations, exchange rate fluctuations, interest and other costs.

**7. Fixed Deposits**

The Company has not accepted any Fixed Deposits during the year. However in view of the repayment of the Working Capital loan of The Saraswat Co-operative Bank Ltd. certain loans by the relatives of Directors were considered as deposits amounting to ₹ 499.50 lacs and were repaid in full before the stipulated period of one year as per the provisions of Section 74(b) of the Companies Act, 2013.

**8. Risk Management**

The Company manufactures a single product MA which is recovered from the Wash Water made available by IGPL. Hence there are only the general business risks which are inherent to any business. The Board of Directors do a periodic assessment of risks through properly defined frame work and its mitigation resulting in minimization of risks.

The key business risks identified by the Company and its mitigation plans are as under:

**a. Technical/Operational risk**

During the year under review the MA-1/2/3 Plants operations were smooth except on certain occasions due to minor technical problems and less availability of Wash Water from IGPL. The maintenance department at Taloja Plant takes care of the day to day maintenance. The Company's Plants are adequately insured viz. Fire Policy, Loss of Profit Policy etc.

**b. Exchange Rate risk ( Procurement of Raw material and sale of finished goods)**

Wash Water is supplied from IGPL Plants for recovery of MA and the product is sold locally. Hence there is no exchange rate risk for the product. There are no forex transactions and hence there is no exchange rate risk.

**c. Interest rate risk**

The Company does not have any secured debts from Banks/Institutions. There are only unsecured debts from group Companies. Interest as per Bank rates is paid regularly to the Companies from whom inter-corporate loans are accepted. The Company reviews the position on regular basis and keeps the loan/interest cost at minimum level.

**d. Economic and Geo Political risk**

The political situation and the Government policies viz. import duty, taxes etc. and the international situation have an impact on the overall corporate growth. There was a steep fall in the international crude oil price from a high of about 115 US\$ to 45 US\$ during the the period September 2014 to January 2015 due to which all the downstream petro products witnessed a sharp fall in the prices. The Company keeps abreast with the domestic and international economic developments and works on the strategies favourable to the Company. The Company maintains minimum inventory levels of finished goods in order to minimize the loss due to external factors.

# Mysore Petro Chemicals Limited

## 9. Vigil Mechanism/Whistle Blower Policy

The Company has a Vigil Mechanism Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

## 10. Directors

The Board of Directors of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee, in its meeting held on 17<sup>th</sup> July, 2015 revised the remuneration payable to Shri M M Dhanuka w.e.f. 1st July, 2015 and also modified the term of his appointment to expire on 30th June, 2018 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

Based on the recommendation of the Nomination and Remuneration Committee the Board of Directors appointed Smt. Uma Acharya (DIN 07165976) as Additional Independent Director effective 25<sup>th</sup> May, 2015. She has given declaration that she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("the Act") and Clause 49 of the Listing Agreement. In terms of sections 149, 152, 161, Schedule IV and applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of your Company and are not liable to retire by rotation. Accordingly it is proposed to appoint Smt. Uma Acharya as Independent Director of your Company up to five (5) consecutive years i.e. upto 24<sup>th</sup> May, 2020.

All Independent Directors have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Shri. S N Maheshwari, Director retires by rotation and being eligible has offered himself for re-appointment.

### 10.1 Board Evaluation

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the working of the Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### 10.2 Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and determination of their remuneration. The Remuneration Policy forms part of the Corporate Governance Report.

### 10.3 Meetings

During the year four Board Meetings and equal number of Audit Committee Meetings were convened and held. The details of the same are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act.

## 11. Directors' responsibility statement.

To the best of our knowledge and belief and according to the information and explanation obtained by us, in terms of Section 134(3)(c) of the Companies Act, 2013 we state:

- a) that in the preparation of the annual financial statements for the year ended 31st March 2015, all the applicable accounting standards have been followed and no material departures have been made from the same;
- b) that appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2015 and of the profit of the Company for that year;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing/detecting fraud and other irregularities;

# Mysore Petro Chemicals Limited

- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 12. Related Party Transactions

The Company has certain long term related party transactions which are on arm's length basis and in the ordinary course of business. During the year under review, there were no related party transactions within the meaning of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement. The Board has framed a policy on Related Party Transactions which is hosted on the Company's website [www.igpetro.com](http://www.igpetro.com).

## 13. Auditors

### 13.1 Statutory Auditors

The Company's Auditors, M/s. Hariharan and Company, Chartered Accountants, Bengaluru (Firm's Registration No. 001083S) retire at the ensuing Annual General Meeting and are eligible for re-appointment for the financial year 2015-2016. As per the requirement of Section 139 of the Companies Act, 2013 the Company has obtained written confirmation from M/s. Hariharan and Company that their appointment, if made, would be in conformity with the limits specified in the said section. Also they have confirmed their eligibility under Section 141 of the said Act and the Rules framed there under for re-appointment as Auditors of the Company. As required under Clause 49 of the listing agreement, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Your Directors recommend their re-appointment as the Statutory Auditors to hold office for a term of two consecutive years from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 47<sup>th</sup> AGM of the Company to be held in the year 2017 subject to the ratification of their appointment at the next AGM to be held in the year 2016.

### 13.2 Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, ("Said Rules") 2014, the cost records by the Company in respect of Maleic Anhydride is required to be maintained. However Cost Audit is not required as per the said Rules from the financial year 2014-15.

The Cost Audit Report for the financial year 2013-2014 was filed with the Ministry of Corporate affairs in the stipulated time on 25.09.2014.

### 13.3 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. Makarand M Joshi and Associates, a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the Financial Year 2014-15. The said Report is annexed herewith as "Annexure A".

The Company has appointed a Woman Director on Board w.e.f. 25.5.2015 and hence the Observations made by the Secretarial Auditors in this regard is resolved.

## 14. Listing of Shares

Your Company's shares are listed on BSE Limited (BSE) under Scrip Code No. 506734. The ISIN code is INE741A01011.

# Mysore Petro Chemicals Limited

## 15. Corporate Governance

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

## 16. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure B".

## 17. Extract of Annual Return

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual return in Form MGT-9 is annexed herewith as "Annexure C".

## 18. Particulars of Employees

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office/Corporate Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## 19. Acknowledgements

Your Directors sincerely thank the various Central and State Government Departments and various Organizations for their continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for their excellent support. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

**M M Dhanuka**

Chairman & Managing Director

Mumbai  
17<sup>th</sup> July, 2015

# Mysore Petro Chemicals Limited

## ANNEXURE 'A' TO DIRECTORS' REPORT

### FORM NO. MR.3

### SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31<sup>st</sup> March, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

#### **MYSORE PETRO CHEMICALS LIMITED**

D. 4, Jyothi Complex, 134/1, Infantry Road,  
BENGALURU - 560001

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MYSORE PETRO CHEMICALS LIMITED (hereinafter called the "Company"). 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 ('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 financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period)
- (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, 1992
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period)
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014 (Not Applicable during the audit period)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable 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 and dealing with client.

# Mysore Petro Chemicals Limited

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the audit period) and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the audit period);

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified during the audit period and hence not applicable to the Company).
- (ii) The Listing Agreements entered into by the Company with stock exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and etc. except the Company has not appointed woman director before 31<sup>st</sup> March,2015, which is required to appoint under section 149 of the Act.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following law applicable specifically to the Company:

- Petroleum Act, 1934 and
- Petroleum Rules, 2002

We further report that

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

Adequate notice is 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 meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

For **Makarand M. Joshi & Co**

Sd/-

**Makarand Joshi**

Partner

FCS No. 5533

CP No. 3662

Place: Mumbai

Date: 25<sup>th</sup> May,2015

# Mysore Petro Chemicals Limited

## ANNEXURE 'B' TO DIRECTORS' REPORT

### Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

#### A) Conservation of Energy

##### a. Energy Conservation Measures Taken

1. Steam leaks are being attended to prevent losses by carrying out relevant action day to day and with online sealing action wherever system cannot be isolated.
2. Predictive and preventive maintenance and in certain areas pro-active maintenance activities are carried out by which energy is saved.

- b. (i) Total energy consumption and energy consumption per unit of production:

##### Power & Fuel Consumption

		For the Year ended 31.03.2015	For the Year ended 31.03.2014
1. Electricity			
a. Purchased (Units)		143,380	557,436
Total Amount (₹)		1,701,115	4,410,356
Rate/Unit (₹)		11.86	7.91
b. Own Generation			
I Through Diesel Generator		—	41,785
Unit per Litre of Diesel Oil		—	3.42
Cost/Unit (₹)		—	15.75
II Through Steam Turbine			
Generator (Units)		—	32,675
Cost/Unit (₹)		—	—
2. Coal is not used in Manufacturing Process			
3. Furnace Oil quantity (K.L.)		—	70
Total Amount (₹)		—	32,18,498
Average rate/KL (₹)		—	46,085
Other/Internal generation		—	—
(ii) Energy consumption per unit (MT) of Product			
1. Phthalic Anhydride	Standard	2014-2015	2013-2014
Electricity	Not Specified	—	297 Units
Furnace Oil	Not Specified	—	145 Ltrs.
2. Maleic Anhydride	Standard		
Electricity	Not Specified	45 Units	168 Units
Furnace Oil	Not Specified	—	—

#### B) Technology absorption, adaptation and innovation

The technology of recovery of Maleic Anhydride from the waste water has been adapted in the Maleic Anhydride project of the Company.

	2014-15	2013-14
<b>C) Foreign Exchange Earnings &amp; Outgo</b>		
Total Foreign Exchange Earnings	—	—
Total Foreign Exchange Outgo	17.95	28.34



# Mysore Petro Chemicals Limited

## ANNEXURE 'C' TO DIRECTOR'S REPORT

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.3.2015

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

#### I. Registration and other details

CIN	L24221KA1969PLC001799
Registration date	9 <sup>th</sup> June 1969
Name of the Company	Mysore Petro Chemicals Limited
Category/Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
Address of the Registered Office and Contact details	D/4 Jyothi Complex, 134/1, Infantry Road Bengaluru - 560 001. Tel. : 080 - 22868372 Fax : 080 - 22868778 E-mail : mysore_petro@vsnl.net
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer agent, if any	Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (East), Mumbai – 400 072. Tel. 022 40430200; Fax – 022 28475207 Email: <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a>

#### II. Principal Business Activity of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products/Services	NIC Code of the Product/Service	% of total turnover of the Company
Maleic Anhydride	24117	100%

#### III. Particulars of Holding / Subsidiary / Associate Companies

Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Nil				

# Mysore Petro Chemicals Limited

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014				No. of Shares held at the end of the year i.e. 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter and Promoter Group</b>									
(1) Indian									
a) Individual / HUF	390881	0	390881	5.94	118881	0	118881	1.81	(4.13)
b) Central / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	4399145	0	4399145	66.82	4686424	0	4686424	71.18	4.36
d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A)(1) :</b>	<b>4790026</b>	<b>0</b>	<b>4790026</b>	<b>72.76</b>	<b>4805305</b>	<b>0</b>	<b>4805305</b>	<b>72.99</b>	<b>0.23</b>
(2) Foreign									<b>0.00</b>
a) NRI - Individual	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total holding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>4790026</b>	<b>0</b>	<b>4790026</b>	<b>72.76</b>	<b>4805305</b>	<b>0</b>	<b>4805305</b>	<b>72.99</b>	<b>0.23</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	130	100	230	0.00	130	100	230	0.00	0.00
b) Financial Institutions / Banks	455	970	1425	0.02	455	970	1425	0.02	0.00
c) Central / State Government(s)	200	0	200	0.00	200	0	200	0.00	0.00
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Insurance Companies	196010	0	196010	2.98	196010	0	196010	2.98	0.00
f) FIs	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h) Any Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1) :</b>	<b>196795</b>	<b>1070</b>	<b>197865</b>	<b>3.01</b>	<b>196795</b>	<b>1070</b>	<b>197865</b>	<b>3.01</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	158424	2833	161257	2.45	186193	2833	189026	2.87	0.42
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

