



Mysore Petro Chemicals Limited

46th Annual Report 2015-2016

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

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

Web : <http://mysorepetro.com>

CIN : L24221KA1969PLC001799

COMPANY SECRETARY

Shri Anand Kadkol

AUDITORS

M/s. Hariharan & Co.

Chartered Accountants

No. 133, 26th Cross

6th 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

CORPORATE OFFICE

401-404, Raheja Centre

214, Nariman Point

Mumbai-400 021

Tel : 022-30286100/30286133

Fax : 022-22040747

Email: mpcl@mysorepetro.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

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Mysore Petro Chemicals Limited

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Forty Sixth 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 Tuesday, the 23rd August, 2016 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 2016 and the Reports of the Board of Directors and the Auditors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Nikunj Dhanuka (DIN 00193499) who retires by rotation and being eligible offers himself for reappointment.
4. **Ratification of appointment of Auditors**

To appoint Auditors and fix their remuneration and for this purpose 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 Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Audit and Auditors) Rules, 2014 (“the said Rules”), the Company hereby ratifies the appointment of M/s. Hariharan & Co., Chartered Accountants, Bengaluru (Firm Registration No. 001083S), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Forty Seventh (47) Annual General Meeting of the Company to be held in the year 2017 on such remuneration as may be agreed upon by the Board of Directors and the Auditors in addition to service tax and re-imbursement of out of pocket expenses incurred by them in connection with the audit of accounts of the Company.”

As Special Business

5. **Approval of Material Related Party Transactions**

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

“RESOLVED THAT in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Company be and is hereby accorded to the contracts entered into between the Company and M/s I G Petrochemicals Ltd. for the purchase of Wash Water, Steam and Orthoxylene and rendering of premises on leave and licence on the terms and conditions as has been agreed between both the parties.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to perform and execute all such deeds, matters and things to give effect to this resolution and for the matters connected therewith or incidental thereto.”

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

Anand Kadkol
Company Secretary

Mumbai
27th June, 2016

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

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Notes :

1. 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.
2. The Explanatory Statement 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.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. A statement giving the relevant details of the Director seeking appointment/re-appointment under item No.3 of the accompanying Notice is annexed hereto. The Director has furnished the requisite declaration for his appointment /re-appointment.
5. The register of members and share transfer books of the Company will remain closed from Wednesday, 17th August, 2016 to Monday, 22nd August, 2016 (both days inclusive), for the purpose of Annual General Meeting and payment of Dividend.
6. After the declaration of Dividend as recommended by the Board of Directors, payment of such dividend will be made on or after 28th August, 2016 as under:
 - a) 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 16th August, 2016;
 - b) To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 16th August, 2016.
7. Members are requested to immediately intimate change of address, if any, to the Company/Registrar & Share Transfer Agents.
8. 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.
9. 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). Statements of uncalimed Dividends declared at the Annual General Meetings held on 1st August, 2014 and 24th August, 2015 are available on companies website www.mysorepetro.com. Members are requested to claim their dividends before they become due for transfer to IEPF.
10. 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.mysorepetro.com.
11. 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 2016 is being sent in the permitted mode. **A form for registration of your e-mail address is attached to this report. You are requested to kindly avail the facility. Alternatively, the members can also download the email registration**

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form from the companies website www.mysorepetro.com. 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.

12. 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.
13. Members may also note that the Notice of the 46th Annual General Meeting and the Annual Report will also be available on the Company's website www.mysorepetro.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.
14. 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.
15. Members seeking any information with regard to the Accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
16. A route map showing directions to reach the venue of the meeting is produced in the Annual Report.
17. In case of any change in email ID, members are requested to notify such change to the Company / RTA (for shares held in physical form) and to their respective Depository Participants (for shares held in electronic form).
18. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
19. 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.
20. 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.
21. 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

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

- (i) The voting period begins on **Saturday 20th August, 2016 at 10:00 a.m.** and ends on **Monday, 22nd August, 2016 at 5:00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Tuesday, 16th August, 2016** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (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 and voted on an earlier voting of any company, then your existing password is to be used.

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(vii) If you are a first time user follow the steps given below:

| | |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ◆ 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 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 sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> ◆ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Shareholders and Custodians

- ◆ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

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- ◆ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- ◆ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- ◆ The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- ◆ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions:

- i. The voting rights shall be as per the number of shares held by the members as on 16th August, 2016, being the cut off date. Members are eligible to cast their vote electronically only if they are holding shares as on the cut off date.
- ii. Any person who becomes a member of the Company after despatch of the Notice of the Meeting and holding shares as on the cut off date i.e. 16th August, 2016 shall follow the process as mentioned at sr. nos. (ii) to (v) of the above instructions for shareholders voting.
- iii. Mr. Martinho Ferrao, Practicing Company Secretary (Membership No. 6221) has been appointed as the Scrutinizer to scrutinise the 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 25th August, 2016 a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. 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.mysorepetro.com and on the website of CDSL 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**

Anand Kadkol
Company Secretary

Mumbai
27th June, 2016

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

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

Item No. 5

The Company had entered into contracts with M/s I G Petrochemicals Ltd. (being related party) for the purchase of Wash Water, Steam and Orthoxylene and rendering of office premises on lease and licence basis on 1st March, 2014 and 21st March, 2014 respectively for a period of five years each.

During the year ended 31st March, 2016, the aggregate consideration of the above contracts was ₹ 8.64 crores approx. which includes ₹ 6.25 crores as refundable security deposit.

In terms of Regulation 23(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all existing material related party contracts entered into prior to the date of notification of these regulations and which continues thereafter shall require approval of the shareholders at the general meeting. Material related party transactions have been defined as that exceeding ten per cent of turnover of the Company. The contracts referred herein above, therefore, constitute material related party contracts and would require approval of the shareholders of the Company.

Copies of the contracts shall be available to the members for inspection at the Corporate Office of the Company on all working days during 11.00 a.m. to 5.00 p.m. up to the date of the Meeting.

Except for Shri M M Dhanuka and Shri Nikunj Dhanuka, no other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution as set out at item No. 5 of the Notice.

The Board recommends the Special Resolution as set out at item No. 5 for the approval of the Shareholders.

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

Anand Kadkol
Company Secretary

Mumbai
27th June, 2016

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

Mysore Petro Chemicals Limited

Details of Director seeking Appointment / Re-appointment

(As required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

| Name of the Director | Shri Nikunj Dhanuka | | | | | | | | | | |
|---|---|--|---------|---------------------|------------|----|-------------------------|---|----|-----------------------------|--|
| Directors Identification Number (DIN) | 00193499 | | | | | | | | | | |
| Date of Birth | 26.05.1967 | | | | | | | | | | |
| Date of Appointment | 28.09.1996 | | | | | | | | | | |
| Qualifications | B.Com. | | | | | | | | | | |
| Expertise | He has extensive knowledge on the functioning of Chemical Industries and is in charge of the overall affairs of the Company and specifically supervises the finance, banking and operations of the Company. | | | | | | | | | | |
| Directorship held in other Public Companies (excluding foreign and private Companies) | I G Petrochemicals Limited | | | | | | | | | | |
| Chairmanships / Memberships of Committee across | <table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name of the Company</th> <th>Committees</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>I G Petrochemicals Ltd.</td> <td>Member of Stakeholders Relationship Committee</td> </tr> <tr> <td>2.</td> <td>Mysore Petro Chemicals Ltd.</td> <td>Member of Audit Committee and Chairman of Stakeholders Relationship Committee.</td> </tr> </tbody> </table> | | Sr. No. | Name of the Company | Committees | 1. | I G Petrochemicals Ltd. | Member of Stakeholders Relationship Committee | 2. | Mysore Petro Chemicals Ltd. | Member of Audit Committee and Chairman of Stakeholders Relationship Committee. |
| Sr. No. | Name of the Company | Committees | | | | | | | | | |
| 1. | I G Petrochemicals Ltd. | Member of Stakeholders Relationship Committee | | | | | | | | | |
| 2. | Mysore Petro Chemicals Ltd. | Member of Audit Committee and Chairman of Stakeholders Relationship Committee. | | | | | | | | | |
| Shareholding of Directors | Nil | | | | | | | | | | |
| Relationship between directors <i>inter-se</i> | Nil | | | | | | | | | | |

Mysore Petro Chemicals Limited

DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To,
The Members

Your Directors hereby present the Forty Sixth Annual Report alongwith Audited Financial Statements of the Company for the financial year ended 31st March, 2016.

1. Financial Results

₹ in Lacs

| | 2015-2016 | 2014-2015 |
|--|-----------|-----------|
| Revenue from Operations (Gross) | 2,621.86 | 3,696.73 |
| Less: Excise duty | 293.26 | 409.99 |
| Revenue from Operations (Net) | 2,328.60 | 3,286.74 |
| Other Income | 100.26 | 94.94 |
| Total Revenue | 2,428.86 | 3,381.68 |
| Gross Profit | 713.15 | 1,642.31 |
| Less: | | |
| Finance Cost | 76.68 | 135.14 |
| Depreciation and Amortisation expenses | 276.81 | 273.98 |
| Profit before Tax | 359.66 | 1,233.19 |
| Tax Expenses: | | |
| – Current Tax | 167.20 | 462.00 |
| – Deferred Tax | — | 49.65 |
| Profit for the year | 192.46 | 721.54 |
| Less: Appropriations | | |
| Transfer to General Reserve | — | 200.00 |
| Proposed Equity Dividend | 65.84 | 131.67 |
| Tax on Proposed Dividend | 13.40 | 27.56 |
| Balance brought forward from previous year | 1,515.85 | 1,153.54 |
| Balance carried forward to Balance Sheet | 1,629.07 | 1,515.85 |

2. Operational Review

The Gross Sales amounted to ₹ 2,621.86 lacs (previous year ₹ 3,696.73 lacs) and Net Sales was ₹ 2,328.60 lacs (previous year ₹ 3,286.74 lacs). After providing for interest, finance charges and Depreciation, the Net Profit substantially declined to ₹ 192.46 lacs as against ₹ 721.54 lacs in the previous year 2014-2015. There was a steep fall in international crude oil price, due to which the prices of downstream products including Maleic Anhydride (MA) witnessed sharp fall.

The sales realization was low due to continuous fall in MA prices especially in the second half of the year. Imports of MA has increased off late, however with the rise in crude oil prices since February 2016, the MA prices improved and the trend is likely to continue in the current year.

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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.

Meanwhile the Company has filed a Writ Petition in the Hon'ble High Court of Karnataka, Bangalore, Gulbarga Bench. The hearing date is awaited.

3. Dividend

Your Directors are pleased to recommend dividend of ₹ 1/- (10 %) per equity share of ₹ 10/- each. The total outgo on account of dividend for the current year amounts to ₹ 79.24 lacs as against ₹ 159.23 lacs in the previous year (including dividend distribution tax).

4. Share Capital & Finance

4.1 Share Capital

The paid up Equity Share Capital as on 31st March, 2016 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 31st March, 2016 is 72.99%.

4.2 Finance

The Company does not have any secured debts as on date.

4.3 Fixed Deposits

The Company has not accepted any Fixed Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

4.4 Particulars of Loans, Guarantees or Investments

The Company has not given any loans or guarantees within the meaning of the provisions of Section 186 of the Companies Act, 2013.

The details of the investments made by the Company are given in the notes to the Financial Statements.

5. Taxes and Duties

The Company has contributed ₹ 533.89 lacs (₹ 971.17 lacs) to the Central and State exchequer by way of Excise Duty, Sales Tax, Income Tax and Professional Tax.

6. Economic scenario, opportunities, concerns and future outlook

The Indian economy enjoyed a relatively stable macro economic scenario during 2015 as compared to many other countries in the world. The GDP is expected to be around 7.6% in the current year 2015-16 amid expectations of higher investments in infrastructure and industry. Notwithstanding some slackening in a few sectors, manufacturing growth in 2015-16 was strong at 7.5% as compared to 6% growth in 2014-15. This spurt in manufacturing resulted in higher industrial production and revival in overall consumer demand. The outlook for India's national economy in the year 2016 and beyond shows a strong emerging potential.

There is steady rise in demand for MA in view of the growth in user industries viz. Resins, paints, plasticizers and newer applications of MA in certain user industries. The performance since the last quarter of the year has improved and continues during the current quarter and hence the Company is cautiously optimistic about the performance in the current financial year. The Company is the only producer of MA in India and sells its entire produce indigenously to local consumers.