# Mysore Petro Chemicals Limited

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014				No. of Shares held at the end of the year i.e. 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>b) Individuals</b>									
i) Shareholder holding nominal share capital upto ₹ 1 Lakh)	957655	353294	1310949	19.91	923673	342069	1265742	19.23	(0.69)
ii) Shareholder holding nominal share capital exceeding of ₹ 1 Lakh)	98484	0	98484	1.50	89758	0	89758	1.36	(0.13)
<b>c) Any Others</b>									
i) Trusts	150	0	150	0.00	150	0	150	0.00	0.00
ii) Clearing Member	1741	0	1741	0.03	14901	0	14901	0.23	0.20
iii) Other Directors	3625	0	3625	0.06	3625	0	3625	0.06	0.00
iv) Non Resident Indians (NRI)	19081	310	19391	0.29	16806	310	17116	0.260	(0.03)
<b>SUB TOTAL (B)(2) :</b>	<b>1239160</b>	<b>356437</b>	<b>1595597</b>	<b>24.23</b>	<b>1235106</b>	<b>345212</b>	<b>1580318</b>	<b>24.004</b>	<b>(0.23)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1435955</b>	<b>357507</b>	<b>1793462</b>	<b>27.24</b>	<b>1431901</b>	<b>346282</b>	<b>1778183</b>	<b>27.01</b>	<b>(0.23)</b>
<b>Total (A) + (B) :</b>	<b>6225981</b>	<b>357507</b>	<b>6583488</b>	<b>100.00</b>	<b>6237206</b>	<b>346282</b>	<b>6583488</b>	<b>100.00</b>	<b>0.00</b>
<b>C. Shares held by Custodians and against which Depository Receipts have been issued</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>6225981</b>	<b>357507</b>	<b>6583488</b>	<b>100.00</b>	<b>6237206</b>	<b>346282</b>	<b>6583488</b>	<b>100.00</b>	<b>100.00</b>

## ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2014			Shareholding at the end of the year i.e. 31.03.2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Madan Mohan Dhanuka	160900	2.44	0.00	60900	0.93	0.00	-1.51
2	Nikunj Dhanuka	180	0.00	0.00	180	0.00	0.00	0.00
3	Amishi Dhanuka	2050	0.03	0.00	2050	0.03	0.00	0.00
4	Mayank Dhanuka	70750	1.07	0.00	0	0.00	0.00	-1.07
5	Mayank Dhanuka	9125	0.14	0.00	9125	0.14	0.00	0.00
6	Umang Dhanuka	146732	2.23	0.00	45482	0.69	0.00	-1.54
7	Umang Dhanuka	1144	0.02	0.00	1144	0.02	0.00	0.00
8	Bihariji Constructions (I) Ltd	294510	4.47	0.00	294510	4.47	0.00	0.00
9	Bihariji Projects Ltd	296835	4.51	0.00	296835	4.51	0.00	0.00
10	Brahamputra Enterprises Ltd	294349	4.47	0.00	294349	4.47	0.00	0.00
11	Ellenbarrie Steel & Allied Ind. Ltd	38140	0.58	0.00	38140	0.58	0.00	0.00
12	Ellenbarrie Steel & Allied Ind. Ltd	334434	5.08	0.00	334434	5.08	0.00	0.00

# Mysore Petro Chemicals Limited

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2014			Shareholding at the end of the year i.e. 31.03.2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
13	Gembel Trade Enterprises Ltd	769020	11.68	0.00	769020	11.68	0.00	0.00
14	Kalimpong Produce Co. Ltd	4800	0.07	0.00	4800	0.07	0.00	0.00
15	Kamakhaya Enterprises Ltd.	84960	1.29	0.00	84960	1.29	0.00	0.00
16	Kamrup Enterprises Ltd.	132090	2.01	0.00	132090	2.01	0.00	0.00
17	Savita Investments Co. Ltd.	1509503	22.93	0.00	1509503	22.93	0.00	0.00
18	Shekhavati Investment Corp. Ltd.	347558	5.28	0.00	447558	6.80	0.00	1.52
19	Shekhavati Investment Corp. Ltd.	208536	3.17	0.00	208536	3.17	0.00	0.00
20	Shogun Vinimay (P) Ltd.	4633	0.07	0.00	4633	0.07	0.00	0.00
21	Vincent (India) Ltd.	79777	1.21	0.00	267056	4.06	0.00	2.85
	<b>Total</b>	<b>4790026</b>	<b>72.76</b>	<b>0.00</b>	<b>4805305</b>	<b>72.99</b>	<b>0.00</b>	<b>0.26</b>

### iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year i.e. 01.04.2014		Shareholding at the end of the year i.e. 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4790026	72.76	4805305	72.99
	04/04/2014	239	0.00	4790265	72.76
	11/04/2014	5650	0.09	4795915	72.85
	02/05/2014	9390	0.14	4805305	72.99
	<b>At the end of the year</b>			4805305	72.99

### iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01.04.2014		Shareholding at the end of the year i.e. 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Life Insurance Corporation of India	196010	2.98	196010	2.98
2	Woodburn Infratech Pvt. Ltd.	46200	0.70		
	19/04/2014	10769	0.17	56969	0.87
3	Rakesh Sawant	30121	0.46	30121	0.46
	04/07/2014	1000	0.02	31121	0.48
4	Minaxi Praful Satara	21962	0.33	21962	0.33
	30/05/2014	(1962)	(0.03)	20000	0.30
	06/06/2014	(20000)	(0.30)	0	0.00
5	Aryav Exports Pvt. Ltd.	0	0.00	0	0.00
	21/11/2014	21227	0.32		

## Mysore Petro Chemicals Limited

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the begining of the year i.e. 01.04.2014		Shareholding at the end of the year i.e. 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Shiv Kumar Bagri 9/12/2014 9/19/2014 1/30/2015 2/27/2015	16764 (150) (150) (2000) (4000)	0.25 (0.00) (0.00) (0.03) (0.06)	16764 16614 16464 14464 10464	0.25 0.25 0.25 0.22 0.16
7	Deepa Shah 18/04/2014	16088 (16088)	0.24 (0.24)	0	0.00
8	B Daulat Ltd.	14500	0.22	14500	0.22
9	P. S. Subramanian 18/07/2014 24/07/2014 12/09/2014 17/10/2014 16/01/2015	13549 (349) (200) (500) 1500 (14000)	0.21 (0.01) (0.00) (0.01) 0.02 (0.21)	13549 13200 13000 12500 14000 0	0.21 0.20 0.20 0.19 0.21 0.00
10	Ravi Raj Singh 06/06/2014 20/06/2014 30/06/2014 15/08/2014 12/09/2014 19/09/2014 21/11/2014	11237 (1500) (484) (500) (821) (2500) (3000) (2432)	0.17 (0.02) (0.01) (0.01) (0.01) (0.04) (0.05) (0.04)	11237 9737 9253 8753 7932 5432 2432 0	0.17 0.15 0.14 0.13 0.12 0.08 0.04 0.00
11	Nangalia Stock Broking Pvt. Ltd. 5/9/2014 5/16/2014 5/30/2014 6/6/2014 6/20/2014 6/30/2014 7/18/2014 7/24/2014	4800 (1938) 3666 4377 9072 15000 2307 (1664) (908)	0.07 (0.03) 0.06 0.07 0.14 0.23 0.04 (0.03) (0.01)	4800 2942 6608 10985 20057 35057 37364 35700 34792	0.07 0.04 0.10 0.17 0.30 0.53 0.57 0.54 0.53
12	Satya Prakash Mittal (HUF) (31/03/2015)	0	0.00	20015	0.30
13	Ayush Mittal (31/03/2015)	0	0.00	18038	0.27
14	Camel Foods Pvt. Ltd. 05/12/2014 12/12/2014 09/01/2015 16/01/2015 23/01/2015 06/02/2015 13/02/2015 20/02/2015 27/02/2015 06/03/2015 13/03/2015 27/03/2015	0 3000 29189 (491) (2307) (5585) (3715) (5625) (7875) 4295 1220 300	0.00 0.05 0.44 (0.01) (0.04) (0.08) (0.06) (0.09) (0.12) 0.07 0.02 0.00	2909 5909 35098 34607 32300 26715 23000 17375 9500 13795 15015 15315	0.04 0.09 0.53 0.53 0.49 0.41 0.35 0.26 0.14 0.21 0.23 0.23
15	Meeta VIJ 3/27/2015	0 1120	0.00 0.02	9000 10120	0.14 0.15

# Mysore Petro Chemicals Limited

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year i.e. 01.04.2014		Cumulative Shareholding during the year i.e. 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M M Dhanuka	160900	2.44	60900	0.93
2	Nukunj Dhanuka	180	0.00	180	0.00
3	M M Jayakar	2725	0.04	2725	0.04
4	Shrikant Somani	100	0.00	100	0.00
5	Anil Kochar	100	0.00	100	0.00
6	S N Maheshwari	700	0.01	700	0.01
7	Paras Jain	0	0.00	0	0.00
8	Anand Kadkol	83	0.00	83	0.00

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

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	1,439.90	-	1,439.90
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>1,439.90</b>	-	<b>1,439.90</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	16.80	-	-	16.80
- Reduction	-	(822.16)	-	(822.16)
<b>Net Change</b>	<b>16.80</b>	<b>(822.16)</b>	-	<b>(805.36)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	16.80	617.74	-	634.54
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>16.80</b>	<b>617.74</b>	-	<b>634.54</b>

# Mysore Petro Chemicals Limited

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of Managing Director	Total Amount
	Independent Directors	Shri. M M Dhanuka	
1.	Gross salary	36.00	36.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	19.41	19.41
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	<b>Total (A)</b>	<b>55.41</b>	<b>55.41</b>
	Ceiling as per Section 198 of the Companies Act, 2013		59.96

### B. Remuneration to other directors

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Anil Kochar	M M Jayakar	Shrikant Somani	
1.	Independent Directors	Anil Kochar	M M Jayakar	Shrikant Somani	
	Fee for attending Board Committee meetings	0.44	0.82	0.82	2.08
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0.44</b>	<b>0.82</b>	<b>0.82</b>	<b>2.08</b>

# Mysore Petro Chemicals Limited

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
2.	Other Non-Executive Directors	Nikunj Dhanuka	S N Maheshwari		
	Fee for attending board committee meetings	0.30	0.86	–	1.16
	Commission				
	Others, please specify				
	Total (2)	0.30	0.86	–	1.16
	Total (B)=(1+2)				3.24
	<b>Total Managerial Remuneration</b>				<b>3.24</b>
	Ceiling as per Section 198 of the Companies Act, 2013				11.99

## C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Anand Kadkol (CS)	Paras Jain (CFO)	Total
1.	Gross salary	13.18	6.81	19.99
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	–	–	–
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4.19	3.33	7.52
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission	–	–	–
	- as % of profit	–	–	–
	others	–	–	–
5.	Others	–	–	–
	<b>Total</b>	<b>17.37</b>	<b>10.14</b>	<b>27.51</b>

## VII Penalties / Punishment / Compounding of Offences

There were no penalties / Punishment / Compounding of Offences during the year ended 31st March, 2015.



# Mysore Petro Chemicals Limited

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange)

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2015.

### Company's Philosophy on Code of Governance

The Company's philosophy of Corporate Governance is to create an environment of fairness, equity and transparency in its transactions with the objective of securing long term value for its stakeholders. The management of the Company aims for efficient conduct of its business and in meeting its obligations to all its stakeholders and business partners.

The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchange.

### Board of Directors

#### Composition and size of the Board

The present strength of the Board is 7 (seven) Directors. The Board comprises of optimum combination of Executive and Non-Executive Directors. The Chairman is Executive Chairman and Managing Director and two other Directors are non-Executive Directors. Also there are four Non-Executive and Independent Directors out of which one is a Woman Director. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions.

#### Management Structure

The Management structure for running the business activities of the Company is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

##### a. Chief Executive Officer and Managing Director

The Chairman of the Company is the Chief Executive Officer and Managing Director (CEO & MD) and is in overall control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various Committees.

##### b. Chief Financial Officer

The Chief Financial Officer is responsible for all matters pertaining to finance and accounting operations of the Company. He reports to the Managing Director and the Board of the Company.

#### Director's Profile

The Board of Directors comprises of professionals from diverse fields. They bring with them independent judgments which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors is as under:

##### Shri M M Dhanuka (Chairman & Managing Director)

Shri M M Dhanuka, B.E. (Chem), aged 67 years is the promoter of the Company and has over 35 years of varied experience and expertise in technical, production and marketing fields. Possesses over 35 years of varied experience and expertise in technical, production and marketing.

##### Shri Nikunj Dhanuka (Non-Executive Director)

Shri Nikunj Dhanuka, aged 47 years, is a Commerce and a Management Graduate and Promoter of the Company and is associated with the Company since 1998. Possesses diverse experience in handling overseas business and an extensive knowledge on the functioning of Chemical Industries. In charge of the overall affairs of the Company and specifically supervises the finance, banking and operations of the Company.

##### Shri M M Jayakar (Non-Executive & Independent Director)

Shri M M Jayakar, aged 64 years is B.A., LL.B. He is a Solicitor and an eminent Supreme Court lawyer. He has vast knowledge of more than 35 years as a lawyer and specializes in customs, central excise and International laws and corporate matters like mergers, acquisitions and joint ventures. He has been a member of the CEGAT Bar Association.

# Mysore Petro Chemicals Limited

## **Shri Anil Kochar** (Non-Executive & Independent Director)

Shri Anil Kochar, aged 58 years is a Commerce and Law graduate. He is Tax Consultant and has vast knowledge and experience in accounting and taxation areas.

## **Shri Shrikant Somani** (Non-Executive & Independent Director)

Shri Shrikant Somani, aged 47 years is a Commerce graduate. He is an industrialist and belongs to a reputed business house. He has vast experience in the Chemical and Power industries. He is associated with various charitable activities.

## **Shri S N Maheshwari** (Non-Executive Director)

Shri S N Maheshwari, aged 58 years is B.Com., F.C.A. and is associated with the Company for more than 20 years. He has vast knowledge and experience in finance, accounts and taxation fields.

## **Smt. Uma Acharya** (Non-Executive & Independent Director)

Smt. Uma Acharya, aged 32 years, is B.Com; LL.M and has a Certificate Course in Intellectual Property Laws and is a Member of Chamber of Tax Consultants, Mumbai. She was appointed as an Additional Independent Director of the Company on 25<sup>th</sup> May 2015.

## **Board Training and Induction**

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties, responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Companies Act, Clause 49 of the Listing Agreement and other relevant regulations and his/her affirmation taken with respect to the same. By way of introduction to the Company, the Chairman has a one-to-one discussion with the newly appointed Director and explains about the overall perspective of the PA/MA industry, organizational setup and functioning of the various divisions and market related information. This helps the Director to equip and effectively fulfill his/her role as a Director of the Company.

The Board thus, attempts to familiarize the newly appointed directors by adhering to the above mechanism so as to achieve the object of bringing diversity to the Board which in turn would result in effective and responsible decision making process.

## **BOARD MEETINGS AND ATTENDANCE**

During the financial year under review, four Board Meetings were held i.e. 23<sup>rd</sup> May, 2014, 12<sup>th</sup> August, 2014, 11<sup>th</sup> November, 2014 and 11<sup>th</sup> February, 2015.

The composition of the Board, attendance at the Board Meeting held during the year and at the last Annual General Meeting, number of Directorships in other Companies and memberships in Committees across other Companies of which the Director is a Member/Chairman are given below:

Name of the Director	Date of Appointment	Category	Number of Board Meetings attended	Attendance at the AGM held on 1 <sup>st</sup> August, 2014	*Number of Directorship(s) held in Indian Public Limited Companies	Number of Committee positions held	
						Chairman	Member
Shri M M Dhanuka	14.09.1982	Executive Director	4	No	1	-	2
Shri Nikunj Dhanuka	28.09.1996	Non-Executive Director	3	No	1	-	1
Shri M M Jayakar	16.06.2007	Non-Executive & Independent Director	4	Yes	4	-	1

# Mysore Petro Chemicals Limited

Name of the Director	Date of Appointment	Category	Number of Board Meetings attended	Attendance at the AGM held on 1 <sup>st</sup> August, 2014	*Number of Directorship(s) held in Indian Public Limited Companies	Number of Committee positions held	
						Chairman	Member
Shri Anil Kochar	21.09.2007	Non-Executive & Independent Director	2	Yes	2	-	-
Shri Shrikant Somani	22.05.2009	Non-Executive & Independent Director	4	No	4	-	-
Shri S N Maheshwari	19.11.2001	Non-Executive Director	4	Yes	2	-	-
Smt. Uma Acharya (Inducted effective 25.05.2015)	25.05.2015	Non-Executive & Independent Director	-	-	-	-	-

\*Excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

#Only Audit Committee and Stakeholders Relationship committee has been considered as per Clause 49 of the Listing Agreement.

## Shareholding of Directors:

Shareholding of Non-Executive Directors as on 31st March, 2015 are as under :

Name	No. of ordinary shares held	% of Paid-up Capital
Shri Nikunj Dhanuka	180	0.00
Shri M M Jayakar	2725	0.04
Shri Anil Kochar	100	0.00
Shri Shrikant Somani	100	0.00
Shri S N Maheshwari	700	0.01
Smt. Uma Acharya (Inducted effective 25.05.2015)	—	—

## COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following Committees (applicable w.e.f. financial year 2015-2016) viz. Audit committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee w.e.f. 25.05.2015 (applicable from the financial year 2015-16). The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all directors individually and tabled at the Board Meetings.

# Mysore Petro Chemicals Limited

## A. AUDIT COMMITTEE

### Terms of Reference of the Committee are:

- i. To oversee Company's financial reporting/financial information/financial statements.
- ii. To review with management the Annual financial statements before submission to Board, focusing primarily on changes in accounting policies and practices.
- iii. To look into compliance with Stock Exchange and legal requirements concerning financial statements.
- iv. To review the external and internal management systems and internal control systems.
- v. To discuss with the auditors periodically about internal control system, the scope of audit including the observations of the auditors and review the half yearly and annual financial statements before submission to the Board and also ensure compliance on internal control system.

### Additional Terms of Reference as per the provisions of Section 177 of the Companies Act, 2013

- i. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- ii. Review and monitor the auditor's independence and performance and effectiveness of audit process;
- iii. Examination of the financial statement and the auditor's report thereon;
- iv. Approval or any subsequent modification of transactions of the Company with related parties;
- v. Scrutiny of inter-corporate loans and investments;
- vi. Valuation of undertakings or assets of the Company wherever it is necessary;
- vii. Evaluation of internal financial controls and risk management systems;
- viii. Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee comprises mainly of Independent Directors and their meetings were held on 23<sup>rd</sup> May, 2014, 12<sup>th</sup> August, 2014, 11<sup>th</sup> November, 2014 and 11<sup>th</sup> February, 2015.

The Audit Committee was reconstituted w.e.f 25.5.2015 with the following members Viz. Shri M M Jayakar, Shri Nikunj Dhanuka, Shri. Anil Kochar and Shri. Shrikant Somani

Attendance at its meetings held during 2014-2015 is given below:

Name of the Director	Position	Category	Number of Meetings	
			Held	Attended
Shri M M Jayakar	Chairman	Non-Executive & Independent Director	4	4
Shri Nikunj Dhanuka *	Member	Executive Director	--	--
Shri Anil Kochar	Member	Non-Executive & Independent Director	4	2
Shri Shrikant Somani	Member	Non-Executive & Independent Director	4	4
Shri S N Maheshwari #	Member	Non Executive Director	4	4

\* Inducted effective 25.05.2015

# upto 11.02.2015

The Managing Director, the Internal Auditors and the Statutory Auditors are the invitees to the meeting. It is the prerogative of the Audit Committee to invite Senior Executives, whom it considers appropriate to be present at the Meetings.

The Chairman of the Audit Committee Shri. M M Jayakar was present at the Annual General Meeting of the Company held on 1st August, 2014.

# Mysore Petro Chemicals Limited

## Self Assessment by the Audit Committee

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings, overview of the financial reporting process, internal control systems and overview of internal and external audits. The results of the self assessment are presented to the audit Committee along with the action plan in the areas requiring improvement.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee was reconstituted w.e.f 25.5.2015 with the following members Viz. Shri Nikunj Dhanuka Shri M M Jayakar and Shri S N Maheshwari.

The Committee oversees and reviews all matters connected with the investor services viz. transfer of shares, dematerialization and rematerialisation of shares, issue of duplicate share certificates in lieu of reported lost, defaced or destroyed certificates, issue of new certificates against sub-division of shares, renewal, split or consolidation of share certificates, issue of rights, bonus share etc. and other related matters. The Company Secretary/other officers of the Share department attend to matters relating to non-receipt of Annual Reports, notices, non-receipt of declared dividends, change of address for correspondence etc. and to monitor action taken, monitoring expeditious redressal of investor/stakeholder grievances and all other matters incidental or related to shares and other securities of the Company.

The Company has appointed M/s. Bigshare Services Pvt. Ltd. to act as Registrars and Transfer Agent (RTA) of the Company. The Committee oversees the performance of the RTA and recommends measures for overall improvement in the quality of investor services. The Board has also constituted the Share Transfer Committee which deals with transfers/transmissions of securities and other matters and delegated the power of approving the transfer statements to the officers of the Company.

## Meetings and Attendance:

Name of the Director	Position	Category	Held on 23.05.2014 & 11.11.2014 and Attended
Shri Anil Kochar #	Chairman	Non-Executive & Independent Director	All
Shri M M Dhanuka #	Member	Executive Director	All
Shri S N Maheshwari	Member	Non- Executive Director	All
Shri Nikunj Dhanuka *	Chairman	Non-Executive Director	–
Shri M M Jayakar *	Member	Non Executive & Independent Director	–

\* Inducted effective 25.05.2015

# upto 24.05.2015

## Name and designation of Compliance Officer:

Shri Anand Kadkol  
Company Secretary  
401, Raheja Centre  
214, Nariman Point, Mumbai-400 021  
Tel. No.: 022 30286100  
Fax: 022 22040747  
Email: [igpetro@vsnl.com](mailto:igpetro@vsnl.com)

During the year, 5 complaints were received from the shareholders and the same were resolved.

# Mysore Petro Chemicals Limited

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was reconstituted w.e.f 25.5.2015 with the following members comprises of four members out of which three are Independent Directors. Shri Anil Kochar is the Chairman and Shri M M Jayakar, Shri S N Maheshwari and Shri Shrikant Somani are the other members.

### Meetings and Attendance:

Name of the Director	Position	Category	Held on 11.02.2015 and Attended
Shri Anil Kochar	Chairman	Non-Executive & Independent Director	No
Shri M M Jayakar	Member	Non-Executive & Independent Director	1
Shri S N Maheshwari	Member	Non-Executive Director	1
Shri Shrikant Somani	Member	Non-Executive & Independent Director	1

The Chairman of the Nomination and remuneration committee Shri Anil Kochar was present at the Annual General Meeting held on 1<sup>st</sup> August, 2014.