Mysore Petro Chemicals Limited

The performance depends upon uninterrupted supply of Wash Water from IGPL. The Governments import policies and other environmental issues are the other areas which is a cause of concern. The Company's efforts in better working capital management and expected rise in demand will help to improve our operations.

7. Corporate Social Responsibility (CSR)

The Corporate Social Responsibility (CSR) Policy of the Company aims to bring a difference in the lives of the needy, under privileged persons of the society including children, women and senior citizens. During the year, the CSR Committee of the Company directed its spending on the sectors primarily in healthcare and education in accordance with its CSR Policy.

The Report on CSR activities is annexed herewith as "Annexure A".

8. Risk Management

The Company manufactures a single product MA which is recovered from the Wash Water made available by IGPL. MA is sold in local markets and there are no exports. 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 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 the 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 US\$ 115 to US\$ 28 during the past one year due to which all the downstream petro products including MA 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.

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 Company's website www.mysorepetro.com. There was no fraud or irregularity noticed during the year under review.

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10. Directors

Shri. Nikunj Dhanuka, Director retires by rotation and being eligible has offered himself for re-appointment.

The Company has received necessary declarations from all Independent Directors of the Company as required under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

10.1 Board Evaluation

As mandated under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual performance evaluation of the Directors individually vis-à-vis the Board and its committees have been carried out during the year. The manner of such evaluation has been disclosed 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 five Board Meetings and four 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. Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder –

1. Mr. M M Dhanuka, Managing Director & CEO
2. Mr. Paras Jain, Chief Financial Officer
3. Mr. Anand Kadkol, Company Secretary & Compliance Officer

There are no changes in the Key Managerial Personnel during the year under review.

12. 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 2016, 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 2016 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;
- d) that the annual financial statements have been prepared on a going concern basis;

Mysore Petro Chemicals Limited

- 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.

13. Related Party Transactions

The Company has certain existing long term related party transactions which are on arm's length basis and in the ordinary course of business. In terms of Regulations 23(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all existing material related party contracts entered into prior to the date of notification of these regulations and which continues thereafter shall require approval of the shareholders at the general meeting.

Accordingly the resolution for material related party transaction is placed at the forthcoming Annual General Meeting for approval of the shareholders. Information on Related Party Transactions are given in Annexure 'E'.

14. Auditors

14.1 Statutory Auditors

M/s. Hariharan and Company, Chartered Accountants, Bengaluru (Firm's Registration No. 001083S) were appointed as Statutory Auditors in the last Annual General Meeting (AGM) to hold office until the conclusion of the 47th AGM of the Company to be held in the year 2017. The said appointment was subject to the ratification by the Members at every AGM till the expiry of their present tenure. The Auditor has provided a written confirmation to the effect that their appointment, if ratified, would be in conformity with the limits specified in Section 141(3) (g) of the Companies Act, 2013. As required under Regulation 33 of the SEBI Listing Regulations, the Statutory Auditor has also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

The Members are requested to ratify the appointment of the Auditors as aforesaid and fix their remuneration. The Auditors' Report does not contain any qualification, reservation or adverse remark.

14.2 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. Makarand M Joshi and Associates, Practicing Company Secretaries (CP No. 3662) to conduct the Secretarial Audit of the Company for the Financial Year 2015-16. The said Report is annexed herewith as "Annexure B".

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

15. Listing of Shares

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

16. Corporate Governance

The disclosures as required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are attached and forms part of this report.

17. 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 C".

Mysore Petro Chemicals Limited

18. 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 D".

19. 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 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.

20. 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.

21. 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.

22. Particulars of Employees

During the year, there are no employees who are in receipt of the remuneration exceeding the limit specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information relating to remuneration in respect of directors/employees of the Company as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided to the members upon request.

23. 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
20th May, 2016

Mysore Petro Chemicals Limited

ANNEXURE 'A' TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:
CSR Policy of the Company is available on <http://www.mysorepetro.com/csrpolicy>

- Composition of the CSR Committee:

The CSR Committee was constituted by the Board of Directors effective 25th May, 2015. During the year, the Committee met twice on 17.7.2015 and 21.3.2016. The composition of the Committee is given below:

| Name of the Director | Position | Category |
|----------------------|----------|--------------------------------------|
| Shri Nikunj Dhanuka | Chairman | Non-Executive Director |
| Shri Shrikant Somani | Member | Non-Executive & Independent Director |
| Shri S N Maheshwari | Member | Non-Executive Director |
| Smt. Uma Acharya | Member | Non-Executive & Independent Director |

- Average net profit of the Company for the last three financial years: ₹ 668.80 lacs
- Prescribed CSR expenditure (two per cent of the amount as in item No. 3 above): ₹ 13.38 lacs
- Details of amount spent on CSR during the financial year 2015-16:
 - Total amount spent: ₹ 13.40 lacs
 - Amount unspent, if any: Nil
 - Manner in which the amount spent during the financial year is detailed below:

(Amount in ₹)

| Sr. No. | CSR Project or Activity identified | Sector in which the project is covered | Projects or program 1. Local area or other 2. Specify the State and district where projects or Programs was undertaken | Amount outlay (Budget) Project or Programs-wise | Amount spent on the Project or Programs Sub-heads 1. Direct expenditure on projects or programs 2. Overheads | Cumulative Expenditure upto the reporting period | Amount spent: Direct or through implementing agency |
|--------------|------------------------------------|--|--|---|--|--|--|
| 1. | School | Education | Vrindaban, U.P. | 5,00,000/- | 5,00,000/- | 5,00,000/- | Direct - Parmeshwari Devi Dhanuka Saraswati Vidya Mandir |
| 2. | Society | Community Organisation | Vrindaban, U.P. | 9,00,000/- | 8,40,000/- | 8,40,000/- | Donation to H P Dhanuka Charity Trust, Mumbai |
| TOTAL | | | | 14,00,000/- | 13,40,000/- | 13,40,000/- | |

- The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Sd/-
M. M. Dhanuka
Managing Director & CEO

Sd/-
Nikunj Dhanuka
Chairman - CSR Committee

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CSR POLICY

(approved by the Board of Directors on 25th May, 2015)

Our CSR activities shall aim to bring a difference in the lives of the needy, under privileged persons of the society including children, women and senior citizens.

Areas to be covered under CSR

- a) To identify core areas where social activities are required to be done i.e. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- b) Promoting education, especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- c) Rural development projects.
- d) Overall development activities in areas surrounding our manufacturing sites for the benefit of the society.
- e) Any other projects which may be recommended and taken from time to time.

In order to achieve the aforesaid objectives we shall collaborate with like minded bodies like Governments, voluntary organizations and academic institutions in pursuit of our goals.

Mysore Petro Chemicals Limited

ANNEXURE 'B' TO DIRECTORS' REPORT

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2016

[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,
Bangalore – 560 001, Karnataka.

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 31st March, 2016 ('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 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (**Overseas Direct Investment and External Commercial Borrowings 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 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company 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 28th October, 2014 and its amendments notified on 18th September, 2015 (**Not applicable to the Company during the audit period**);

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- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the audit period**);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**);
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**);
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 01/12/2015).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with stock exchange. (till 30/11/2015)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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 laws applicable specifically to the Company:

- ◆ The Petroleum Act, 1934 and
- ◆ The Petroleum Rules, 2002
- ◆ The Chemical Weapons Convention Act, 2000

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 either unanimously or majority 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**
Company Secretaries

Sd/-

Makarand Joshi
Partner

FCS No. 5533

CP No. 3662

Place: Mumbai

Date: 20th May, 2016

Mysore Petro Chemicals Limited

ANNEXURE 'C' 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:

(A) Power & Fuel Consumption

| | For the year ended 31/03/2016 | For the year ended 31/03/2015 |
|--|-------------------------------------|-------------------------------------|
| 1. Electricity | | |
| a. Purchased (Units) | 82,740 | 143,380 |
| Total Amount (₹) | 1,457,939 | 1,701,115 |
| Rate/Unit (₹) | 17.62 | 11.86 |
| b. Own Generation | | |
| I Through Diesel Generator | — | — |
| Unit per Litre of Diesel Oil | — | — |
| Cost/Unit (₹) | — | — |
| II Through Steam Turbine | | |
| Generator (Units) | — | — |
| Units per Ltr. of Fuel / Oil / Gas | — | — |
| 2. Coal is not used in Manufacturing Process | | |
| 3. Furnace Oil quantity (MT) | — | — |
| Total Amount (₹) | — | — |
| Average rate/MT (₹) | — | — |
| 4. Other/Internal generation | — | — |
| | 2015-16 | 2014-15 |
| (B) Energy consumption per unit (MT) of Product | | |
| Maleic Anhydride | Standard | |
| Electricity - Units | Not Specified | 23 |
| Furnace Oil - Litres | Not Specified | — |
| (C) Technology Absorption | | |
| The technology of recovery of Maleic Anhydride from the waste water has been adapted in the Maleic Anhydride project of the Company. | | |
| (D) Foreign Exchange Earnings & outgo | | |
| Total Foreign Exchange Earnings | — | — |
| Total Foreign Exchange Outgo | 32.86 | 17.95 |

Mysore Petro Chemicals Limited

ANNEXURE 'D' TO DIRECTOR'S REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.3.2016

[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 th 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 : mys_petro@rediffmail.com |
| 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: info@bigshareonline.com |

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: 01/04/2015 | | | | No. of Shares held at the end of the year: 31/03/2016 | | | |
|---------------------------------------|---|-------------|----------------|--------------|---|-------------|----------------|--------------|
| | Demat | Physical | Total Shares | Total % | Demat | Physical | Total Shares | Total % |
| A. Promoter and Promoter Group | | | | | | | | |
| (1) Indian | | | | | | | | |
| a) Individual / HUF | 118881 | 0 | 118881 | 1.81 | 109576 | 0 | 109576 | 1.66 |
| b) Central / State Government(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| c) Bodies Corporate | 4686424 | 0 | 4686424 | 71.18 | 4695729 | 0 | 4695729 | 71.33 |
| d) Financial Institutions / Banks | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| e) Any Others (Specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| SUB TOTAL (A)(1) : | 4805305 | 0 | 4805305 | 72.99 | 4805305 | 0 | 4805305 | 72.99 |
| (2) Foreign | | | | | | | | |
| a) Individual | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| b) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| c) Institutions | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| d) Qualified Foreign Investor | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| e) Any Others (Specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| SUB TOTAL (A)(2) : | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| (A)=(A)(1) + (A)(2) | 4805305 | 0 | 4805305 | 72.99 | 4805305 | 0 | 4805305 | 72.99 |
| B. Public Shareholding | | | | | | | | |
| 1. Institutions | | | | | | | | |
| a) Mutual Funds / UTI | 130 | 100 | 230 | 0.00 | 130 | 100 | 230 | 0.00 |
| b) Financial Institutions / Banks | 455 | 970 | 1425 | 0.02 | 455 | 970 | 1425 | 0.02 |
| c) Central / State Government(s) | 200 | 0 | 200 | 0.00 | 0 | 0 | 0 | 0.00 |
| d) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| e) Insurance Companies | 196010 | 0 | 196010 | 2.98 | 196010 | 0 | 196010 | 2.98 |
| f) FII's | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| g) Foreign Venture Capital Investors | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| h) Qualified Foreign Investor | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| i) Any Others (Specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| SUB TOTAL (B)(1) : | 196795 | 1070 | 197865 | 3.01 | 196595 | 1070 | 197665 | 3.00 |