### Terms of Reference and Remuneration policy

The terms of reference of the Committee includes manner of selection of the Directors and senior management personnel., the determination of their remuneration and evaluation of their performance. In the process of the appointment of Directors, the Committee attempts to bring diversity to the Board having regard to the nature of the business of the Company, consider the appointee's expertise and experience, age, qualification, degree of independence, integrity, etc.

The Non-Executive Directors are paid sittings fees for each meeting of the Board/Committee whereas the remuneration of the Executive Directors consists of fixed pay, perquisites, etc subject to the overall ceiling limit under the Companies Act,2013. The remuneration of the senior management employees are recommended by the committee based on the prevailing industry standards.

The Board evaluates its own performance vis-a-vis directors individually taking into consideration the number of meetings attended, level of engagement, measures initiated for the protection of the stakeholders interest etc.

The Committee discharges its function within the defined scope of reference.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR ) Committee was constituted w.e.f 25.5.2015 comprising of four members out of which two are Independent. Shri Nikunj Dhanuka is the Chairman and Smt Uma Acharya, Shri S N Maheshwari and Shri Shrikant Somani are the other members.

## RELATED PARTY TRANSACTIONS

The Company has certain long term related party transactions which are on arm's length basis and in the ordinary course of business. During the year under review, there were no related party transactions within the meaning of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of the Board and its powers) Rules, 2014 and Clause 49 of the Listing Agreement. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the company's website.

## DISCLOSURES

### Item No. 5 of the Explanatory Statement of Notice convening AGM

1. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the Directors:

The remuneration package proposed to be paid to Shri M M Dhanuka has been disclosed in the Explanatory Statement forming part of the Notice convening the Annual General Meeting (AGM).

# Mysore Petro Chemicals Limited

There are no Directors who are in receipt of any remuneration except Sitting fees paid for attending the Board/ Committee meetings.

2. Details of fixed component and performance linked incentives along with the performance criteria:

The Managing Director of the Company is entitled to only a fixed remuneration as explained in the Notice of AGM. There is no performance linked incentives offered to any of the Directors.

3. Service contracts, notice period, severance fees:

Shri M M Dhanuka was appointed as a Managing Director for a period of five years w.e.f. 1st December, 2013. It is proposed to revise his term of appointment to hold office for a period upto 30th June, 2018.

The agreement can be terminated by either side by providing three months notice.

There are no severance fees.

4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:

The Company has not issued any stock options.

## **Strictures and Penalties:**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

## **Compliance with Accounting Standards**

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

## **Internal Controls**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory /regulatory compliances. The Company's business processes are on SAP-ERP platforms and has a strong monitoring and reporting process resulting in financial discipline and accountability.

## **CEO & MD / CFO Certification**

The CEO & MD and the CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

## **Code of Conduct**

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all senior employees of the Company. The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. The Code has been posted on the Company's website [www.igpetro.com](http://www.igpetro.com).

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility and hence has adopted the Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. All protected disclosures should

# Mysore Petro Chemicals Limited

be reported in writing by the complainant as soon as possible about the instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The Company Secretary is the Vigilance Officer who should be reported about the disclosures. All protected disclosures shall be thoroughly investigated and action or corrective action taken as it may deem fit. The investigation reports shall be placed before the Audit Committee and the Board.

## PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the code.

## COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

The information related to the Unaudited quarterly / half yearly Financial Results are announced within forty-five days of the close of the quarter. The Audited Annual Financial Results are announced within two months from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchange. The aforesaid financial results are sent to BSE Limited (BSE) where the Company's securities are listed. The results are thereafter published within forty-eight hours in English and Kannada newspapers. The audited financial statements for a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.

The Company also informs from time to time all the price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

The Annual Report of the Company, the quarterly / half yearly and the annual results are also placed on the Company's website: [www.igpetro.com](http://www.igpetro.com) and can be downloaded.

### i) Annual General Meeting

Financial Year	Date	Time	Venue
2011-12	20/07/2012	12.30 p.m.	Hotel Woodlands, 5, Raja Rammohan Roy Road, Bengaluru – 560 025
2012-13	24/09/2013		
2013-14	01/08/2014		

### ii) Special Resolutions

Financial Year	Date of AGM	Purpose
2012-13	24/09/2013	Re-appointment of Shri M M Dhanuka as Managing Director of a period of 5 years.

### iii) Special Resolution Passed by Postal Ballot

During the year under review no special resolution has been passed through Postal Ballot.



# Mysore Petro Chemicals Limited

## General Shareholder information

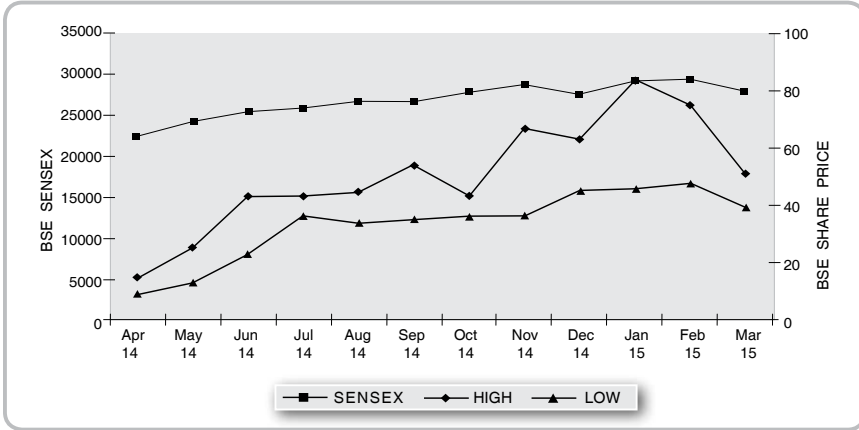
- Date, Time and Venue of AGM : Monday, 24<sup>th</sup> August 2015 at 12.30 p.m. at Hotel Woodlands, 5, Raja Rammohan Roy Road, Bengaluru – 560 025.
- Financial Calender/Results : 1<sup>st</sup> April to 31<sup>st</sup> March  
The quarterly results will be adopted by the Board of directors as per the following tentative schedule:  
Quarters ending on :  
June 2015 : Considered on 17<sup>th</sup> July, 2015  
September 2015 : 1<sup>st</sup>/2<sup>nd</sup> week of November 2015  
December 2015 : 1<sup>st</sup>/2<sup>nd</sup> week of February 2016  
March 2016 : before 30<sup>th</sup> May 2016  
(Audited results)
- Date of Book Closure : The Share Transfer Books and the Register of Members will be closed from Tuesday, 18<sup>th</sup> August 2015 to Monday, 24<sup>th</sup> August 2015 (both days inclusive).
- Dividend Payment Date : The Directors have recommended a Dividend of ₹ 2/- per share (20%) on equity shares for the year ended 31st March 2015. Dividend, if declared, will be paid on 28<sup>th</sup> August 2015.
- Listing on Stock Exchange : Bombay Stock Exchange Limited (BSE).  
The listing fees for the year 2015-2016 has been paid to BSE.
- Stock Code : 506734 on BSE.
- ISIN Code : INE 741A01011
- Share Transfer System : Being done by the Registrar & Transfer Agents in compliance of the provisions in this regard.
- Dematerialisation of shares : 94.75% of the shares have been dematerialised by the members as on 31.3.2015.
- Registrar & Transfer Agents : Bigshare Services Pvt. Ltd.  
E-2/3 Ansa Industrial Estate, Saki Vihar Road  
Sakinaka, Andheri (E), Mumbai 400 072.  
Contact person: Mrs. Indira Reddy / Ms. Ujata Pokharkar  
Tel No.: (91) 022-40430200/40430210 • Fax No.: (91) 022-28475207  
E-mail : [info@bigshareonline.com](mailto:info@bigshareonline.com)
- Website : The website of the Company [www.igpetro.com](http://www.igpetro.com) (MPCL page link) contains information about the business activities of the Company and the financial results of the Company.
- Dedicated e-mail for Investors : To enable investors to register their grievances, the Company has designated an exclusive e-mail id viz. [mpcl.complaints@igpetro.com](mailto:mpcl.complaints@igpetro.com). All investors are requested to avail this facility.

### Market Price Data during the year ended 31st March, 2015 (Month-Wise)

Month (2014-2015)	High	Low	Month (2014-2015)	High	Low
Apr-14	15.04	9.17	Oct-14	43.60	36.00
May-14	25.40	13.30	Nov-14	67.10	36.60
Jun-14	43.30	23.10	Dec-14	63.00	45.15
Jul-14	43.30	36.30	Jan-15	83.40	45.55
Aug-14	44.75	33.85	Feb-15	74.90	47.75
Sep-14	54.30	35.15	Mar-15	51.10	39.50

# Mysore Petro Chemicals Limited

Performance of MPCL share price in comparison with Sensex (BSE)



## SHARE HOLDING PATTERN AS ON 31st March, 2015

### a) Shareholding Pattern as on 31st March, 2015

Sl. No.	Category	No. of Shares	% of Shareholding
1	Promoters & Persons acting in Concert	4805305	72.99
2	Mutual funds / Banks / FIs	197865	3.01
3	Private Corporate Bodies – Indian & Foreign	203927	3.10
4	NRIs	17116	0.26
5	Indian Public	1359275	20.64
	<b>Grand Total</b>	<b>6583488</b>	<b>100.00</b>

### b) Distribution Shareholding as on 31st March, 2015

Sl. No.	Shareholding of Nominal		Number of Shareholders	Percentage of Total	Share Amount	Percentage of Total
	₹	₹			₹	
1	1	5000	7412	94.50	7637890	11.60
2	5001	10000	238	3.03	1916370	2.91
3	10001	20000	96	1.22	1428210	2.17
4	20001	30000	38	0.49	976010	1.48
5	30001	40000	9	0.11	318240	0.48
6	40001	50000	12	0.15	561420	0.85
7	50001	100000	14	0.18	1089570	1.66
8	100001	999999	24	0.32	51907170	78.85
			<b>7843</b>	<b>100.00</b>	<b>65834880</b>	<b>100.00</b>

### Plant Location

T-1, MIDC Industrial Area,  
Taloja 410 208, Dist. Raigad, Maharashtra.

### Address for correspondence

The Company Secretary  
401-404, Raheja Centre,  
214, Nariman Point, Mumbai - 400 021  
Phone : (91) 022-30286100  
E-mail : [igpetro@vsnl.com](mailto:igpetro@vsnl.com)

# Mysore Petro Chemicals Limited

## DECLARATION ON CODE OF CONDUCT

I hereby declare that all the Directors of the Company and Senior Management personnel as defined in the Code of Conduct of the Company have submitted annual declarations for the year ended 31st March, 2015 confirming their compliance with the Code of Conduct.

Mumbai, 17<sup>th</sup> July, 2015

**M M Dhanuka**  
Managing Director & CEO

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## AUDITORS' REPORT ON CORPORATE GOVERNANCE

To the Members

Mysore Petro Chemicals Limited

We have reviewed the relevant records of Mysore Petro Chemicals Limited for the year ended 31<sup>st</sup> March 2015 relating to compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the company, with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our review was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and according to the information and explanations given to us, we have to state that, to the best of our knowledge the company has complied with the conditions of corporate governance stipulated in clause 49 of the above mentioned listing agreement.

We state that, in respect of investors grievances received during the year ended 31<sup>st</sup> March 2015, no investor grievances are pending without a reply from the company for a period exceeding one month as per the records maintained by the share transfer and shareholders / investors grievance committee.

We further state that, such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted affairs of the Company.