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| Category of Shareholders | No. of Shares held at the beginning of the year: 01/04/2015 | | | | No. of Shares held at the end of the year: 31/03/2016 | | | |
|--|---|---------------|----------------|---------------|---|---------------|----------------|---------------|
| | Demat | Physical | Total Shares | Total % | Demat | Physical | Total Shares | Total % |
| 2. Non-Institutions | | | | | | | | |
| a) Bodies Corporate | 186193 | 2833 | 189026 | 2.87 | 176952 | 2808 | 179760 | 2.73 |
| b) Individuals | | | | | | | | |
| i) (Capital Upto to ₹ 1 Lakh) | 923673 | 342069 | 1265742 | 19.23 | 966299 | 332202 | 1298501 | 19.72 |
| ii) (Capital greater than ₹ 1 Lakh) | 89758 | 0 | 89758 | 1.36 | 70316 | 0 | 70316 | 1.07 |
| c) Qualified Foreign Investor | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| d) Any Others (Specify) | | | | | | | | |
| i) Trusts | 150 | 0 | 150 | 0.00 | 150 | 0 | 150 | 0.00 |
| ii) Clearing Member | 14901 | 0 | 14901 | 0.23 | 10524 | 0 | 10524 | 0.16 |
| iii) Directors Relatives | 3625 | 0 | 3625 | 0.06 | 3625 | 0 | 3625 | 0.06 |
| iv) Employee | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| v) Non Resident Indians (NRI) | 16806 | 310 | 17116 | 0.26 | 17082 | 560 | 17642 | 0.27 |
| vi) Overseas Bodies Corporates | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| vii) Unclaimed Suspense Account | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| SUB TOTAL (B)(2) : | 1235106 | 345212 | 1580318 | 24.00 | 1244948 | 335570 | 1580518 | 24.01 |
| Total Public Shareholding (B)=(B)(1) + (B)(2) | 1431901 | 346282 | 1778183 | 27.01 | 1441543 | 336640 | 1778183 | 27.01 |
| Total (A) + (B) : | 6237206 | 346282 | 6583488 | 100.00 | 6246848 | 336640 | 6583488 | 100.00 |
| C. Shares held by Custodians and against which Depository Receipts have been issued | | | | | | | | |
| (a) Shares held by custodians | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| i) Promoter and Promoter Group | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| ii) Public | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| SUB TOTAL (C)(1) : | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| (C)=(C)(1) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| Total (A) + (B) : | 6237206 | 346282 | 6583488 | 100.00 | 6246848 | 336640 | 6583488 | 100.00 |
| Grand Total (A) + (B) + (C) | 6237206 | 346282 | 6583488 | 100.00 | 6246848 | 336640 | 6583488 | 100.00 |

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ii) Category-wise Share Holding

| Sl. No. | NAME | Shareholding at the beginning of the year 01/04/2015 | | | Shareholding at the end of the year 31/03/2016 | | | % Change in shareholding during the year |
|---------|---|--|-------------------------|--|--|-------------------------|--|--|
| | | No. of Shares | % Shares of the Company | % of Shares Pledged/encumbered to total shares | No. of Shares | % Shares of the Company | % of Shares Pledged/encumbered to total shares | |
| 1 | Amishi Dhanuka | 2050 | 0.0311 | 0.0000 | 2050 | 0.0311 | 0.0000 | 0.0000 |
| 2 | Bihariji Constructions (India) Ltd. | 294510 | 4.4735 | 0.0000 | 294510 | 4.4735 | 0.0000 | 0.0000 |
| 3 | Bihariji Projects Ltd. | 296835 | 4.5088 | 0.0000 | 296835 | 4.5088 | 0.0000 | 0.0000 |
| 4 | Brahamputra Enterprises Ltd. | 294349 | 4.4710 | 0.0000 | 294349 | 4.4710 | 0.0000 | 0.0000 |
| 5 | Ellenbarrie Steels And Allied Industries Ltd. | 38140 | 0.5793 | 0.0000 | 38140 | 0.5793 | 0.0000 | 0.0000 |
| 6 | Ellenbarrie Steels And Allied Industries Ltd. | 334434 | 5.0799 | 0.0000 | 334434 | 5.0799 | 0.0000 | 0.0000 |
| 7 | Gembel Trade Enterprises Ltd. | 769020 | 11.6810 | 0.0000 | 778325 | 11.8224 | 0.0000 | 0.1414 |
| 8 | Kalimpong Produce Co. Ltd. | 4800 | 0.0729 | 0.0000 | 4800 | 0.0729 | 0.0000 | 0.0000 |
| 9 | Kamakhya Enterprises Ltd. | 84960 | 1.2905 | 0.0000 | 84960 | 1.2905 | 0.0000 | 0.0000 |
| 10 | Kamrup Enterprises Ltd. | 132090 | 2.0064 | 0.0000 | 132090 | 2.0064 | 0.0000 | 0.0000 |
| 11 | Madan Mohan Dhanuka | 60900 | 0.9250 | 0.0000 | 60900 | 0.9250 | 0.0000 | 0.0000 |
| 12 | Mayank Dhanuka | 9125 | 0.1386 | 0.0000 | 0 | 0.0000 | 0.0000 | -0.1386 |
| 13 | Nikunj Dhanuka | 180 | 0.0027 | 0.0000 | 0 | 0.0000 | 0.0000 | -0.0027 |
| 14 | Savita Investment Company Ltd. | 1509503 | 22.9286 | 0.0000 | 1509503 | 22.9286 | 0.0000 | 0.0000 |
| 15 | Shekhavati Investment Corp. Ltd. | 208536 | 3.1676 | 0.0000 | 208536 | 3.1676 | 0.0000 | 0.0000 |
| 16 | Shekhavati Investment Corp. Ltd. | 447558 | 6.7982 | 0.0000 | 447558 | 6.7982 | 0.0000 | 0.0000 |
| 17 | Shogun Vinimay (P) Ltd. | 4633 | 0.0704 | 0.0000 | 4633 | 0.0704 | 0.0000 | 0.0000 |
| 18 | Umang Dhanuka | 1144 | 0.0174 | 0.0000 | 1144 | 0.0174 | 0.0000 | 0.0000 |
| 19 | Umang Dhanuka | 45482 | 0.6908 | 0.0000 | 45482 | 0.6908 | 0.0000 | 0.0000 |
| 20 | Vincent India Ltd. | 267056 | 4.0565 | 0.0000 | 267056 | 4.0565 | 0.0000 | 0.0000 |
| | Total | 4805305 | 72.9903 | 0.0000 | 4805305 | 72.9903 | 0.0000 | 0.0000 |

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

| Sl. No. | Particulars | Share holding at the beginning of the year 01/04/2015 | | Share holding at the end of the year 31/03/2016 | |
|---------|-------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 4805305 | 72.99 | 4805305 | 72.99 |
| | At the end of the year | | | 4805305 | 72.99 |

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

| Sl. No. | NAME | No. of Shares at the beginning/ End of the year | Date | Increase/ Decrease in shareholding | No. of Shares | % of total shares of the company |
|---------|----------------------------------|---|-----------|------------------------------------|---------------|----------------------------------|
| 1 | Life Insurance Corp. of India | 196,010 | 31-Mar-15 | 0 | 196,010 | 2.98 |
| | | 196,010 | 31-Mar-16 | 0 | 196,010 | 2.98 |
| 2 | Woodburn Infratech Pvt. Ltd. | | 31-Mar-15 | 0 | 56,969 | 0.87 |
| | | | 05-Jun-15 | 6842 | 63,811 | 0.97 |
| | | | 12-Jun-15 | 3950 | 67,761 | 1.03 |
| | | | 19-Jun-15 | 18 | 67,779 | 1.03 |
| | | | 17-Jul-15 | (476) | 67,303 | 1.02 |
| | | | 20-Nov-15 | 3000 | 70,303 | 1.07 |
| | | | 31-Mar-16 | 0 | 70,303 | 1.07 |
| 3 | Rakesh V Sawant | 32,046 | 31-Mar-15 | 0 | 32,046 | 0.49 |
| | | | 31-Jul-15 | 18820 | 50,866 | 0.77 |
| | | | 31-Mar-16 | 0 | 50,866 | 0.77 |
| 4 | Nangalia Stock Broking Pvt. Ltd. | 34,792 | 31-Mar-15 | 0 | 34,792 | 0.53 |
| | | | 17-Jul-15 | (8109) | 26,683 | 0.41 |
| | | | 24-Jul-15 | (2500) | 24,183 | 0.37 |
| | | | 7-Aug-15 | (5000) | 19,183 | 0.29 |
| | | | 31-Mar-16 | 0 | 19,183 | 0.29 |
| 5 | Nangalia Traders Pvt. Ltd | 0 | 31-Mar-15 | | 0 | 0.00 |
| | | | 18-Dec-15 | 1140 | 1,140 | 0.02 |
| | | | 25-Dec-15 | 1234 | 2,374 | 0.04 |
| | | | 31-Dec-15 | 1744 | 4,118 | 0.06 |
| | | | 22-Jan-16 | 3028 | 7,146 | 0.11 |
| | | | 12-Feb-16 | 5819 | 12,965 | 0.20 |

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| Sl. No. | NAME | No. of Shares at the beginning/ End of the year | Date | Increase/ Decrease in shareholding | No. of Shares | % of total shares of the company |
|---------|----------------------------|---|-----------|------------------------------------|---------------|----------------------------------|
| | | | 19-Feb-16 | 3940 | 16,905 | 0.26 |
| | | | 26-Feb-16 | 583 | 17,488 | 0.27 |
| | | | 04-Mar-16 | 1805 | 19,293 | 0.29 |
| | | | 11-Mar-16 | 1280 | 20,573 | 0.31 |
| | | | 18-Mar-16 | 1194 | 21,767 | 0.33 |
| | | | 25-Mar-16 | 4864 | 26,631 | 0.40 |
| | | | 31-Mar-16 | 500 | 27,131 | 0.41 |
| | | 27,131 | 31-Mar-16 | 0 | 27,131 | 0.41 |
| 6 | Satya Prakash Mittal (Huf) | 20,015 | 31-Mar-15 | 0 | 20,015 | 0.30 |
| | | | 10-Apr-15 | (207) | 19,808 | 0.30 |
| | | | 17-Apr-15 | (185) | 19,623 | 0.30 |
| | | | 29-May-15 | (400) | 19,223 | 0.29 |
| | | | 17-Jul-15 | (1380) | 17,843 | 0.27 |
| | | | 24-Jul-15 | (17843) | 0 | 0.00 |
| | | | 31-Mar-16 | 0 | 0 | 0.00 |
| 7 | Ayush Mittal | 18,038 | 31-Mar-15 | 0 | 18,038 | 0.27 |
| | | | 10-Apr-15 | (927) | 17,111 | 0.26 |
| | | | 29-May-15 | (1301) | 15,810 | 0.24 |
| | | | 26-Jun-15 | (654) | 15,156 | 0.23 |
| | | | 3-Jul-15 | (1343) | 13,813 | 0.21 |
| | | | 10-Jul-15 | (2663) | 11,150 | 0.17 |
| | | | 17-Jul-15 | (11150) | 0 | 0.00 |
| | | | 31-Mar-16 | 0 | 0 | 0.00 |
| 8 | Camel Foods Pvt Ltd. | 15,315 | 31-Mar-15 | 0 | 15,315 | 0.23 |
| | | | 17-Apr-15 | 9196 | 24,511 | 0.37 |
| | | | 24-Apr-15 | 2679 | 27,190 | 0.41 |
| | | | 8-May-15 | 777 | 27,967 | 0.42 |
| | | | 29-May-15 | (10439) | 17,528 | 0.27 |
| | | | 5-Jun-15 | (5000) | 12,528 | 0.19 |
| | | | 26-Jun-15 | (2000) | 10,528 | 0.16 |

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| Sl. No. | NAME | No. of Shares at the beginning/ End of the year | Date | Increase/ Decrease in shareholding | No. of Shares | % of total shares of the company |
|---------|-----------------------|---|-----------|------------------------------------|---------------|----------------------------------|
| | | | 30-Jun-15 | (528) | 10,000 | 0.15 |
| | | | 10-Jul-15 | (391) | 9,609 | 0.15 |
| | | | 24-Jul-15 | (9609) | 0 | 0.00 |
| | | | 31-Mar-16 | 0 | 0 | 0.00 |
| 9 | Gautam M Mehta (Huf) | 15,000 | 31-Mar-15 | 0 | 15,000 | 0.23 |
| | | | 29-May-15 | 10000 | 25,000 | 0.38 |
| | | | 5-Jun-15 | (10000) | 15,000 | 0.23 |
| | | | 26-Jun-15 | 6054 | 21,054 | 0.32 |
| | | | 30-Jun-15 | (6054) | 15,000 | 0.23 |
| | | | 21-Aug-15 | (10000) | 5,000 | 0.08 |
| | | | 18-Sep-15 | 15000 | 20,000 | 0.30 |
| | | | 30-Sep-15 | (5000) | 15,000 | 0.23 |
| | | | 6-Nov-15 | (15000) | 0 | 0.00 |
| | | | 31-Mar-16 | 0 | 0 | 0.00 |
| 10 | B. Daulat Ltd. | 14,500 | 31-Mar-15 | 0 | 14,500 | 0.22 |
| | | | 10-Jul-15 | (375) | 14,125 | 0.21 |
| | | | 17-Jul-15 | (116) | 14,009 | 0.21 |
| | | | 24-Jul-15 | (1500) | 12,509 | 0.19 |
| | | | 31-Jul-15 | (1000) | 11,509 | 0.17 |
| | | 11,509 | 31-Mar-16 | 0 | 11,509 | 0.17 |
| 11 | Rameshwar Nath Pandey | 0 | 31-Mar-15 | | 0 | 0.00 |
| | | | 26-Jun-15 | 3408 | 3,408 | 0.05 |
| | | | 03-Jul-15 | 345 | 3,753 | 0.06 |
| | | | 10-Jul-15 | 755 | 4,508 | 0.07 |
| | | | 17-Jul-15 | 566 | 5,074 | 0.08 |
| | | | 24-Jul-15 | 4100 | 9,174 | 0.14 |
| | | | 31-Jul-15 | 200 | 9,374 | 0.14 |
| | | | 09-Oct-15 | 1957 | 11,331 | 0.17 |
| | | 11,331 | 31-Mar-16 | 0 | 11,331 | 0.17 |

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| Sl. No. | NAME | No. of Shares at the beginning/ End of the year | Date | Increase/ Decrease in shareholding | No. of Shares | % of total shares of the company |
|---------|-------------------------------|---|-----------|------------------------------------|---------------|----------------------------------|
| 12 | Shiv Kumar Bagri | 10,464 | 31-Mar-15 | 0 | 10,464 | 0.16 |
| | | | 24-Jul-15 | (2000) | 8,464 | 0.13 |
| | | | 31-Jul-15 | (1000) | 7,464 | 0.11 |
| | | | 07-Aug-15 | (2430) | 5,034 | 0.08 |
| | | | 14-Aug-15 | (1000) | 4,034 | 0.06 |
| | | | 4,034 | 31-Mar-16 | 0 | 4,034 |
| 13 | Ramesh Kumar Bubna | 8,144 | 31-Mar-15 | 0 | 8,144 | 0.12 |
| | | | 22-Jan-16 | 2000 | 10,144 | 0.15 |
| | | 10,144 | 31-Mar-16 | 0 | 10,144 | 0.15 |
| 14 | Choice Equity Broking Pvt Ltd | 0 | 31-Mar-15 | | 0 | 0.00 |
| | | | 07-Aug-15 | 10000 | 10,000 | 0.15 |
| | | 10,000 | 31-Mar-16 | 0 | 10,000 | 0.15 |
| 15 | Sahaj Pravinbhai Dave | 30 | 31-Mar-15 | 0 | 30 | 0.00 |
| | | | 30-Sep-15 | 9793 | 9,823 | 0.15 |
| | | 9,823 | 31-Mar-16 | 0 | 9,823 | 0.15 |

V.

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year i.e. 01.04.2015 | | Cumulative Shareholding during the year i.e. 31.03.2016 | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | M M Dhanuka | 60900 | 0.93 | 60900 | 0.93 |
| 2 | Nukunj Dhanuka | 180 | 0.00 | 0 | 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 | Uma Acharya | 0 | 0.00 | 100 | 0.00 |
| 8 | Paras Jain | 0 | 0.00 | 0 | 0.00 |
| 9 | Anand Kadkol | 83 | 0.00 | 83 | 0.00 |

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V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in lacs)

| Particulars | Secured Loans Excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 16.80 | 617.74 | — | 634.54 |
| ii) Interest due but not paid | — | — | — | — |
| iii) Interest accrued but not due | — | 112.83 | — | 112.83 |
| Total (i+ii+iii) | 16.80 | 730.57 | — | 747.37 |
| Change in Indebtedness during the financial year | | | | |
| – Addition | 0.59 | — | — | 0.59 |
| – Reduction | — | (85.97) | — | (85.97) |
| Net Change | 0.59 | (85.97) | — | (85.38) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 17.39 | 632.18 | — | 649.57 |
| ii) Interest due but not paid | — | — | — | — |
| iii) Interest accrued but not due | — | 12.42 | — | 12.42 |
| Total (i+ii+iii) | 17.39 | 644.60 | — | 661.99 |

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 |
|---------|--|---------------------------|--------------|
| | | Shri. M M Dhanuka | |
| 1. | Gross salary | 54.00 | 54.00 |
| | (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 | 25.07 | 25.07 |
| | (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 | — | — |
| | Total (A) | 79.07 | 79.07 |
| | Ceiling as per Section 198 of the Companies Act, 2013 (Pursuant to Schedule V, Part II, Section II) | | 84.00 |

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B. Remuneration to other directors

(₹ in lacs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|-------------------|-------------|-----------------|-------------|--------------|
| | | Anil Kochar | M M Jayakar | Shrikant Somani | Uma Acharya | |
| 1. | Independent Directors | | | | | |
| | Fee for attending Board / Committee meetings | 1.50 | 2.60 | 2.05 | 1.55 | 7.70 |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (1) | 1.50 | 2.60 | 2.05 | 1.55 | 7.70 |
| 2. | Other Non-Executive Directors | | | | | |
| | Fee for attending Board / Committee meetings | 1.50 | 2.30 | | | 3.80 |
| | Commission | - | - | | | - |
| | Others, please specify | - | - | | | - |
| | Total (2) | 1.50 | 2.30 | | | 3.80 |
| | Total (B)=(1+2) | | | | | 11.50 |
| | Total Managerial Remuneration (A+B) | | | | | 90.57 |
| | Within the overall ceiling limits as per the provisions of the Companies Act, 2013 | | | | | |

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 | 6.68 | 19.86 |
| | (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 | 3.82 | 3.13 | 6.95 |
| | (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 | - | - | - |
| | Total | 17.00 | 9.81 | 26.81 |

VII Penalties / Punishment / Compounding of Offences

There were no Penalties /punishment/compounding of offences during the year ended 31st March, 2016.

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ANNEXURE 'E' TO DIRECTOR'S REPORT

Form AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Not applicable.

2. Details of contracts or arrangements or transactions at arm's length basis:

| Name of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date of approval by the Board | Amount paid as advances, if any |
|--|--|--|--|--|-------------------------------|---------------------------------|
| IG Petrochemicals Limited (IGPL) – Co-Promoter | a) Supply of Goods & Services. b) Office Premises on Lease. | a) Contract Agreement dt. 1.3.2014 for five (5) years upto 28.2.2019. b) Leave & License Agreement dt. 21.3.2014 for five (5) years upto 28.2.2019. | a) Purchase of Wash Water, Steam and Orthoxylene from IGPL. b) Rented to IGPL on Security Deposit of ₹ 6.25 crores. | a) Wash Water available only from IGPL being its effluent in the process of manufacture. b) To put the premises to optimum use. | a) 23.5.2014 b)13.2.2014 | NIL |

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REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2016.

Company's Philosophy on Code of Governance

The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. The management of the Company aims to conduct the business in a fair and transparent manner to meet the obligations of its stakeholders and business partners.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "SEBI Regulations"] is given below:

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 Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interests of the Company.

The Board has in place all mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The roles and functions of these committees are defined in accordance with the regulatory framework.

Board Meetings and Attendance

During the year under review, five Board Meetings were held i.e. on 25th May, 2015, 17th July, 2015, 19th October, 2015, 11th February, 2016 and 21st March, 2016.

The composition of the Board, attendance at the Board Meetings 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 24 th August, 2015 | Number of Directorship(s) held in Indian Public Limited Companies (including MPCL)* | Number of Committee positions held (including MPCL)# | |
|--|---------------------|--------------------------------------|-----------------------------------|---|---|--|--------|
| | | | | | | Chairman | Member |
| Shri M M Dhanuka | 14.09.1982 | Managing Director | 5 | Yes | 2 | — | 2 |
| Shri Nikunj Dhanuka | 28.09.1996 | Non-Executive Director | 3 | No | 2 | 1 | 2 |
| Shri M M Jayakar | 16.06.2007 | Non-Executive & Independent Director | 5 | No | 5 | 1 | 2 |
| Shri Anil Kochar | 21.09.2007 | Non-Executive & Independent Director | 3 | Yes | 3 | — | 2 |
| Shri Shrikant Somani | 22.05.2009 | Non-Executive & Independent Director | 4 | No | 2 | — | 1 |
| Shri S N Maheshwari | 19.11.2001 | Non-Executive Director | 5 | Yes | 3 | — | 1 |
| Smt. Uma Acharya (Inducted effective 25.05.2015) | 25.05.2015 | Non-Executive & Independent Director | 5 | No | 2 | — | 1 |

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

Includes only Audit Committee and Stakeholders Relationship committee.

Ⓜ The Company has not issued any convertible instruments.

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The Directors are not related to each other as defined under Section 2(77) of the Companies Act, 2013.

The familiarization programme of the Directors can be accessed at <http://www.mysorepetro.com/corporate-governance>

Audit Committee

The Audit Committee meets regularly as required and exercises its powers in accordance with the framework defined by the Board. The terms of reference of the Audit Committee are as set out by the Board which is in accordance with the provisions of Regulation 18 of the SEBI Listing Obligations and Section 177 of the Companies Act, 2013. The Audit Committee provides its observations and recommendations to the Board to enable it to arrive at informed decisions which relates primarily to overseeing the financial statements and its reporting process, internal audit reports, appointment of Auditors, transactions with related parties, reviewing the adequacy and evaluation of internal financial controls, etc.

During the year, four meetings were held i.e. on 25th May, 2015, 17th July, 2015, 19th October, 2015 and 11th February, 2016 and which were attended by majority of the members of the Committee. There were no changes in the constitution of the Audit Committee. The details of composition are given below:

Attendance at its meetings held during 2015-2016 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 | Non-Executive Director | 4 | 3 |
| Shri Anil Kochar | Member | Non-Executive & Independent Director | 4 | 3 |
| Shri Shrikant Somani | Member | Non-Executive & Independent Director | 4 | 4 |

The Company Secretary acts as the Secretary of the Committee. The Audit Committee generally invites the Statutory and Internal Auditors and other Senior Executives for its meetings.

The Chairman of the Audit Committee was not present at the last AGM of the Company held on 24th August, 2015 due to pre-occupations.

Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee as defined by the Board is based on the stipulations of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The Committee oversees the matters relating to appointment of directors, key managerial personnel, senior management level employees, recommending to the Board the remuneration and other related benefits of the executive directors and senior management employees, determining the term of the directors, recommending to the Board and the shareholders the appointment of directors, evaluating the re-appointment and determining whether to extend the tenure of the independent directors, etc.

During the year, two meetings were held on 25th May, 2015 and 17th July, 2015. There were no changes in the constitution of the Committee. The details of composition and attendance are given below:

Meetings and Attendance

| Name of the Director | Position | Category | Held on 25 th May, 2015 & 17 th July, 2015 and Attended |
|----------------------|----------|--------------------------------------|---|
| Shri Anil Kochar | Chairman | Non-Executive & Independent Director | 2 |
| Shri M M Jayakar | Member | Non-Executive & Independent Director | 2 |

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| Name of the Director | Position | Category | Held on 25 th May, 2015 & 17 th July, 2015 and Attended |
|----------------------|----------|--------------------------------------|---|
| Shri S N Maheshwari | Member | Non-Executive Director | 2 |
| Shri Shrikant Somani | Member | Non-Executive & Independent Director | 2 |

The Company Secretary acts as the Secretary of the Committee.

Performance evaluation criteria of independent directors

The evaluation criteria laid down by the Nomination and Remuneration Committee contains different parameters for the evaluation of the performance of the Board, its committees and Directors (including Independent Directors). The criteria for the evaluation were designed from the point of discharge of the key responsibilities, attendance at the meetings, directors' contribution, board functioning, etc.

All the Directors carried out the performance evaluation. The Independent Directors evaluated the performance of non-independent directors, the Board as a whole and Chairman. The performance evaluation of independent directors was done by the entire Board members in which the independent directors who were being evaluated did not participate.

Remuneration of Directors

The Remuneration Policy of the Company strives to ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate the best talent commensurate with the size of the Company and that it involves a balance between fixed and incentive pay reflecting short and long-term performance objectives.

The non-executive directors of the Company are entitled only for the sitting fees for each meeting of the Board/Committees attended by them. During the year, there was no transaction or any other pecuniary relationship with the non-executive directors.

The details of remuneration of the Managing Director (MD) is disclosed in Annexure - D to the Board Report. There are no performance linked incentives payable to the Directors.

The service contracts entered into with the MD is for a period of 5 years each i.e. upto 30th June, 2018. The contract can be terminated by either party at 3 months' notice without any severance fees.

Stakeholders' Relationship Committee

The Shareholders' Relationship Committee meets as and when required and reviews all matters relating to the resolution of the investors grievances viz. transfer of shares, non-receipt of annual report, non-receipt of dividends, issue of duplicate share certificates, etc.