For **Hariharan & Co.**  
Chartered Accountants  
Firm's Registration No. 001083S

Place : Mumbai  
Date : 25<sup>th</sup> May, 2015

**K Nagarajan**  
Partner  
Membership No. 16398

# Mysore Petro Chemicals Limited

## INDEPENDENT AUDITORS' REPORT

To the Members of

### **MYSORE PETRO CHEMICALS LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Mysore Petro Chemicals Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

# Mysore Petro Chemicals Limited

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order .
2. As required by Section 143 (3) of the Act, we report 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 and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Hariharan & Co.**  
Chartered Accountants  
Firm's Registration No. 001083S

**K Nagarajan**  
Partner  
Membership No. 16398

Mumbai  
25<sup>th</sup> May, 2015

# Mysore Petro Chemicals Limited

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

**Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date for the year ended 31st March 2015**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The fixed assets have been physically verified by the management according to the programme of periodical physical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
2. (a) The inventories of the Company have been physically verified by the management at reasonable intervals. In respect of stock lying with third parties, the same have been substantially confirmed/checked with subsequent receipts.  
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) In our opinion and according to information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. The Company has not granted any loan secured or unsecured to any companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) (a) & (b) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In our opinion and according to the information and explanations given to us, the Company has complied with the directive issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable) with regard to deposit accepted from the public. We have been informed that no order has been passed by the Company Law Board or National Company Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.
6. On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under sub section (1) of section 148 of the Companies act 2013, relating to the Product of the company have been made and maintained. We are not required to and accordingly, have not made a detailed examination of such records.
7. (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess and other material statutory dues with the appropriate authorities to the extent applicable and there were no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2015

# Mysore Petro Chemicals Limited

- (b) According to the records and information & explanations given to us, there are no dues in respect of Wealth Tax, Service Tax, Custom Duty, Excise Duty, VAT and Cess that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of Income tax and Sales tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below :-

Name of the statute	Nature of the dues	Period (Financial Year)	Amount (₹ in Lacs)	Forum where dispute is pending
Karnataka Special entry Tax Act, 2004	Sales Tax	2008-09	23.98	Karnataka High Court

Refer Note No. 23(a)

- (c) According to the records of the Company and information and explanations given to us, there were no amount due to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act and Rules made there under.
8. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year & in the immediately preceding financial year.
9. In our opinion, on the basis of audit procedure and according to the information and explanations given to us, the Company does not have any dues to Banks, financial institutions or debenture holders.
10. According to the information and explanations given to us, corporate guarantee has been issued by the company for loan taken by others {Refer Note No 23(b)} from bank, the terms and conditions whereof are not, prima facie, prejudicial to the interest of the Company.
11. On the basis of information and explanations given to us, term loan were applied for the purpose for which the loans were obtained.
12. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **Hariharan & Co.**  
Chartered Accountants  
Firm's Registration No. 001083S

**K Nagarajan**  
Partner  
Membership No.16398

Mumbai  
25<sup>th</sup> May, 2015

# Mysore Petro Chemicals Limited

## Balance Sheet as at March 31, 2015

	Notes	As at March 31, 2015 ₹ in Lacs	As at March 31, 2014 ₹ in Lacs
<b>EQUITIES AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	1	658.76	658.76
Reserves and Surplus	2	<u>2,268.25</u>	<u>2,280.94</u>
		<u>2,927.01</u>	<u>2,939.70</u>
<b>Non-Current Liabilities</b>			
	3		
Long Term Borrowings	3 (a)	627.08	1,439.90
Long Term Liabilities	3 (b)	625.00	625.00
Long Term Provisions	3 (c)	142.58	159.97
Deferred Tax Liabilities	4	<u>229.95</u>	<u>180.30</u>
		<u>1,624.61</u>	<u>2,405.17</u>
<b>Current Liabilities</b>			
	5		
Short Term Borrowings	5 (a)	7.46	-
Trade Payables	5 (b)	226.69	206.76
Other Current Liabilities	5 (c)	170.84	426.63
Short Term Provisions	5 (d)	<u>158.54</u>	<u>115.05</u>
		<u>563.53</u>	<u>748.44</u>
<b>TOTAL</b>		<u>5,115.15</u>	<u>6,093.31</u>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets ( Net )</b>			
Tangible Assets	6	2,078.65	2,850.31
Capital Work-In-Progress	6	<u>1.23</u>	<u>-</u>
		<u>2,079.88</u>	<u>2,850.31</u>
Non Current Investments	7	864.63	869.32
Long Term Loans and Advances	8	<u>1,386.09</u>	<u>1,237.67</u>
		<u>4,330.60</u>	<u>4,957.30</u>
<b>Current Assets</b>			
Inventories	9	217.43	274.27
Trade Receivables	10	403.07	601.10
Cash and Bank Balances	11	56.31	47.02
Short Term Loans and Advances	12	<u>107.74</u>	<u>213.62</u>
		<u>784.55</u>	<u>1,136.01</u>
<b>TOTAL</b>		<u>5,115.15</u>	<u>6,093.31</u>
<b>Significant Accounting Policies</b>			
A			
<b>Notes on Financial Statements</b>			
1-30			

As per our report of even date  
For **Hariharan & Co.**  
Chartered Accountants  
Firm's Registration No. 001083S  
**K Nagarajan**  
Partner  
Membership No. 16398

Mumbai  
25<sup>th</sup> May, 2015

**Anand Kadkol**  
Company Secretary

For and on behalf of the Board of Directors of

**M M Dhanuka**  
Managing Director

**Paras Jain**  
Chief Financial Officer

**Nikunj Dhanuka**  
**M M Jayakar**  
**Anil Kochar**  
**S N Maheshwari**  
**Shrikant Somani**  
**Uma Acharya**  
Directors



# Mysore Petro Chemicals Limited

## Statement of Profit and Loss for the year ended March 31, 2015

	Notes	2014-2015 ₹ in Lacs	2013-2014 ₹ in Lacs
<b>Revenue</b>			
Revenue from Operations (Gross)	13	3,696.73	4,474.78
Less : Excise Duty		409.99	482.26
Revenue from Operations (Net)		3,286.74	3,992.52
Other Income	14	94.94	6.35
<b>Total Revenue</b>		<b>3,381.68</b>	<b>3,998.87</b>
<b>Expenditure</b>			
Cost of Material Consumed	15	80.83	241.82
Decrease / (Increase) in Inventories	16	49.67	454.27
Employees Benefits Expense	17	971.86	1,253.28
Other Expenses	18	637.01	1,007.90
Depreciation and Amortisation Expenses	6	273.98	352.59
Finance cost	19	135.14	246.30
<b>Total Expenditure</b>		<b>2,148.49</b>	<b>3,556.16</b>
Profit before Tax		1,233.19	442.71
<b>Tax Expenses</b>			
– Current Tax		462.00	68.55
– Deferred Tax	20	49.65	36.84
<b>Profit for the year</b>		<b>721.54</b>	<b>337.32</b>
<b>Earning per share</b>			
Face value of shares ₹ 10 each (Previous year ₹ 10 each )			
Basic & Diluted ₹	21	10.96	5.12
<b>Significant Accounting Policies</b>	<b>A</b>		
<b>Notes on Financial Statements</b>	<b>1-30</b>		

As per our report of even date  
For **Hariharan & Co.**  
Chartered Accountants  
Firm's Registration No. 001083S  
**K Nagarajan**  
Partner  
Membership No. 16398

Mumbai  
25<sup>th</sup> May, 2015

**Anand Kadkol**  
Company Secretary

For and on behalf of the Board of Directors of

**M M Dhanuka**  
Managing Director

**Paras Jain**  
Chief Financial Officer

**Nikunj Dhanuka**  
**M M Jayakar**  
**Anil Kochar**  
**S N Maheshwari**  
**Shrikant Somani**  
**Uma Acharya**  
Directors

# Mysore Petro Chemicals Limited

## Cash Flow Statement for the year ended March 31, 2015

	2014-2015 (₹ in Lacs)	2013-2014 (₹ in Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax and Extraordinary Items</b>	<b>1,233.19</b>	442.71
Non-cash Adjustment to reconcile profit before tax to net cash flow:		
Depreciation / Amortisation Expenses	<b>273.98</b>	352.59
Provision for Impairment of Assets	-	7.37
Loss / (Profit) on Sale/Write off of Fixed Assets	<b>1.82</b>	11.32
Profit on Sale of Investments	<b>(33.94)</b>	-
Sundry Balances / Excess Provision Written Back	<b>39.92</b>	9.87
Interest Expense	<b>134.59</b>	240.89
Interest Income	<b>(13.06)</b>	(6.30)
Dividend Income	<b>(0.03)</b>	(0.03)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b><u>1,636.47</u></b>	<u>1,058.42</u>
<b>Movements in Working Capital</b>		
Increase / (decrease) in Trade Payables / Other Current liabilities	<b>(221.38)</b>	(1,118.85)
Decrease / (increase) in Trade receivables	<b>171.75</b>	719.92
Decrease / (increase) in Inventories	<b>56.84</b>	732.96
Decrease / (increase) in loans and advances	<b>(126.24)</b>	(151.47)
	<b><u>(119.03)</u></b>	<u>182.56</u>
<b>CASH GENERATED FROM/(USED IN ) OPERATIONS</b>	<b>1517.44</b>	1240.98
Direct Taxes Paid ( Net of refunds)	<b><u>(377.20)</u></b>	<u>(97.98)</u>
<b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>	<b><u>1,140.24</u></b>	<u>1,143.00</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets, including intangible assets,CWIP	<b>(74.86)</b>	(248.10)
Proceeds from Sale of Fixed Assets	<b>11.29</b>	7.88
Sale/(Purchase) of Investments	<b>38.63</b>	(20.00)
Interest Received	<b>11.96</b>	8.34
Dividend Received	<b>0.03</b>	0.03
<b>NET CASH FLOW FROM /(USED IN) INVESTING ACTIVITIES</b>	<b><u>(12.95)</u></b>	<u>(251.85)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds / (Repayments) of Long-term borrowings	<b>(822.16)</b>	-
Proceeds / (Repayments) of Short -term borrowings	-	(790.40)
Dividend Paid on equity shares (Including Dividend Distribution Tax)	<b>(112.75)</b>	-
Interest Paid	<b><u>(183.09)</u></b>	<u>(139.40)</u>
<b>NET CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES</b>	<b><u>(1,118.00)</u></b>	<u>(929.80)</u>
<b>NET INCREASE / (DECREASE) (A+B+C)</b>	<b>9.29</b>	(38.65)
CASH AND BANK BALANCES AS AT 1.4.2014 (Opening Balance)	<b>47.02</b>	85.67
CASH AND BANK BALANCES AS AT 31.3.2015 (Closing Balance)	<b>56.31</b>	47.02

NOTE : Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date

For **Harihara & Co.**

Chartered Accountants

Firm's Registration No. 001083S

**K Nagarajan**

Partner

Membership No. 16398

Mumbai

25<sup>th</sup> May, 2015

**Anand Kadkol**

Company Secretary

For and on behalf of the Board of Directors of

**M M Dhanuka**

Managing Director

**Paras Jain**

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**M M Jayakar**

**Anil Kochar**

**S N Maheshwari**

**Shrikant Somani**

**Uma Acharya**

Directors

# Mysore Petro Chemicals Limited

## Note A. Significant Accounting Policies

### a. Basis of preparation

The financial statements have been prepared to comply in all material respects with the Notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

### b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### c. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

### d. Depreciation and Amortisation

- i. Leasehold land is amortized over the period of lease.
- ii. Intangible assets are amortized over the estimated useful life of 4 years.
- iii. Depreciation on Plant & Equipments, Furniture, Office Equipments, Buildings and Vehicles is provided on straight line basis based on the revised remaining useful life of the assets as per Part-C of Schedule II of the Companies Act, 2013.

### e. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### f. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

### g. Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares	Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
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# Mysore Petro Chemicals Limited

Stock in Process and Finished goods Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

## h. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

### Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.

### Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

## i. Foreign Currency Transaction

### i. Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

### iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

### iv. Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

## j. Retirement and other employee benefits

i. Retirement benefits in the form of Provident Fund, in case of certain employees, are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

ii. Gratuity liability and Provident Fund, in case of other employees not covered under defined contribution scheme, are defined benefit obligations. Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Provident Fund contribution to the Trust is charged to the Statement of Profit and Loss of the year when the contribution to the fund is due. Any deficit in the fund is provided for and funded.