The investor grievances are being attended by M/s Bigshare Services Pvt. Ltd., Registrar and Transfer Agent (RTA) administered under the supervision of the Company Secretary and a periodical report on the same is being presented before the Committee.

Meetings and Attendance

| Name of the Director | Position | Category | Held on 25 th May, 2015, 19 th October, 2015 & 11 th December, 2015 & attended |
|----------------------|----------|--------------------------------------|---|
| Shri Nikunj Dhanuka | Chairman | Non-Executive Director | 2 |
| Shri M M Jayakar | Member | Non-Executive & Independent Director | 3 |
| Shri S N Maheshwari | Member | Non-Executive Director | 3 |

Shri Anand Kadkol, Company Secretary acts as the Secretary of the Committee and is the Compliance Officer of the Company.

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General Body Meetings

a. Annual General Meetings

| Financial Year | Date | Time | Venue |
|----------------|----------------------------------|------------|--|
| 2012-13 | 24 th September, 2013 | 12.30 p.m. | Hotel Woodlands 5, Raja Rammohan Roy Road, Bengaluru – 560 025 |
| 2013-14 | 01 st August, 2014 | 12.30 p.m. | |
| 2014-15 | 24 th August, 2015 | 12.30 p.m. | |

b. Special Resolutions

| Financial Year | Date of AGM | Purpose |
|----------------|-------------------------------|--|
| 2014-15 | 24 th August, 2015 | <ol style="list-style-type: none"> 1. Revision of terms of appointment of Shri M M Dhanuka. 2. Alternation of Articles of Association 3. Maintenance of statutory books at a place other than the registered office |

c. During the year, no Special Resolution was passed through postal ballot.

d. No special resolution is proposed to be conducted through postal ballot at this AGM.

Means of Communication

| | |
|--|--|
| Quarterly results | The quarterly results are announced within 45 days of the end of the quarter whereas the annual results are announced within 60 days of the end of the financial year. The results are available on the website of the stock exchange. |
| Newspapers where published | The results are generally published in Financial Express, Mumbai and Hosadigantha, Bengaluru |
| Website where displayed | www.mysorepetro.com |
| Whether website displays the official news release | Yes |
| Presentation to institutional investors/analysts | No. |

General Shareholder Information

| | |
|-------------------------------------|--|
| Annual General Meeting | : Tuesday, 23 rd August, 2016 at 12.30 p.m. at Woodlands Hotel, 5, |
| Date, Time and Venue | Raja Rammohan Roy Road, Bengaluru – 560 025. |
| Financial year | : 1 st April to 31 st March |
| Dividend Payment Date | : On or after 28 th August, 2016 |
| Name and address of stock exchanges | : The equity shares of the Company are listed on: BSE Limited The listing fees for the year 2016-17 has been paid to the stock exchange. |
| Stock Code | : BSE - 506734 |
| Date of Book Closure | : The share transfer books and the Register of Members will be closed from 17 th August, 2016 to 22 nd August, 2016 (both days inclusive). |
| Registrars & Share Transfer Agents | : M/s Bigshare Services Pvt. Ltd., E-2/3 Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai 400 072. Contact person – Ms. Ujata Pokharkar Tel No.: (91) 022-40430200 Fax No.: (91) 022-28475207 E-mail : info@bigshareonline.com |
| Share Transfer System | : By the Registrars & Share Transfer Agents in compliance of the provisions in this regard. |

Mysore Petro Chemicals Limited

Dematerialisation of shares and liquidity : 94.89 % of the shares are held in dematerialised form as at 31st March 2016
The shares of the Company are freely tradable on the stock exchanges

ISIN Code : INE 741A01011

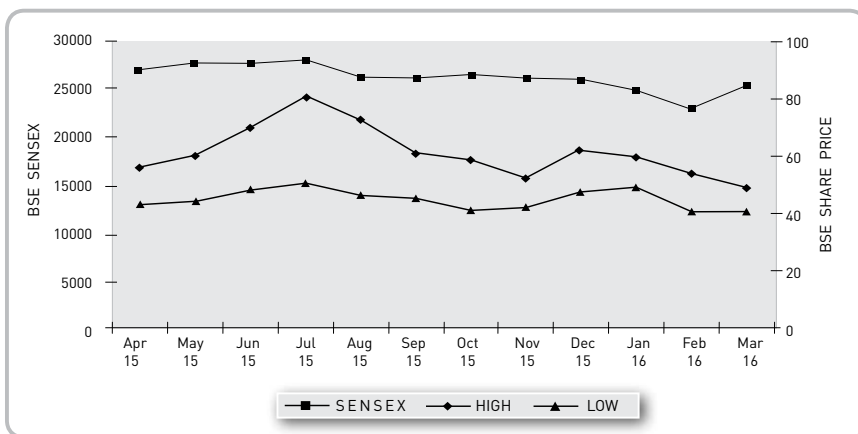
Plant locations : T-1, MIDC Industrial Area, Talaja 410 208, Dist. Raigad, Maharashtra

Address for correspondence : 401, Raheja Centre, 214, Nariman Point, Mumbai - 400 021
Phone : (91) 022-30286100
E-mail- mpcl@mysorepetro.com

Market Price Data during the year ended 31st March, 2016 (Month-wise)

| Bombay Stock Exchange (BSE) | | | | | |
|-----------------------------|----------|---------|----------|----------|---------|
| Month | High (₹) | Low (₹) | Month | High (₹) | Low (₹) |
| April | 56 | 43.05 | October | 58.5 | 41 |
| May | 60 | 44 | November | 52.2 | 42 |
| June | 70 | 48 | December | 62 | 47.1 |
| July | 81 | 50.4 | January | 59.7 | 49 |
| August | 72.9 | 46.3 | February | 54 | 40.5 |
| September | 61 | 45.1 | March | 49 | 40.45 |

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



Share Holding Pattern as on 31st March, 2016

a) Shareholding Pattern as on 31st March, 2016

| Sl. No. | Category | No. of shares | % of shareholding |
|---------|---|----------------|-------------------|
| 1 | Promoters & Persons acting in Concert | 4805305 | 72.99 |
| 2 | Mutual funds / Banks / FIs | 197665 | 3.00 |
| 3 | Private Corporate Bodies - Indian & Foreign | 190284 | 2.89 |
| 4 | NRIs | 17642 | 0.27 |
| 5 | Indian Public | 1372592 | 20.85 |
| | Grand Total | 6583488 | 100.00 |

Mysore Petro Chemicals Limited

b) Distribution of shareholding as at 31-03-2016

| Shareholding | No. of shareholders | % to total | No. of shares | % to total |
|---------------|---------------------|---------------|----------------|---------------|
| 001 – 500 | 7303 | 94.39 | 746803 | 11.34 |
| 501 – 1000 | 236 | 3.05 | 189037 | 2.87 |
| 1001 – 2000 | 96 | 1.24 | 145415 | 2.21 |
| 2001 – 3000 | 36 | 0.47 | 89142 | 1.35 |
| 3001 – 4000 | 13 | 0.22 | 60045 | 0.91 |
| 4001 – 5000 | 17 | 0.17 | 58980 | 0.90 |
| 5001 – 10000 | 14 | 0.18 | 106936 | 1.62 |
| 10001 & Above | 22 | 0.28 | 5187130 | 78.79 |
| Total | 7737 | 100.00 | 6583488 | 100.00 |

Other Disclosures

Related party transactions

There are certain existing long term contracts which are at arm's length and in the ordinary course of business. Approval of the Audit Committee and Board of Directors has been obtained. However as they are material related party transactions as defined under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shareholders approval is being sought at the forthcoming Annual General Meeting.

Strictures and Penalties

The Company has been in compliance with the erstwhile Listing Agreement and now SEBI Listing Obligations and no penalties or strictures were imposed by the stock Exchange or SEBI or by any other authority on any matters related to capital markets during the last three years.

Vigil Mechanism/Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and it provides its employees a channel for the reporting of genuine concerns about unethical behaviour, actual or suspected or misconduct without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization and direct access to the Chairman of the Audit Committee in exceptional cases. The Company Secretary of the Company is the Vigilance Officer who can be approached to report the concern. During the year, no employee has been denied access to the Audit Committee.

Mandatory/Non-mandatory compliances

The Company has been complying with all mandatory legislations including but not restricted to Accounting Standards, Secretarial Standards, Internal Financial Controls, Code of Conduct, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Corporate Social Responsibility, etc.

Adoption of non-mandatory requirements

The Company has adopted the following non-mandatory requirements:

The financial statements of the Company contain an unmodified audit opinion.

The report of the Internal Auditor is placed before the Audit Committee meeting and they are invitees to the meeting.

The Company do not have any material subsidiary.

The Policy on related party transactions is available at <http://www.mysorepetro.com/corporate-governance>

The Company do not have any shares lying in the demat suspense account /unclaimed suspense account.

Mysore Petro Chemicals Limited

Declaration on Code of Conduct

I hereby confirm and declare that all the Directors and Senior Management Personnel of the Company as defined in the Code of Conduct of the Company have submitted annual declarations for the year ended 31st March, 2016 confirming their compliance of the same.

M M Dhanuka
Managing Director & CEO

Mumbai, 20th May, 2016

Auditors' Certificate on Corporate Governance

The Members

Mysore Petro Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Mysore Petro Chemicals Limited, for the year ended on 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the BSE Limited for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations, 2015 for the period 1st December, 2015 to 31st March, 2016.

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 to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and Listing Regulations, 2015, as applicable.

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.
Firm's Registration No.: 001083S
Chartered Accountants

K Nagarajan
Partner
Membership No. 16398

Mumbai, 27th June, 2016

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 31st March, 2016, 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. 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.

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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Mysore Petro Chemicals Limited

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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' 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) As required by Section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give our separate report in Annexure B with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls.
 - (g) 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 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.**
Firm's Registration No. 001083S
Chartered Accountants

K Nagarajan
Partner
Membership No.16398

Mumbai
20th May, 2016

Mysore Petro Chemicals Limited

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Annexure "A" referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date on the Financial Statements of Mysore Petro Chemicals Limited for the year ended 31st March 2016

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.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory 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. No material discrepancies were noticed on physical verification.
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. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of investments and guarantees given, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public within the meaning of provisions of Section 73 to 76 of the Act or any relevant provisions of the Act and the rules framed there under.
6. On the basis of Information furnished, the maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act 2013.
7. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2016.

(b) According to the records and information & explanations given to us, there are no material dues in respect of duty of customs or duty of excise or value added tax that have not been deposited with the appropriate authorities on account of any dispute and the dues in respect of sales tax and service tax that have not been

Mysore Petro Chemicals Limited

deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below: -

| Nature of statute | Nature of dues | Amount disputed (₹ in Lacs) | Period to which the amount relates | Forum where dispute is pending |
|---------------------------------------|----------------|-----------------------------|------------------------------------|------------------------------------|
| Karnataka Special Entry Tax Act, 2004 | Sales Tax | 23.98 | 2008-09 | Karnataka High Court |
| Central Excise Act, 1944 | Service Tax | 17.58 | Dec'2008 to Mar'2015 | CESTAT |
| Central Excise Act, 1944 | Service Tax | 6.74 | Apr'2013 to Sep'2015 | Dy. Commissioner of Central Excise |

8. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company does not have any dues to Banks, financial institutions or debenture holders.
9. On the basis of information and explanations given to us, term loans were applied for the purpose for which the loans were obtained. No moneys have been raised during the year by way of initial public offer or further public offer (including debt instruments).
10. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations and records made available by the management of the Company and audit procedure performed, for transactions with the related parties during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained and as per records, details of related party transactions have been disclosed in the financial statements as per the applicable Accounting Standards.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

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

K Nagarajan
Partner
Membership No.16398

Mumbai
20th May, 2016

Mysore Petro Chemicals Limited

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mysore Petro Chemicals Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the companies are being made only in accordance with authorizations of management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Mysore Petro Chemicals Limited

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Hariharan & Co.**
Firm's Registration No. 0010835
Chartered Accountants