# Mysore Petro Chemicals Limited

- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- iv. Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

## **k. Income taxes**

Tax expense comprises of current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## **l. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **m. Provisions, Contingent Liabilities & Contingent Assets**

A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement.

## **n. Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## **o. Derivative Instruments**

The Company uses derivative financial instruments such as forward exchange contracts to hedge its risks associated with foreign currency fluctuations. Accounting policy for forward exchange contracts is given in note i (iv) above.

# Mysore Petro Chemicals Limited

## NOTES ON FINANCIAL STATEMENTS

	As at March 31, 2015 ₹ in Lacs	As at March 31, 2014 ₹ in Lacs
<b>NOTE - 1 : SHARE CAPITAL</b>		
<b>Authorised</b>		
5,00,000 (Previous year 5,00,000) Redeemable Cumulative Preference Shares of ₹ 100 each	500.00	500.00
1,00,00,000 (Previous year 1,00,00,000) Equity shares of ₹ 10 each	1,000.00	1,000.00
	<u>1,500.00</u>	<u>1,500.00</u>
<b>Issued</b>		
65,90,938 Equity shares of ₹ 10 each (Previous year 65,90,938)	659.09	659.09
<b>Subscribed and Paid up</b>		
65,83,488 * Equity shares of ₹ 10 each (Previous year 65,83,488)*	658.35	658.35
Add : Amount paid up on 7450 Equity shares (Previous year 7450 Equity shares) forfeited	0.41	0.41
	<u>658.76</u>	<u>658.76</u>
<b>Shareholders holding more than 5% Shares in the company</b> Ellenbarrie Steels & Allied Industrial Ltd.- No. of Shares 372574 (Previous year 372574), Gembel Trade Enterprises Ltd.- No. of Shares 769020 (Previous year 769020), Savita Investment Company Ltd.- No. of Shares 1509503 (Previous year 1509503), Shekhavati Investment Corporation Ltd.- No. of Shares 656094 (Previous year 556094)		
* Includes 1,25,000 shares issued for consideration other than cash and 21,19,983 Bonus shares allotted by capitalisation of the Capital Redemption Reserve and securities premium.		
<b>NOTE - 2 : RESERVES &amp; SURPLUS</b>		
<b>Securities Premium Reserve</b>		
Balance as per last Balance Sheet	398.89	398.89
<b>General Reserve</b>		
Balance as per last Balance Sheet	100.00	-
Add : Transferred from Statement of Profit & Loss	200.00	100.00
Less: depreciation in respect of assets whose useful life is over	<u>19.99</u>	<u>-</u>
	280.01	100.00
<b>Revaluation Reserve</b>		
Balance as per last Balance Sheet	555.01	618.13
Less: Transferred to Respective Fixed Assets (Refer Serial No. 1 to Note 6)	555.01	-
Depreciation on Increased value of Assets due to Revaluation	<u>-</u>	<u>63.12</u>
	-	555.01

# Mysore Petro Chemicals Limited

	As at March 31, 2015 ₹ in Lacs	As at March 31, 2014 ₹ in Lacs
<b>Subsidy under the Central Govt. - Subsidy Scheme 1971</b>		
Balance as per last Balance Sheet	36.00	36.00
<b>Amalgamation Reserve</b>		
Balance as per last Balance Sheet	37.50	37.50
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance at the beginning of the year	1,153.54	1,030.99
Add : Profit for the year	721.54	337.32
<b>Less: Appropriations</b>		
Transferred to General Reserve	200.00	100.00
Proposed equity dividend (Amount per share ₹ 2.00 Previous year ₹ 1.50)	131.67	98.75
Tax on Proposed dividend	26.80	16.02
Tax on dividend - earlier year	0.76	—
	<u>1,515.85</u>	<u>1,153.54</u>
	<u>2,268.25</u>	<u>2,280.94</u>
<b>NOTE - 3: NON-CURRENT LIABILITIES</b>		
<b>Long Term Borrowings</b>		
<b>a. Secured Loans</b>		
Hire Purchase Finance	9.34	—
	<u>9.34</u>	<u>—</u>
<b>Unsecured Loans</b>		
From Bodies Corporate	388.74	711.40
From Directors	229.00	229.00
Fixed Deposits	—	499.50
	<u>617.74</u>	<u>1,439.90</u>
	<u>627.08</u>	<u>1,439.90</u>
<b>b. Long Term Liabilities</b>		
Security Deposits - Related Party	625.00	625.00
<b>c. Long Term Provisions</b>		
Provision for Gratuity	70.56	86.67
Provision for Leave Encashment	72.02	73.30
	<u>142.58</u>	<u>159.97</u>
<b>NOTE - 4 : DEFERRED TAX LIABILITIES</b>		<u>229.95</u>
<b>NOTE - 5 : CURRENT LIABILITIES</b>		
<b>a. Short Term Borrowings - Secured</b>		
Current Maturities of Finance Lease Obligations ( Secured by the assets so acquired)	7.46	—
	<u>7.46</u>	<u>—</u>

# Mysore Petro Chemicals Limited

	As at March 31, 2015 ₹ in Lacs	As at March 31, 2014 ₹ in Lacs
<b>NOTE - 5 : CURRENT LIABILITIES (Contd.)</b>		
<b>b. Trade Payables</b>		
Sundry Creditors		
Total outstanding dues of Micro, Medium and Small Enterprises	11.12	5.73
Total Outstanding dues of creditors other than Micro, Medium and Small Enterprises	215.57	201.03
	<b>226.69</b>	<b>206.76</b>
<b>c. Other Current Liabilities</b>		
Advance from Customers	0.07	1.75
Investor Education and Protection Fund shall be credited (as and when due) for unpaid dividend	4.27	1.49
Book Overdraft	-	168.53
Interest Accrued But not Due on Loans	112.83	161.33
Other Liabilities	53.67	93.53
	<b>170.84</b>	<b>426.63</b>
<b>d. Short Term Provisions</b>		
Provision for Wealth Tax	0.07	0.28
Proposed equity dividend	131.67	98.75
Tax on Proposed dividend	26.80	16.02
	<b>158.54</b>	<b>115.05</b>



# Mysore Petro Chemicals Limited

## NOTE - 6 : FIXED ASSETS

DESCRIPTION	GROSS BLOCK		DEPRECIATION		IMPAIRMENT LOSS		NET BLOCK	
	As at 1.4.2014	Additions	Deductions	As at 31.3.2015	As at 31.3.2015	As at 31.3.2015	As at 31.3.2015	As at 31.3.2014
	14.77	-	-	-	-	-	-	14.77
<b>Tangible Assets</b>								
1. Land & Land Development	14.77	-	-	14.77	-	-	14.77	14.77
2. Lease Hold Land	27.00	-	0.28	27.00	6.84	-	20.16	20.44
3. Roads & Drains	40.92	7.33	-	48.25	19.32	13.02	7.64	8.58
4. Buildings	516.93	-	124.47	392.46	249.61	-	189.26	267.32
5. Plant & Equipments	13,041.37	47.77	2,504.84	10,584.30	10,585.08	237.58	1,781.15	2,456.29
6. Railway Siding	5.13	-	-	5.13	4.87	0.26	0.26	-
7. Furniture & office equipments	40.57	0.10	-	40.67	27.02	9.09	9.09	4.46
8. Vehicles	137.18	35.23	34.45	137.96	58.73	21.34	63.77	78.45
	13,823.87	90.43	2,663.76	11,250.54	10,951.19	293.97	22.37	2,078.65
<b>Intangible Assets</b>								
1. Software	0.47	-	-	0.47	0.47	-	-	-
<b>Total</b>	13,824.34	90.43	2,663.76	11,251.01	10,951.66	293.97	22.37	2,078.65
Previous year	13,797.54	104.47	77.67	13,824.34	10,594.42	415.71	58.47	2,850.31

1. Certain Fixed assets in the Phthalic Anhydride plant at Raichur were revalued on the basis of net replacement value determined by an approved valuer during the year ended 31.03.2000. To follow uniform valuation of all assets the company has reinstated the historic cost value of these Fixed Assets. Accordingly the revalued amount of Plant & Equipments and other assets have been reversed on 01.04.2014 resulting in deduction in Gross Block of ₹ 2504.84 lacs under Plant & Equipments, ₹ 124.47 lacs under Buildings, reduction of depreciation reserve of ₹ 2019.51 lacs under Plant & Equipments, ₹ 54.79 lacs under Buildings thus resulting net reversal to revaluation of reserve of ₹ 555.01 lacs.
2. Land includes ₹ 1.36 lacs (Previous year ₹ 1.36 lacs) for undivided share in office premises land. Buildings include ₹ 250/- (Previous year ₹ 250/-) for shares in office premises in a co-operative society.
3. Effective from April 1, 2014, the company has charged Depreciation based on the revised remaining useful life of the Fixed Assets as per the requirements of Schedule-II of the Companies Act 2013. Had there not been any change in useful life of Fixed Assets, the depreciation charge for the year would have been higher by ₹ 81.35 Lacs. Further carrying value of Fixed Assets, where the remaining useful life of the Assets was determined to be nil as on April 1, 2014, aggregating to ₹ 19.99 lacs is adjusted against the General Reserve under Reserves and Surplus. Depreciation for Previous Year of ₹ 415.71 lacs includes ₹ 63.12 lacs charged to Revaluation Reserve.
4. Capital work in progress represents Plant & Equipments under erection ₹ 1.23 lacs (Previous Year ₹ Nil)

# Mysore Petro Chemicals Limited

	As at March 31, 2015 ₹ in Lacs	As at March 31, 2014 ₹ in Lacs
<b>NOTE - 7 : NON CURRENT INVESTMENTS</b>		
<b>Long Term Investments, Other than Trade : (At Cost)</b>	No. of Shares	No. of Shares
<b>A. Government securities</b>		
Six years National Saving Certificates of the face value of ₹ 30,000 (Previous Year ₹ 30,000) lodged as security with Government Department.	— <b>0.30</b>	—      0.30
<b>B. Equity Shares of ₹ 10/- each</b>		
Fully Paid up		
<b>Quoted</b>		
I G Petrochemicals Limited	<b>40,75,000      826.92</b>	40,75,000      826.92
Sand Plast (I) Limited	<b>24,020      0.60</b>	24,020      0.60
<b>Listed but not Quoted</b>		
Biharji Construction (I) Limited	<b>3,80,600      8.42</b>	4,86,000      10.75
Biharji Projects Limited	<b>3,80,000      8.14</b>	4,90,000      10.50
<b>Unquoted</b>		
The Saraswat Co. Op. Bank Limited	<b>2,500      0.25</b>	2,500      0.25
<b>C. Debentures of ₹ 10,00,000/- each @ 11.80%</b>		
The Lakshmi Vilas Bank Limited	<b>2      20.00</b>	2      20.00
	<b><u>864.63</u></b>	<b><u>869.32</u></b>
<b>Book Value</b>		
Quoted Investments (Market Value ₹ 2184.79 lacs) (Previous year ₹ 962.01 lacs)	<b>827.52</b>	827.52
Listed but not Quoted	<b>16.56</b>	21.25
Unquoted	<b>20.55</b>	20.55
	<b><u>864.63</u></b>	<b><u>869.32</u></b>
<b>NOTE - 8 : LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured, Considered Good unless otherwise stated)		
Deposit - others	<b>121.05</b>	120.56
Capital Advances	<b>1,265.04</b>	1,117.11
	<b><u>1,386.09</u></b>	<b><u>1,237.67</u></b>
<b>NOTE - 9 : INVENTORIES</b>		
(at lower of cost and net realisable value)		
Raw Material	<b>1.32</b>	—
Stores and spares	<b>179.28</b>	173.27
Work-in-Progress	<b>21.59</b>	27.93
Finished Goods (including stock in transit ₹ 3.66 lacs, Previous Year ₹ 8.97 lacs)	<b>15.24</b>	73.07
	<b><u>217.43</u></b>	<b><u>274.27</u></b>