K Nagarajan
Partner
Membership No.16398

Mumbai
20th May, 2016

Mysore Petro Chemicals Limited

Balance Sheet as at March 31, 2016

| | Notes | As at March 31, 2016 ₹ in Lacs | As at March 31, 2015 ₹ in Lacs |
|--|--------------|--------------------------------------|--------------------------------------|
| EQUITIES AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share Capital | 1 | 658.76 | 658.76 |
| Reserves and Surplus | 2 | 2,381.47 | 2,268.25 |
| | | 3,040.23 | 2,927.01 |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 3 (a) | 638.78 | 627.08 |
| Long Term Liabilities | 3 (b) | 625.00 | 625.00 |
| Long Term Provisions | 3 (c) | 64.25 | 60.36 |
| Deferred Tax Liabilities | 4 | 229.95 | 229.95 |
| | | 1,557.98 | 1,542.39 |
| Current Liabilities | | | |
| Trade Payables | 5 (a) | 264.12 | 226.69 |
| Other Current Liabilities | 5 (b) | 64.12 | 178.30 |
| Short Term Provisions | 5 (c) | 99.79 | 240.76 |
| | | 428.03 | 645.75 |
| | TOTAL | 5,026.24 | 5,115.15 |
| ASSETS | | | |
| Non Current Assets | | | |
| Fixed Assets (Net) | | | |
| Tangible Assets | 6 | 3,239.64 | 2,078.65 |
| Capital Work-In-Progress | 6 | - | 1.23 |
| | | 3,239.64 | 2,079.88 |
| Non Current Investments | 7 | 864.63 | 864.63 |
| Long Term Loans and Advances | 8 | 135.59 | 1,386.09 |
| | | 4,239.86 | 4,330.60 |
| Current Assets | | | |
| Inventories | 9 | 246.38 | 217.43 |
| Trade Receivables | 10 | 269.78 | 403.07 |
| Cash and Bank Balances | 11 | 123.39 | 56.31 |
| Short Term Loans and Advances | 12 | 146.83 | 107.74 |
| | | 786.38 | 784.55 |
| | TOTAL | 5,026.24 | 5,115.15 |
| Significant Accounting Policies | A | | |
| Notes on Financial Statements | 1-30 | | |

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

Mumbai
20th May, 2016

Anand Kadkol
Company Secretary

For and on behalf of the Board of Directors

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, 2016

| | Notes | 2015-2016 ₹ in Lacs | 2014-2015 ₹ in Lacs |
|---|-------------|------------------------|------------------------|
| Revenue | | | |
| Revenue from Operations (Gross) | 13 | 2,621.86 | 3,696.73 |
| Less : Excise Duty | | 293.26 | 409.99 |
| Revenue from Operations (Net) | | 2,328.60 | 3,286.74 |
| Other Income | 14 | 100.26 | 94.94 |
| Total Revenue | | 2,428.86 | 3,381.68 |
| Expenditure | | | |
| Cost of Material Consumed | 15 | 139.11 | 80.83 |
| Decrease / (Increase) in Inventories | 16 | (18.26) | 49.67 |
| Employees Benefits Expense | 17 | 910.55 | 971.86 |
| Other Expenses | 18 | 684.31 | 637.01 |
| Depreciation and Amortisation Expenses | 6 | 276.81 | 273.98 |
| Finance cost | 19 | 76.68 | 135.14 |
| Total Expenditure | | 2,069.20 | 2,148.49 |
| Profit before Tax | | 359.66 | 1,233.19 |
| Tax Expenses | | | |
| – Current Tax | | 167.20 | 462.00 |
| – Deferred Tax | 20 | — | 49.65 |
| Profit for the year | | 192.46 | 721.54 |
| Earning per share | | | |
| Face value of shares ₹ 10 each (Previous year ₹ 10 each) | | | |
| Basic & Diluted ₹ | 21 | 2.92 | 10.96 |
| Significant Accounting Policies | A | | |
| Notes on Financial Statements | 1-30 | | |

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

Mumbai
20th May, 2016

Anand Kadkol
Company Secretary

For and on behalf of the Board of Directors

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, 2016

| | 2015-2016 (₹ in Lacs) | 2014-2015 (₹ in Lacs) |
|--|--------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and Extraordinary Items | 359.66 | 1,233.19 |
| Non-cash Adjustment to reconcile profit before tax to net cash flow: | | |
| Depreciation / Amortisation Expenses | 276.81 | 273.98 |
| Loss / (Profit) on Sale/Write off of Fixed Assets | 1.73 | 1.82 |
| Profit on Sale of Investments | - | (33.94) |
| Sundry Balances / Excess Provision Written Back | (3.87) | 39.92 |
| Interest Expense | 76.06 | 134.59 |
| Interest Income | (8.43) | (13.06) |
| Dividend Income | (40.79) | (0.03) |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 661.17 | 1,636.47 |
| Movements in Working Capital | | |
| Increase / (decrease) in Trade Payables / Other Current liabilities | (35.84) | (221.38) |
| Decrease / (increase) in Trade receivables | 133.29 | 171.75 |
| Decrease / (increase) in Inventories | (28.95) | 56.84 |
| Decrease / (increase) in loans and advances | (72.13) | (126.24) |
| | (3.63) | (119.03) |
| CASH GENERATED FROM/(USED IN) OPERATIONS | 657.54 | 1,517.44 |
| Direct Taxes Paid (Net of refunds) | (149.97) | (377.20) |
| NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES | 507.57 | 1,140.24 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets, including intangible assets, CWIP | (175.68) | (74.86) |
| Proceeds from Sale of Fixed Assets | 3.00 | 11.29 |
| Sale/(Purchase) of Investments | - | 38.63 |
| Interest Received | 9.71 | 11.96 |
| Dividend Received | 40.79 | 0.03 |
| NET CASH FLOW FROM /(USED IN) INVESTING ACTIVITIES | (122.18) | (12.95) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds / (Repayments) of Long-term borrowings | 14.44 | (822.16) |
| Dividend Paid on equity shares (Including Dividend Distribution Tax) | (156.28) | (112.75) |
| Interest Paid | (176.47) | (183.09) |
| NET CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES | (318.31) | (1,118.00) |
| NET INCREASE / (DECREASE) (A+B+C) | 67.08 | 9.29 |
| CASH AND BANK BALANCES (Opening Balance) | 56.31 | 47.02 |
| CASH AND BANK BALANCES (Closing Balance) | 123.39 | 56.31 |

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

As per our report of even date

For **Hariharan & Co.**

Firm's Registration No. 001083S

Chartered Accountants

K Nagarajan

Partner

Membership No. 16398

Mumbai

20th May, 2016

Anand Kadkol

Company Secretary

For and on behalf of the Board of Directors

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

Note A. Significant Accounting Policies

a. Basis of preparation

The financial statements are prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. The financial statements are prepared to comply in all material aspects with the Accounting Standard specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 to the extent applicable. 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 Amortization

- 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. |
|--|--|

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 Translation

Foreign Currency Transaction

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.

Mysore Petro Chemicals Limited

- 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 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.
- 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, 2016 ₹ in Lacs | As at March 31, 2015 ₹ in Lacs |
|--|--------------------------------------|--------------------------------------|
| NOTE - 1 : SHARE CAPITAL | | |
| Authorised | | |
| 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 |
| | 1,500.00 | 1,500.00 |
| Issued | | |
| 65,90,938 Equity shares of ₹ 10 each (Previous year 65,90,938) | 659.09 | 659.09 |
| Subscribed and Paid up | | |
| 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 |
| | 658.76 | 658.76 |
| Shareholders holding more than 5% Shares in the company | | |
| Ellenbarrie Steels & Allied Industries Ltd.- No of Shares 372574 (Previous year 372574) Gembel Trade Enterprises Ltd.- No of Shares 778325 (Previous year 769020) Savita Investment Company Ltd.- No of Shares 1509503 (Previous year 1509503) Shekhavati Investment Corporation Ltd.- No of Shares 656094 (Previous year 656094) | | |
| * 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. | | |
| NOTE - 2 : RESERVES & SURPLUS | | |
| Securities Premium Reserve | | |
| Balance as per last Balance Sheet | 398.89 | 398.89 |
| General Reserve | | |
| Balance as per last Balance Sheet | 280.01 | 100.00 |
| Add : Transferred from Profit & Loss Account | - | 200.00 |
| Less : Depreciation in respect of assets whose useful life is over | - | 19.99 |
| | 280.01 | 280.01 |
| Revaluation Reserve | | |
| Balance as per last Balance Sheet | - | 555.01 |
| Less: Transferred to Respective Fixed Assets | - | 555.01 |
| | - | - |
| Subsidy under the Central Govt. - Subsidy Scheme 1971 | | |
| Balance as per last Balance Sheet | 36.00 | 36.00 |

Mysore Petro Chemicals Limited

| | As at March 31, 2016 ₹ in Lacs | As at March 31, 2015 ₹ in Lacs |
|--|--------------------------------------|--------------------------------------|
| Amalgamation Reserve | | |
| Balance as per last Balance Sheet | 37.50 | 37.50 |
| Surplus in Profit and Loss Account | | |
| Opening Balance at the beginning of the year | 1,515.85 | 1,153.54 |
| Add : Profit for the year | 192.46 | 721.54 |
| Less: Appropriations | | |
| Transferred to General Reserve | - | 200.00 |
| Proposed equity dividend (Amount per share ₹ 1.00 Previous year ₹ 2.00) | 65.84 | 131.67 |
| Tax on Proposed dividend | 13.40 | 26.80 |
| Tax on dividend -earlier year | - | 0.76 |
| | 1,629.07 | 1,515.85 |
| | 2,381.47 | 2,268.25 |
| NOTE - 3 : NON-CURRENT LIABILITIES | | |
| Long Term Borrowings | | |
| a. Secured Loans | | |
| Loans against Cars (Secured by Vehicles Purchased) | 6.60 | 9.34 |
| | 6.60 | 9.34 |
| Unsecured Loans | | |
| From Bodies Corporate | 418.18 | 388.74 |
| From Directors | 214.00 | 229.00 |
| | 632.18 | 617.74 |
| | 638.78 | 627.08 |
| b. Long Term Liabilities | | |
| Security Deposits - Related Party | 625.00 | 625.00 |
| c. Long Term Provisions | | |
| Provision for Leave Encashment | 64.25 | 60.36 |
| | 64.25 | 60.36 |
| NOTE - 4 : DEFERRED TAX LIABILITIES | | |
| | 229.95 | 229.95 |
| NOTE - 5 : CURRENT LIABILITIES | | |
| a. Trade Payables | | |
| Sundry Creditors | | |
| Total outstanding dues of Micro, Medium and Small Enterprises | 0.84 | 11.12 |
| Total Outstanding dues of creditors other than Micro, Medium and Small Enterprises | 263.28 | 215.57 |
| | 264.12 | 226.69 |

Mysore Petro Chemicals Limited

| | As at March 31, 2016 ₹ in Lacs | As at March 31, 2015 ₹ in Lacs |
|--|--------------------------------------|--------------------------------------|
| NOTE - 5 : CURRENT LIABILITIES (Contd.) | | |
| b. Other Current Liabilities | | |
| Advance from Customers | - | 0.07 |
| Investor Education and Protection Fund shall be credited (as and when due) for unpaid dividend | 6.46 | 4.27 |
| Interest Accrued But not Due on Loans | 12.42 | 112.83 |
| Current Maturities against Loan of Cars | 10.79 | 7.46 |
| Other Liabilities | 34.45 | 53.67 |
| | <u>64.12</u> | <u>178.30</u> |
| c. Short Term Provisions | | |
| Provision for Wealth Tax | - | 0.07 |
| Proposed equity dividend | 65.84 | 131.67 |
| Tax on Proposed dividend | 13.40 | 26.80 |
| Provision for Leave Encashment | 11.75 | 11.66 |
| Provision for Gratuity | 8.80 | 70.56 |
| | <u>99.79</u> | <u>240.76</u> |

Mysore Petro Chemicals Limited

NOTE - 6 : FIXED ASSETS

(₹ in Lacs)

| DESCRIPTION | GROSS BLOCK | | | DEPRECIATION | | IMPAIRMENT LOSS | | NET BLOCK | |
|----------------------------------|---------------------|-----------|------------|--------------------|-----------------|-----------------|--------------------|--------------------|--------------------|
| | As at 01.04.2015 | Additions | Deductions | As at 31.3.2016 | for the year | Deductions | As at 31.3.2015 | As at 31.3.2016 | As at 31.3.2016 |
| Tangible Assets | | | | | | | | | |
| 1. Land & Land Development | 14.77 | — | — | 14.77 | — | — | — | — | 14.77 |
| 2. Lease Hold Land | 27.00 | 9.05 | — | 36.05 | 0.36 | — | — | — | 28.85 |
| 3. Roads & Drains | 48.25 | — | — | 48.25 | 0.70 | — | 13.02 | 13.02 | 6.94 |
| 4. Buildings | 392.46 | 1,421.67 | — | 1,814.13 | 14.59 | — | — | — | 1,596.34 |
| 5. Plant & Equipments | 10,584.30 | — | — | 10,584.30 | 230.87 | — | — | — | 1,550.28 |
| 6. Railway Siding | 5.13 | — | — | 5.13 | — | — | 0.26 | 0.26 | — |
| 7. Furniture & office equipments | 40.67 | 0.08 | — | 40.75 | 0.25 | — | 9.09 | 9.09 | 1.73 |
| 8. Vehicles | 137.96 | 11.73 | 6.65 | 143.04 | 30.04 | 1.92 | — | — | 40.73 |
| | 11,250.54 | 1,442.53 | 6.65 | 12,686.42 | 276.81 | 1.92 | 22.37 | 22.37 | 3,239.64 |
| Intangible Assets | | | | | | | | | |
| 1. Software | 0.47 | — | — | 0.47 | — | — | — | — | — |
| Total | 11,251.01 | 1,442.53 | 6.65 | 12,686.89 | 276.81 | 1.92 | 22.37 | 22.37 | 3,239.64 |
| Previous year | 13,824.34 | 90.43 | 2,663.76 | 11,251.01 | 293.97 | 2,095.64 | — | — | 2,078.65 |

1. Land includes ₹ 1.36 lacs (Previous year ₹ 1.36 lacs) for undivided share in office premises land. Buildings include ₹ 600/- (Previous year ₹ 250/-) for shares in office premises in a co-operative society. Vehicles include vehicles with Gross book value of ₹ 40.23 lacs (Previous Year ₹ 28.51 lacs) and Net book value of ₹ 31.17 lacs (Previous year ₹ 25.19 lacs) acquired on Hire purchase contract.

2. Capital work in progress represents Plant & Equipments under erection ₹ NIL (Previous Year ₹ 1.23 lacs)

Mysore Petro Chemicals Limited

| | As at March 31, 2016 ₹ in Lacs | As at March 31, 2015 ₹ in Lacs |
|--|--------------------------------------|--------------------------------------|
| NOTE - 7 : NON CURRENT INVESTMENTS | | |
| Long Term Investments, Other than Trade : (At Cost) | No. of Shares | No. of Shares |
| A. Government securities | | |
| Six years National Saving Certificates of the face value of ₹ 30000 (Previous Year ₹ 30000) lodged as security with Government Department. | — 0.30 | — 0.30 |
| B. Equity Shares of ₹ 10/- each | | |
| Fully Paid up | | |
| Quoted | | |
| I G Petrochemicals Limited | 40,75,000 826.92 | 40,75,000 826.92 |
| Sand Plast (I) Limited | 24,020 0.60 | 24,020 0.60 |
| Listed but not Quoted | | |
| Bihariji Construction (I) Limited | 3,80,600 8.42 | 3,80,600 8.42 |
| Bihariji Projects Limited | 3,80,000 8.14 | 3,80,000 8.14 |
| Unquoted | | |
| The Saraswat Co. Op. Bank Limited | 2,500 0.25 | 2,500 0.25 |
| C. Debentures of ₹ 10,00,000/- each @ 11.80% | | |
| The Lakshmi Vilas Bank Limited | 2 20.00 | 2 20.00 |
| | 864.63 | 864.63 |
| Book Value | | |
| Quoted Investments | 827.52 | 827.52 |
| (Market Value ₹ 5383.52 lacs) | | |
| (Previous year ₹ 2184.79 lacs) | | |
| Listed but not Quoted | 16.56 | 16.56 |
| Unquoted | 20.55 | 20.55 |
| | 864.63 | 864.63 |
| NOTE - 8 : LONG TERM LOANS & ADVANCES | | |
| (Unsecured, Considered Good unless otherwise stated) | | |
| Deposit - others | 121.98 | 121.05 |
| Capital Advances | 13.61 | 1,265.04 |
| | 135.59 | 1,386.09 |
| NOTE - 9 : INVENTORIES | | |
| (at lower of cost and net realisable value) | | |
| Raw Material | 4.50 | 1.32 |
| Stores and spares | 184.21 | 179.28 |
| Work-in-Progress | 29.01 | 21.59 |
| Finished Goods (including stock in transit ₹ Nil, Previous Year ₹ 3.66 lacs) | 28.66 | 15.24 |
| | 246.38 | 217.43 |

Mysore Petro Chemicals Limited

| | As at March 31, 2016 ₹ in Lacs | As at March 31, 2015 ₹ in Lacs |
|--|--------------------------------------|--------------------------------------|
| NOTE - 10 : TRADE RECEIVABLES | | |
| Debts outstanding for a period exceeding six months | | |
| Unsecured, Considered Good | 87.05 | 116.80 |
| Other debts | | |
| Unsecured, Considered Good | 182.73 | 286.27 |
| | <u>269.78</u> | <u>403.07</u> |
| NOTE - 11 : CASH AND BANK BALANCES | | |
| Cash and cash equivalents | | |
| Cash in hand | 4.94 | 6.25 |
| Balance with Scheduled Banks | | |
| In Current Accounts | 40.31 | 39.12 |
| | <u>45.25</u> | <u>45.37</u> |
| Other Bank Balances | | |
| In Fixed Deposits (Includes ₹ 5.97 lacs, Previous year ₹ 5.72 lacs with schedule Bank as Margin) | 70.48 | 5.72 |
| In Fixed Deposits (Held with Government Departments as Security) | 1.20 | 0.95 |
| In Unpaid Dividend Account | 6.46 | 4.27 |
| | <u>78.14</u> | <u>10.94</u> |
| | <u>123.39</u> | <u>56.31</u> |
| NOTE - 12 : SHORT TERM LOANS AND ADVANCES | | |
| Advances recoverable in cash or kind or for value to be received | | |
| Considered Good | 125.98 | 73.44 |
| Balance with Central Excise Authorities | 0.44 | 0.77 |
| Income Tax Deducted at Source / Advance Tax (Net of Provision) | 20.41 | 33.53 |
| | <u>146.83</u> | <u>107.74</u> |

Mysore Petro Chemicals Limited

| | As at March 31, 2016 ₹ in Lacs | As at March 31, 2015 ₹ in Lacs |
|--|--------------------------------------|--------------------------------------|
| NOTE - 13 : REVENUE FROM OPERATION | | |
| Sale of Products | | |
| Maleic Anhydride | 2,621.86 | 3,695.73 |
| Others | - | 1.00 |
| | 2,621.86 | 3,696.73 |
| NOTE - 14 : OTHER INCOME | | |
| Interest | | |
| Bank Deposits | 0.59 | 0.49 |
| Others | 7.84 | 12.57 |
| Dividend Income | | |
| Long term investments-Non-trade | 40.79 | 0.03 |
| Profit on sale of Investments | - | 33.94 |
| Sundry Balances / Excess Provision Written Back | 3.87 | - |
| Miscellaneous Income | 47.17 | 47.91 |
| | 100.26 | 94.94 |
| NOTE - 15 : COST OF MATERIAL CONSUMED | | |
| Raw Materials | | |
| Opening Stock | 1.32 | - |
| Add: Purchases | 142.29 | 82.15 |
| | 143.61 | 82.15 |
| Less: Closing Stock | 4.50 | 1.32 |
| | 139.11 | 80.83 |
| NOTE - 16 : DECREASE / (INCREASE) IN INVENTORIES | | |
| Opening Inventories | | |
| Work-in-Progress | 21.59 | 27.93 |
| Finished Goods | 15.24 | 73.07 |
| Closing Inventories | | |
| Work-in-Progress | 29.01 | 21.59 |
| Finished Goods | 28.66 | 15.24 |
| | (20.84) | 64.17 |
| Differential Excise duty in respect of Closing Stock & Opening Stock | 2.58 | (14.50) |
| | (18.26) | 49.67 |

Excise duty on sales has been reduced from sales in Statement of Profit & Loss and Excise duty on increase / decrease in stock amounting to ₹ 2.58 lacs, (Previous Year ₹ (14.50) lacs) has been considered as expense as above.

Mysore Petro Chemicals Limited

| | 2015-2016 ₹ in Lacs | 2014-2015 ₹ in Lacs |
|---|------------------------|------------------------|
| NOTE - 17 : EMPLOYEES BENEFITS EXPENSE | | |
| Salaries, Wages and Bonus | 732.33 | 759.94 |
| Contribution to Provident and Other Funds | 47.73 | 48.34 |
| Gratuity expenses | (2.20) | 26.24 |
| Workmen and staff welfare expenses | 132.69 | 137.34 |
| | 910.55 | 971.86 |
| NOTE - 18 : OTHER EXPENSES | | |
| Consumption of Stores, Spares and Packing Materials | 78.81 | 72.28 |
| Power, Fuel and Water charges | 98.23 | 87.47 |
| Repairs and Maintenance | | |
| Plant and Machinery | 106.40 | 74.93 |
| Buildings | 0.04 | 0.94 |
| Others | 2.86 | 4.30 |
| Insurance Premium | 24.78 | 23.32 |
| Selling Expenses | | |
| Brokerage and Commission | 5.47 | 5.81 |
| Transportation | 73.27 | 67.76 |
| Rent | 3.03 | 2.73 |
| Rates and Taxes | 8.92 | 15.97 |
| Travelling & Conveyance | 85.40 | 76.16 |
| Communication cost | 4.86 | 5.66 |
| Legal & Professional fees | 50.51 | 26.51 |
| Miscellaneous Expenses | 112.16 | 145.22 |
| Donation and Contribution to Charitable Institutions | 13.40 | 20.00 |
| Directors Sitting Fees | 11.50 | 3.24 |
| Payment to Auditors [Refer Note - 18.1] | 2.94 | 2.89 |
| Loss on Sale/Write off of Fixed Assets (Net) | 1.73 | 1.82 |
| | 684.31 | 637.01 |
| NOTE - 18.1 : PAYMENTS TO AUDITORS | | |
| Audit Fees including Limited Review Fees ₹ 0.50 Lacs (Previous Year ₹ 0.50 Lacs) excluding service tax of ₹ 0.29 Lacs (Previous Year ₹ 0.25 Lacs) | 2.00 | 2.00 |
| Tax Audit Fees (Excluding Service tax of ₹ 0.10 Lacs, (Previous year ₹ 0.09 Lacs) | 0.75 | 0.75 |
| Reimbursement of Expenses | 0.19 | 0.14 |
| | 2.94 | 2.89 |
| NOTE - 19 : FINANCE COST | | |
| Interest on Fixed Loans | | |
| On Other Loans | 75.52 | 130.45 |
| Interest - Others | 0.54 | 4.14 |
| Bank Charges | 0.62 | 0.55 |
| | 76.68 | 135.14 |

Mysore Petro Chemicals Limited

| | 2015-2016 ₹ in Lacs | 2014-2015 ₹ in Lacs |
|--|------------------------|------------------------|
| NOTE - 20 : TAX EXPENSES | | |
| Deferred Tax Liability represents the difference between the Book depreciation and Tax Depreciation for the year. | - | 49.65 |
| NOTE - 21: EARNING PER SHARE OF ₹ 10 EACH (EPS) | | |
| Profit after tax as Per Profit & Loss Statement | 192.46 | 721.54 |
| Weighted average No. of Shares for calculating basic and diluted EPS | 6583488 | 6583488 |
| Basic & Diluted EPS - ₹ | 2.92 | 10.96 |
| NOTE - 22 : CAPITAL COMMITMENT | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances). | 97.39 | 67.01 |
| NOTE - 23 : CONTINGENT LIABILITIES | | |
| Contingent Liabilities not provided for | | |
| 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. | 23.98 | 23.98 |
| b) Disputed Service Tax Matters | | |
| i) Cases decided in favour of the Company which are taken further in appeal before the appellate authorities by the department. (Deposits paid under protest ₹ 1.79 lacs (Previous year Nil) | 17.58 | 15.17 |
| ii) Show Cause Notices received | 6.74 | — |
| Future cash outflows in respect of above are determinable only on receipt of judgements/decisions pending at various forums/authorities. | | |
| c) The operations of Phthalic Anhydride Plant at Raichur, Karnataka was closed during 3rd week of April 2013. The Board of Directors of the Company in their meeting held on 4 th June, 2013 had decided to close the unit permanently due to Economic unavailability and the unit was closed since 16 th July, 2013. The workmen's union have raised certain demands and the matter have been referred to Industrial Tribunal, Hubballi, Karnataka by the Labour Department, Government of Karnataka and the matter is pending. As the matter is subjudiced no provision have been made. Future cash out flow of the same are determinable on receipt of judgement / decision. | | |
| d) Workmen's Union Demand of the Company at Taloja with effect from 1 st June,2014 is under negotiation, amount presently not ascertainable. | | |
| NOTE - 24 : SEGMENT INFORMATION | | |
| 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. | | |

Mysore Petro Chemicals Limited

NOTE - 25 : RELATED PARTY DISCLOSURE

1. Relationship

| | |
|--|--|
| (a) Subsidiary Companies | Nil |
| (b) Enterprises Owned or significantly influenced by key management personnel or their relatives | 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) Subsidiary Companies | Nil |
| (e) 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.