# Mysore Petro Chemicals Limited

	As at March 31, 2015 ₹ in Lacs	As at March 31, 2014 ₹ in Lacs
<b>NOTE - 10 : TRADE RECEIVABLES</b>		
<b>Debts outstanding for a period exceeding six months</b>		
Unsecured, Considered Good	116.80	26.30
<b>Other debts</b>		
Unsecured, Considered Good	286.27	574.80
	<u>403.07</u>	<u>601.10</u>
<b>NOTE - 11 : CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Cash in hand	6.25	3.76
<b>Balance with Scheduled Banks</b>		
In Current Accounts	39.12	35.82
	<u>45.37</u>	<u>39.58</u>
<b>Other Bank Balances</b>		
In Fixed Deposits (Held with Scheduled Banks as Margin)	5.72	5.00
In Fixed Deposits (Held with Government Departments as Security)	0.95	0.95
In Unpaid Dividend Account	4.27	1.49
	<u>10.94</u>	<u>7.44</u>
	<u>56.31</u>	<u>47.02</u>
<b>NOTE - 12 : SHORT TERM LOANS AND ADVANCES</b>		
Advances recoverable in cash or kind or for value to be received		
Considered Good	73.44	74.90
Balance with Central Excise Authorities	0.77	15.07
Income Tax Deducted at Source / Advance Tax (Net of Provision)	33.53	123.65
	<u>107.74</u>	<u>213.62</u>

# Mysore Petro Chemicals Limited

	2014-2015 ₹ in Lacs	2013-2014 ₹ in Lacs
<b>NOTE - 13 : REVENUE FROM OPERATION</b>		
<b>Sale of Products</b>		
Phthalic Anhydride	1.00	839.89
Maleic Anhydride	3,695.73	3,634.89
	<b>3,696.73</b>	<b>4,474.78</b>
<b>NOTE - 14 : OTHER INCOME</b>		
<b>Interest</b>		
Bank Deposits (TDS ₹ Nil, Previous year ₹ Nil )	0.49	3.15
Others (TDS ₹ 0.32 lacs, Previous year ₹ 0.32 lacs)	12.57	3.15
<b>Dividend Income</b>		
Long term investments-Non-trade	0.03	0.03
Profit on sale of Investments	33.94	-
Miscellaneous Income	47.91	0.02
	<b>94.94</b>	<b>6.35</b>
<b>NOTE - 15 : COST OF MATERIAL CONSUMED</b>		
<b>Raw Materials</b>		
Inventories as at March 31, 2014	-	245.16
Add: Purchases	82.15	2.67
Less: Sales	-	(6.01)
	<b>82.15</b>	<b>241.82</b>
Less: Inventories as at March 31, 2015	1.32	-
	<b>80.83</b>	<b>241.82</b>
Orthoxylene	-	231.08
Others	80.83	10.74
	<b>80.83</b>	<b>241.82</b>
<b>NOTE - 16 : DECREASE / (INCREASE) IN INVENTORIES</b>		
<b>Inventories as at March 31, 2014</b>		
Work-in-Progress	27.93	217.16
Finished Goods	73.07	365.45
<b>Inventories as at March 31, 2015</b>		
Work-in-Progress	21.59	27.93
Finished Goods	15.24	73.07
	<b>64.17</b>	<b>481.61</b>
Differential Excise duty in respect of Closing Stock & Opening Stock	(14.50)	(27.34)
	<b>49.67</b>	<b>454.27</b>

In accordance with ASI 14 (Revised) on disclosure of Revenue from Sales Transactions issued by Institute of Chartered Accountants of India, Excise duty on sales has been reduced from sales in statement of Profit & Loss and Excise duty on increase/decrease in stock amounting to ₹ (14.50) lacs, (Previous Year ₹ (27.34) lacs) has been considered as expense as above.

# Mysore Petro Chemicals Limited

	2014-2015 ₹ in Lacs	2013-2014 ₹ in Lacs
<b>NOTE - 17 : EMPLOYEES BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	759.94	957.26
Contribution to Provident and Other Funds	48.34	60.81
Gratuity expenses	26.24	76.98
Workmen and staff welfare expenses	137.34	158.23
	971.86	1,253.28
<b>NOTE - 18 : OTHER EXPENSES</b>		
Consumption of Stores, Spares and Packing Materials	72.28	107.78
Power, Fuel and Water charges	87.47	120.83
<b>Repairs and Maintenance</b>		
Plant and Equipments	74.93	102.36
Buildings	0.94	13.95
Others	4.30	7.53
Insurance Premium	23.32	26.91
<b>Selling Expenses</b>		
Brokerage and Commission	5.81	4.31
Transportation	67.76	74.34
Rent	2.73	1.22
Rates and Taxes	15.97	8.97
Travelling & Conveyance	76.16	96.20
Communication cost	5.66	6.89
Legal & Professional fees	26.51	38.63
Miscellaneous Expenses	145.22	357.87
Donation and Contribution to Charitable Institutions	20.00	18.00
Directors Sitting Fees	3.24	0.47
Payment to Auditors (Refer Note - 18.1)	2.89	2.95
Loss on Sale/Write off of Fixed Assets (Net)	1.82	11.32
Provision on Impairment of Fixed Assets	-	7.37
	637.01	1,007.90
<b>NOTE - 18.1 : PAYMENTS TO AUDITORS</b>		
Audit Fees including Limited Review Fees ₹ 0.50 Lacs (Previous Year ₹ 0.50 Lacs) excluding service tax of ₹ 0.25 Lacs ( Previous Year ₹ 0.25 Lacs)	2.00	2.00
Tax Audit Fees (Excluding Service tax of ₹ 0.09 Lacs, (Previous year ₹ 0.09 Lacs)	0.75	0.75
Reimbursement of Expenses	0.14	0.20
	2.89	2.95
<b>NOTE - 19 : FINANCE COST</b>		
<b>Interest on Fixed Loans</b>		
On Other Loans	130.45	181.23
Interest - Others	4.14	59.66
Bank Charges	0.55	5.41
	135.14	246.30
<b>NOTE - 20 : TAX EXPENSES</b>		
Deferred Tax Liability represents the difference between the Book depreciation and Tax Depreciation for the year.	49.65	36.84

# Mysore Petro Chemicals Limited

	2014-2015 ₹ in Lacs	2013-2014 ₹ in Lacs
<b>NOTE - 21: EARNING PER SHARE OF ₹ 10 EACH (EPS)</b>		
Profit after tax as per Statement of Profit & Loss	721.54	337.32
<b>Weighted average No. of Shares for calculating basic and diluted EPS</b>	<b>6583488</b>	6583488
<b>Basic &amp; Diluted EPS - ₹</b>	<b>10.96</b>	5.12
<b>NOTE - 22 : CAPITAL COMMITMENT</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	<b>67.01</b>	214.12
<b>NOTE - 23 : CONTINGENT LIABILITIES</b>		
<b>Contingent Liabilities not provided for</b>		
a) Sales Tax matter under appeal - Case decided in favour of the company which are taken further in appeal by Karnataka State Sales Tax Department.	<b>23.98</b>	23.98
b) Corporate Guarantees Given. (Amount outstanding).	<b>4,644.58</b>	4,757.12
c) The operations of Phthalic Anhydride Plant at Raichur, Karnataka was closed during 3 <sup>rd</sup> week of April 2013. The Board of Directors of the Company in their meeting held on 4 <sup>th</sup> June 2013 had decided to close the unit permanently due to Economic unavailability and the unit was closed since 16 <sup>th</sup> July 2013. The workmen's union have raised certain demands and the matter has been referred to Industrial Tribunal, Hubballi, Karnataka by the Labour Department, Government of Karnataka and the matter is pending. As the matter is subjudice no provision has been made. Future cash out flow of the same are determinable on receipt of judgement / decision. The employees benefits expense includes amount of ₹ 58.12 lacs (Previous year of ₹ 329.69 lacs) towards settlement to management staff and workmen. 52 workmen have not accepted the dues amounting to ₹ 93.17 lacs (without considering the effect of demand of the union), however provision has been made.		
d) Workmen's Union demand of the Company at Taloja with effect from 1 <sup>st</sup> June, 2014 is under negotiation, amount presently not ascertainable.		
<b>NOTE - 24 : SEGMENT INFORMATION</b>		
The Company is mainly engaged in the business of manufacture and sale of chemicals and as the Company is managed organizationally as a united entity with various functional heads reporting to the top management there are no separate reportable segments as per Accounting Standard 17 - Segmental Reporting issued by the Institute of Chartered Accountants of India.		
<b>NOTE - 25 : RELATED PARTY DISCLOSURE</b>		
1. Relationship		
(a) Subsidiary Companies	Nil	
(b) Other related Parties / Associates	I G Petrochemicals Limited	
(c) Key Management Personnel	Mr. M M Dhanuka - Managing Director Mr.Paras Jain - Chief Financial Officer Mr. Anand Kadkol - Company Secretary	
(d) Relatives of key management personnel and their enterprises where transactions have taken place.	Mr. Nikunj Dhanuka - Brother's Son of Managing Director Mrs. Binadevi Dhanuka - Wife of Managing Director Mr. Mayank Dhanuka - Son of Managing Director Mrs. Rajkumari Dhanuka - Brother's wife of Managing Director Mrs. Neha Dhanuka - Son's wife of Managing Director Mr. Umang Dhanuka - Brother's Son of Managing Director	

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

# Mysore Petro Chemicals Limited

## NOTE - 25 : RELATED PARTY DISCLOSURE (Contd.)

2. Transaction carried out with related parties referred in 1 above, in ordinary course of business are as under:

Nature of Transaction	(₹ In Lacs ) Related parties referred to in			
	1(a) above	1(b) above	1(c) above	1(d) above
<b>1) Purchase*</b>		<b>200.96</b> (79.15)		
<b>2) Income</b> Guarantee Commission		<b>53.83</b> (-)		
<b>3) Expenses</b> Service Charges		- (280.90)		
Interest			<b>21.71</b> (6.89)	<b>56.20</b> (21.02)
Remuneration			<b>82.91</b> (61.83)	
<b>4) Finance</b> <b>Outstanding</b> Property Deposit Received		<b>625.00</b> (625.00)		
Other Payables			<b>19.54</b> (6.20)	<b>50.58</b> (18.92)
Loans Payables			<b>167.00</b> (167.00)	<b>62.00</b> (561.50)

Note: Amount in bracket represents figures for previous year.

\*As per contract with I G Petrochemicals Limited , certain exchange transaction of services / goods mutually beneficial have been entered into which have not been quantified above.

## NOTE - 26 : EMPLOYEE BENEFITS

### i. General Description of defined benefit plan

#### Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet.