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 |
| 1) Purchase | | 239.26 (200.96) | | |
| 2) Income Guarantee Commission | | 41.02 (53.83) | | |
| 3) Expenses Interest | | | 21.71 (21.71) | 7.26 (56.20) |
| Remuneration | | | 105.87 (82.91) | |
| 4) Finance Outstanding Property Deposit Received | | 625.00 (625.00) | | |
| Other Payables | | | - | - |
| Loans Payables | | | 167.00 (167.00) | 47.00 (62.00) |
| Loans Receivable | | | 4.40 (1.50) | |

Note: Amount in bracket represents figures for previous year.

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.

Mysore Petro Chemicals Limited

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)

| | Leave (Unfunded) March 31, 2016 ₹ in Lacs | Leave (Unfunded) March 31, 2015 ₹ in Lacs | Gratuity (funded) March 31, 2016 ₹ in Lacs | Gratuity (funded) March 31, 2015 ₹ in Lacs |
|--|--|--|---|---|
| Current service cost | 4.32 | 4.01 | 10.57 | 15.22 |
| Interest cost on benefit obligation | 5.42 | 5.52 | 20.60 | 20.85 |
| Expected return on plan assets | — | — | 8% | 8% |
| Net actuarial (gain) / loss recognized in the year | 5.99 | (6.47) | (15.51) | 5.56 |
| Actual return on plan assets | — | — | 17.86 | 15.39 |
| Net Benefit / Cost | 15.73 | 3.06 | (2.20) | 26.24 |

b. Balance sheet

| Details of Provision for gratuity | | | | |
|--|---------|---------|--------|---------|
| Defined benefit obligation | 76.00 | 72.02 | 266.44 | 283.39 |
| Fair value of plan assets | — | — | 257.63 | 212.83 |
| Amount recognised in the Balance Sheet | (76.00) | (72.02) | (8.81) | (70.56) |

c. Changes in the present value of the defined benefit obligation are as follows

| | | | | |
|--|-------|--------|---------|--------|
| Opening defined benefit obligation | 72.02 | 73.30 | 283.39 | 266.29 |
| Interest cost | 5.42 | 5.52 | 20.60 | 20.85 |
| Current service cost | 4.32 | 4.01 | 10.57 | 15.22 |
| Benefits paid | 11.75 | 4.34 | 35.36 | 26.30 |
| Actuarial (gains) / losses on obligation | 5.99 | (6.47) | (12.76) | 7.33 |
| Closing defined benefit obligation | 76.00 | 72.02 | 266.44 | 283.39 |

d. Changes in the fair value of plan assets are as follows

| | | | | |
|---|---|---|--------|--------|
| Opening fair value of plan assets | — | — | 212.83 | 179.62 |
| Expected return | — | — | 8% | 8% |
| Contributions by employer | — | — | 24.20 | 20.96 |
| Benefits paid | — | — | — | 4.91 |
| Actuarial gains / (losses) | — | — | 2.74 | 1.77 |
| Closing fair value of plan assets | — | — | 257.63 | 212.83 |
| Actual Return on plan Assets | — | — | 20.60 | 17.16 |
| Estimated contribution to be made in next annual year | — | — | 20.88 | 39.16 |

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

| | % | % | % | % |
|--------------------------|---|---|-----|-----|
| Investments with insurer | — | — | 100 | 100 |

Mysore Petro Chemicals Limited

e. (i) History of Assets values, Present Benefit Obligation, Surplus/Deficit & Experience Gains/Losses - Leave

| Date of Valuation | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|----------------|----------------|----------------|----------------|
| Defined Benefit Obligation (DBO) | 76.00 | 72.02 | 73.30 | 94.57 |
| Fair Value of Plan Assets | — | — | — | — |
| (Surplus) / Deficit | 76.00 | 72.02 | 73.30 | 94.57 |
| Experience Adjustments on Plan Assets | — | — | — | — |
| (Gains) / Losses due to change in Assumptions | 0.13 | 1.20 | — | — |
| Experience (Gains) / Losses on DBO | 5.86 | (7.67) | 1.12 | — |
| Total Actuarial (Gains) / Loss on DBO | 5.99 | (6.47) | 1.12 | — |

(ii) History of Assets values, Present Benefit Obligation, Surplus/Deficit & Experience Gains/Losses - Gratuity Date of Valuation

| | | | | |
|---|---------|--------|--------|--------|
| Defined Benefit Obligation (DBO) | 266.44 | 283.39 | 266.29 | 383.60 |
| Fair Value of Plan Assets | 257.63 | 212.83 | 179.62 | 161.99 |
| (Surplus) / Deficit | 8.81 | 70.56 | 86.67 | 221.61 |
| Experience Adjustments on Plan Assets | 2.74 | 1.77 | — | — |
| (Gains) / Losses due to change in Assumptions | 0.41 | 2.85 | — | — |
| Experience (Gains) / Losses on DBO | (13.17) | 4.48 | 45.67 | — |
| Total Actuarial (Gains) / Loss on DBO | (12.76) | 7.33 | 45.67 | — |

f. The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

| | % | % | % | % |
|-----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Discount rate | 7.94 | 7.95 | 7.94 | 7.95 |
| Expected rate of return on assets | - | - | 7.94 | 8.70 |
| Employee turnover | 5 | 5 | 5 | 5 |
| Salary Escalation | 4 | 4 | 4 | 4 |
| Mortality | IALM(2006-08) Ultimate | IALM(2006-08) Ultimate | IALM(2006-08) Ultimate | IALM(2006-08) 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.

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 2016 and no provision has been made.

Mysore Petro Chemicals Limited

ii. Defined Contribution Plan

Employee Benefits Expenses in Note 18 includes the following contributions to defined contribution plan

| | March 31, 2016 ₹ in Lacs | March 31, 2015 ₹ in Lacs |
|--|-----------------------------|-----------------------------|
| Contribution to Provident and Other Funds | | |
| Contribution to Provident Fund | 35.44 | 38.77 |
| Employees Pension Fund | 11.17 | 8.66 |
| EDLI | 1.12 | 0.91 |
| Total | 47.73 | 48.34 |
| Workmen and Staff Welfare fund | | |
| ESIC | 0.26 | 0.39 |
| Labour Welfare Fund | 0.03 | 0.04 |
| Total | 0.29 | 0.43 |

| | March 31, 2016 ₹ in Lacs | March 31, 2015 ₹ in Lacs |
|---|-----------------------------|-----------------------------|
| NOTE - 27 : SUPPLEMENTARY STATUTORY INFORMATION | | |
| i. Expenditure in foreign currency (Accrual basis) | | |
| Travelling | 32.86 | 17.95 |
| Total | 32.86 | 17.95 |
| ii. Value of imports calculated on CIF basis (Including High Seas Purchases) | | |
| Stores & Spares | 7.14 | — |
| Total | 7.14 | — |

iii. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

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.

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

| | March 31, 2016 ₹ in Lacs | March 31, 2015 ₹ in Lacs |
|------------------------------------|-----------------------------|-----------------------------|
| Number of Shareholders | 38 | 32 |
| Number of Equity Shares held | 16916 | 14657 |
| Amount Remitted (₹ in lacs) | 0.34 | 0.22 |
| Year to which the Dividend related | March 31, 2015 | March 31, 2014 |

Mysore Petro Chemicals Limited

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

i. Imported and indigenous raw materials consumed

| Product | March 31, 2016 | | March 31, 2015 | |
|--------------|----------------|---------------|----------------|--------------|
| | % of total | ₹ in Lacs | % of total | ₹ in Lacs |
| Imported | — | — | — | — |
| Indigenous | 100 | 139.11 | 100 | 80.83 |
| Total | 100 | 139.11 | 100 | 80.83 |

ii. Imported and indigenous spare parts consumed

| Product | March 31, 2016 | | March 31, 2015 | |
|--------------|----------------|--------------|----------------|--------------|
| | % of total | ₹ in Lacs | % of total | ₹ in Lacs |
| Imported | 7 | 4.54 | — | 0.09 |
| Indigenous | 93 | 59.23 | 100 | 31.49 |
| Total | 100 | 63.77 | 100 | 31.58 |

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.**

Firm's Registration No. 001083S

Chartered Accountants

K Nagarajan

Partner

Membership No. 16398

Mumbai

20th May, 2016

Anand Kadkol

Company Secretary

For and on behalf of the Board of Directors

M M Dhanuka

Managing Director

Nikunj Dhanuka

M M Jayakar

Anil Kochar

S N Maheshwari

Shrikant Somani

Uma Acharya

Directors

Paras Jain

Chief Financial Officer

Mysore Petro Chemicals Limited

NOTES



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:** mpcl@mysorepetro.com

ATTENDANCE SLIP

(to be presented at the entrance)

I/We hereby record my/our presence at the 46th Annual General Meeting of the Company at Woodlands Hotel, 5, Raja Rammohan Roy Road, Bengaluru - 560 025 on Tuesday, 23rd August, 2016 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

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

Tel. : 022 30286100 • **Fax:** 022 22040747 • **Email:** mpcl@mysorepetro.com

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)

Name of the Member(s):

Registered Address:

E-Mail Id:

Folio No./Client ID:

DP ID:

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 46th Annual General Meeting of the Company to be held on Tuesday, 23rd August, 2016 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 31 st March 2016 and the Reports of the Board of Directors and the Auditors' thereon. | Ordinary | | |
| 2. | Declare Dividend on equity shares. | Ordinary | | |
| 3. | Appointment of Shri Nikunj Dhanuka (DIN 00193499) who retires by rotation and being eligible offers himself for reappointment. | Ordinary | | |
| 4. | Ratification of appointment of Auditors. | Ordinary | | |
| | Special Business | | | |
| 5. | Approval of Material Related Party Transactions | Special | | |

Signed this _____ day of _____ 2016

Signature of the Member _____

Affix
Revenue
Stamp

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.

Registration of e-mail address

Date: _____

Bigshare Services Pvt. Ltd.

Unit: E-2/3, Ansa Industrial Estate

Saki Vihar Road, Saki Naka

Andheri (E)

Mumbai - 400 072

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

1st joint holder

2nd joint holder

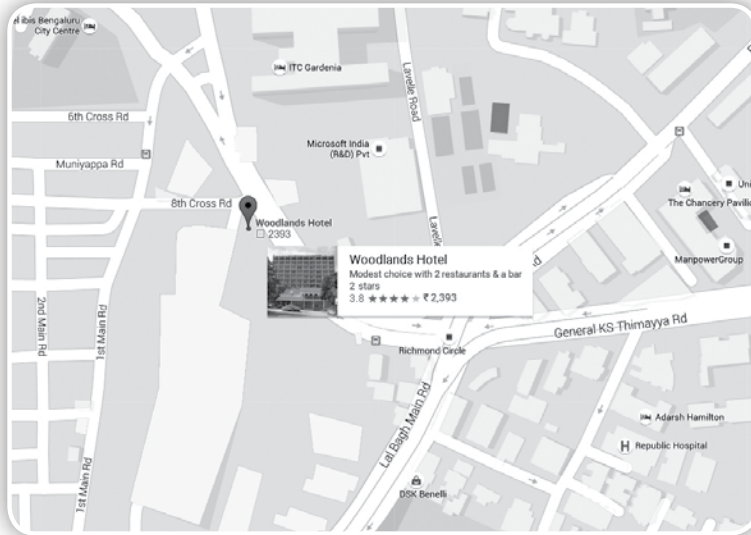
Important Notes:

- 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.

TEAR HERE

Mysore Petro Chemicals Limited

Route map of the venue of the AGM



AGM

46th Annual General Meeting

Tuesday 23rd August, 2016

at 12.30 p.m.

Venue

Woodlands Hotel,
5, Raja Rammohan Roy Road
Bengaluru-560 025

If undelivered, please return to :

MYSORE PETRO CHEMICALS LIMITED

401-404, Raheja Centre

214, Nariman Point

Mumbai - 400 021. **Tel. :** 022 30286100 • **Fax:** 022 22040747

Email: mpcl@mysorepetro.com • **Website:** www.mysorepetro.com