#### a. Profit and Loss account

Net employee benefit expense (recognized in Employee Benefits Expense in Note 17)

	<b>Gratuity (funded)</b> <b>March 31, 2015</b> ₹ in Lacs	Gratuity (funded) March 31, 2014 ₹ in Lacs
Current service cost	<b>15.22</b>	14.91
Interest cost on benefit obligation	<b>20.85</b>	30.69
Expected return on plan assets	<b>8%</b>	8%
Net actuarial (gain) / loss recognized in the year	<b>5.56</b>	45.67
Actual return on plan assets	<b>15.39</b>	14.29
Net Benefit / Cost	<b>26.24</b>	76.98

# Mysore Petro Chemicals Limited

	Gratuity (funded) March 31, 2015 ₹ in Lacs	Gratuity (funded) March 31, 2014 ₹ in Lacs
<b>b. Balance sheet</b>		
Details of Provision for gratuity		
Defined benefit obligation	283.39	266.29
Fair value of plan assets	212.83	179.62
Less: Unrecognized past service cost Plan asset / (liability)	(70.56)	(86.67)
<b>c. Changes in the present value of the defined benefit obligation are as follows:</b>		
Opening defined benefit obligation	266.29	383.60
Interest cost	20.85	30.69
Current service cost	15.22	14.91
Benefits paid	26.30	208.58
Actuarial (gains) / losses on obligation	7.33	45.67
Closing defined benefit obligation	283.39	266.29
<b>d. Changes in the fair value of plan assets are as follows:</b>		
Opening fair value of plan assets	179.62	161.99
Expected return	8%	8%
Contributions by employer	20.96	3.34
Benefits paid	4.91	-
Actuarial gains / (losses)	1.77	45.67
Closing fair value of plan assets	212.83	179.62
Actual Return on plan Assets	17.16	14.29
Estimated contribution to be made in next annual year	24.00	12.00
<b>The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:</b>		
	%	%
Investments with insurer	100	100
<b>e. The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:</b>		
	%	%
Discount rate	7.95	8.00
Expected rate of return on assets	8.70	8.82
Employee turnover	1	1
Salary Escalation	4	4
Mortality	L.I.C. (1994 - 96) Ultimate	L.I.C. (1994 - 96) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



# Mysore Petro Chemicals Limited

## Provident Fund

Pending the issuance of Guidance Note from the Actuarial Society of India, the Company's Actuary has expressed his inability to reliably measure the Provident Fund Liability. There is no deficit in the fund as at March 31st 2015 and no provision has been made.

## ii. Defined Contribution Plan

Employee Benefits Expenses in Note 17 includes the following contributions to defined contribution plan

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
<b>Contribution to Provident and Other Funds</b>		
Contribution to Provident Fund	38.77	51.21
Employees Pension Fund	8.66	8.60
EDLI	0.91	1.00
<b>Total</b>	<b>48.34</b>	<b>60.81</b>
<b>Workmen and Staff Welfare fund</b>		
ESIC	0.39	0.35
Labour Welfare Fund	0.04	0.04
<b>Total</b>	<b>0.43</b>	<b>0.39</b>

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
<b>NOTE - 27 : SUPPLEMENTARY STATUTORY INFORMATION</b>		
<b>i. Expenditure in foreign currency (Accrual basis)</b>		
Travelling	17.95	15.77
<b>Total</b>	<b>17.95</b>	<b>15.77</b>
<b>ii. Value of imports calculated on CIF basis (Including High Seas Purchases)</b>		
Stores & Spares	-	12.57
<b>Total</b>	<b>-</b>	<b>12.57</b>
<b>iii. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006</b>		
Outstanding to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.		

# Mysore Petro Chemicals Limited

## NOTE - 28 : REMITTANCE OF DIVIDEND TO NON -RESIDENT SHAREHOLDERS

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
<b>Number of Shareholders</b>		
Number of Shareholders	32	30
Number of Equity Share held	14657	22751
Amount Remitted (₹ in lacs)	0.22	N.A.
Year to which the Dividend related	March 31, 2014	March 31, 2013

## NOTE - 29: IMPORTED AND INDIGENOUS RAW MATERIAL, COMPONENTS & SPARE PARTS CONSUMED.

### i. Imported and indigenous raw materials consumed

Product	March 31, 2015		March 31, 2014	
	% of total	₹ in Lacs	% of total	₹ in Lacs
Imported	–	–	–	–
Indigenous	100	80.83	100	241.82
<b>Total</b>	<b>100</b>	<b>80.83</b>	<b>100</b>	<b>241.82</b>

### ii. Imported and indigenous spare parts consumed

Product	March 31, 2015		March 31, 2014	
	% of total	₹ in Lacs	% of total	₹ in Lacs
Imported	–	0.09	–	0.13
Indigenous	100	31.49	100	60.30
<b>Total</b>	<b>100</b>	<b>31.58</b>	<b>100</b>	<b>60.43</b>

## NOTE - 30 : PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date  
For **Hariharan & Co.**  
Chartered Accountants  
Firm's Registration No. 001083S  
**K Nagarajan**  
Partner  
Membership No. 16398

Mumbai  
25<sup>th</sup> May, 2015

**Anand Kadkol**  
Company Secretary

For and on behalf of the Board of Directors of

**M M Dhanuka**  
Managing Director

**Paras Jain**  
Chief Financial Officer

**Nikunj Dhanuka**  
**M M Jayakar**  
**Anil Kochar**  
**S N Maheshwari**  
**Shrikant Somani**  
**Uma Acharya**  
Directors



# MYSORE PETRO CHEMICALS LIMITED

CIN: L24221KA1969PLC001799

**Registered Office:** D-4, Jyothi Complex, 134/1, Infantry Road, Bengaluru - 560 001

**Corporate Office:** 401, Raheja Centre, 214, Nariman Point, Mumbai - 400 021

**Tel. :** 022 30286100 • **Fax:** 022 22040747 • **Email:** igpetro@vsnl.com

## **ATTENDANCE SLIP**

(to be presented at the entrance)

I/We hereby record my/our presence at the 45<sup>th</sup> Annual General Meeting of the Company at Woodlands Hotel, 5, Raja Rammohan Roy Road, Bengaluru - 560 025 on Monday, 24<sup>th</sup> August, 2015 at 12.30 p.m.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxy holder \_\_\_\_\_ Signature \_\_\_\_\_

1. Only Member / Proxy holder can attend the Meeting.
2. Member / Proxy holder should bring his / her copy of the Annual Report for reference at the Meeting.



# MYSORE PETRO CHEMICALS LIMITED

CIN: L24221KA1969PLC001799

**Registered Office:** D-4, Jyothi Complex, 134/1, Infantry Road, Bengaluru - 560 001

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## **PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

<b>Name of the Member(s):</b> .....
<b>Registered Address:</b> .....
<b>E-Mail Id:</b> .....
<b>Folio No./Client ID:</b> .....
<b>DP ID:</b> .....

I/We the member(s) of Mysore Petro Chemicals Limited holding \_\_\_\_\_ shares hereby appoint:

(1) Name: \_\_\_\_\_ E-Mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_ Signature \_\_\_\_\_ or failing him;

(2) Name: \_\_\_\_\_ E-Mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_ Signature \_\_\_\_\_ or failing him;

(3) Name: \_\_\_\_\_ E-Mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_ Signature \_\_\_\_\_

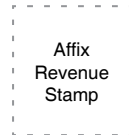
TEAR HERE

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 24<sup>th</sup> August, 2015 at 12.30 p.m. at Woodlands Hotel, 5, Raja Rammohan Roy Road, Bengaluru - 560 025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Type of Resolution	For	Against
	Ordinary Business			
1.	Consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2015 and the Report of the Board of Directors and the Auditors' Report.	Ordinary		
2.	Declare Dividend on equity shares.	Ordinary		
3.	Appointment of Shri S N Maheshwari (DIN 00193540) who retires by rotation and being eligible offers himself for reappointment.	Ordinary		
4.	Appointment of Statutory Auditors.	Ordinary		
	<b>Special Business</b>			
5.	Revision of terms of appointment of Shri M M Dhanuka	Ordinary		
6.	Appointment of Smt. Uma Acharya (DIN 07165976) as an Independent Director	Ordinary		
7.	Adoption of new Articles of Association	Ordinary		
8.	Maintenance of the Register of Members, etc. at a place other than the Registered Office of the Company	Special		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of the Member \_\_\_\_\_



\_\_\_\_\_  
Signature of the proxy holder

**Note :** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



# MYSORE PETRO CHEMICALS LIMITED

CIN: L24221KA1969PLC001799

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**Corporate Office:** 401, Raheja Centre, 214, Nariman Point, Mumbai-400 021

**Tel. :** 022 30286100 • **Fax:** 022 22040747 • **Email:** [igpetro@vsnl.com](mailto:igpetro@vsnl.com)

## BALLOT FORM

1. Name & Address of the Sole / :  
First named Shareholder
  
2. Joint holders, if any :
3. Registered Folio No. / DP ID No. & Client ID :
4. No. of Shares held :
5. I/ We hereby exercise my/ our vote in respect of the Resolution(s) to be passed for the businesses stated in the Notice dated 17<sup>th</sup> July, 2015 convening the Annual General Meeting on 24<sup>th</sup> August, 2015 by conveying my/ our assent or dissent to the Resolution(s) by placing tick (✓) mark in the appropriate boxes below:

Sl. No.	Description	No. of Shares	I/ We assent to the Resolution (FOR)	I/ We dissent to the Resolution (AGAINST)
1.	Consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March 2015 and the Report of the Board of Directors and the Auditors' Report.			
2.	Declare Dividend on equity shares.			
3.	Appointment of Shri S N Maheshwari (DIN 00193540) who retires by rotation and being eligible offers himself for reappointment.			
4.	Appointment of Statutory Auditors.			
5.	Revision of terms of appointment of Shri M M Dhanuka			
6.	Appointment of Smt. Uma Acharya (DIN 07165976) as an Independent Director			
7.	Adoption of new Articles of Association			
8.	Maintenance of the Register of Members, etc. at a place other than the Registered Office of the Company			

Place:

Date:

\_\_\_\_\_  
(Signature of the Shareholder)

### Notes:

- a. Last date for receipt of Ballot form by Scrutinizer is 21<sup>st</sup> August, 2015.
- b. Please read the instructions for E-voting procedure as stated in the Notice of the Annual General Meeting dated 17<sup>th</sup> July, 2015 before exercising your vote

TEAR HERE

## **INSTRUCTIONS**

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to The Scrutinizer, Mysore Petro Chemicals Ltd., 401-404, Raheja Centre, 214, Nariman Point, Mumbai - 400 021 so as to reach by 6.00 p.m. on 21<sup>st</sup> August, 2015. Ballot Form received thereafter will be treated as if the reply from the Member has not been received.
2. The Company will not be responsible if the Ballot Form is lost in transit.
3. The Ballot Form shall be signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the form should be signed by the first named shareholder and in his/her absence by the next named shareholder.
4. An incomplete or incorrect form is liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
5. The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as on the cut off date i.e. 17<sup>th</sup> August, 2015.
6. In the event member casts his votes through both the processes, i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
7. The right of voting by Ballot Form shall not be exercised by a proxy.
8. The identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by the Depositories and that of members holding shares in physical form is verified as per the records of the Share Transfer Agent of the Company i.e. Bigshare Services Pvt. Ltd.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company.



## Book – Post

*If undelivered, please return to :*

**MYSORE PETRO CHEMICALS LIMITED**

401-404, Raheja Centre  
214, Nariman Point  
Mumbai - 400 021.



## REGISTRATION OF E-MAIL ADDRESS

Date: \_\_\_\_\_

The Company Secretary  
**Mysore Petro Chemicals Limited**  
401-404, Raheja Centre  
214, Nariman Point  
Mumbai – 400 021.

Dear Sir,

### **Sub: Go-green initiatives in Corporate Governance - E-mail updation**

I hereby authorize you to send all communications to me in electronic mode. Please register my e-mail id in your records for sending all communications through e-mail. The relevant details in respect of my folio are given below:

Folio No. : \_\_\_\_\_

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

PAN : \_\_\_\_\_

No. of shares held : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Kindly communicate the registration of the e-mail ID in your record by email.

Thanking you,

Yours faithfully,

\_\_\_\_\_  
Signature of the shareholder

\_\_\_\_\_  
1<sup>st</sup> joint holder

\_\_\_\_\_  
2<sup>nd</sup> joint holder

### **Important Notes:**

- 1) On registration, all the communication will be sent to the registered e-mail ID.
- 2) Shareholders are requested to keep Company informed as and when there is any change in the e-mail address. Unless the Email ID given above is changed by you by sending another communication in writing, the Company will continue to send the notices/documents to you on the above mentioned email ID.