



Mysore Petro Chemicals Limited

48th Annual Report 2017-2018

BOARD OF DIRECTORS

Shri M M Dhanuka – Chairman & Managing Director

Shri Nikunj Dhanuka

Shri M M Jayakar

Shri Anil Kochar

Shri S N Maheshwari

Shri Shrikant Somani

Smt Uma Acharya

COMPANY SECRETARY

Ms Pragati Nathani (w.e.f. February 14, 2018)

Shri Anand Kadkol (upto January 19, 2018)

AUDITORS

MSKA & Associates

Chartered Accountants

Near Domestic Airport, Vile Parle (E)

Mumbai – 400 099, INDIA

Tel: +91 - 22 - 3358 9700

Web : www.mska.in

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 : www.mysorepetro.com

CIN : L24221KA1969PLC001799

CORPORATE OFFICE

401-404, Raheja Centre

214, Nariman Point

Mumbai-400 021

Tel : 022-30286100/30286133

Fax : 022-22040747

Email: mpcl@mysorepetro.com

REGISTRAR & TRANSFER AGENT

M/s. Bigshare Services Pvt. Ltd.

Bharat Tin Works Building ,

1st Floor , Opp. Vasant Oasis, Makwana Road,

Marol, Andheri (East), Mumbai - 400 072.

Tel.: 022-62638200/222/223 • Fax : 022-62638299

E-mail : investor@bigshareonline.com

web: www.bigshareonline.com

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AGM

48th Annual General Meeting

Tuesday, 14th August, 2018

at 12.30 p.m.

Venue

Hotel Ajantha, Rohini Hall,
22-A, M G Road, Ashok Nagar,
Bengaluru – 560001

Mysore Petro Chemicals Limited

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 48th Annual General Meeting of the members of **MYSORE PETRO CHEMICALS LIMITED** (CIN: L24221KA1969PLC001799) will be held at **Hotel Ajantha, Rohini Hall, 22-A, M G Road, Ashok Nagar, Bengaluru – 560 001** on **Tuesday, 14th August, 2018** at 12:30 p.m. to transact the following business :

As Ordinary Business

1. To consider and adopt the standalone & consolidated audited financial statements of the Company for the financial year ended 31st March, 2018 and the report 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.

As Special Business

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

“RESOLVED THAT pursuant to Section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby granted for continuation of holding of office of Managing Director & CEO by Shri M M Dhanuka (DIN 00193456) who has attained the age of seventy years on 17th April, 2018 upto the expiry of his term of office, on the same terms and conditions as stated in the agreement dated 24th August, 2015 duly approved by the members.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT in accordance with the provision of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary and in terms of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to appoint Shri M M Dhanuka (DIN 00193456) as Managing Director & Chief Executive Officer of the Company, for a period of three years w.e.f. 14th August, 2018 on the remuneration, terms and conditions as recommended by the Nomination & Remuneration Committee and as set out in the explanatory statement annexed to this notice convening the meeting and as enumerated in the agreement approved by the Board of Directors of the Company and proposed to be entered into with Shri M M Dhanuka, a copy whereof has been submitted to this meeting, which agreement is also hereby specifically approved.

RESOLVED FURTHER THAT subject to the recommendation of the Nomination and Remuneration Committee, the Board of Directors be and is hereby authorised to alter or vary such terms of appointment and remuneration within the limits specified in Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things, as may be deemed necessary in this regard.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 186 read with Rules framed thereunder and other applicable provisions, if any, of Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any body corporate and (d) to invest the funds of the Company from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 100,00,00,000 (Rupees One Hundred Crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

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

Mumbai
29th May, 2018

Pragati Nathani
Company Secretary

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

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Notes :

1. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed hereto and forms part of the Notice.
2. 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.
3. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the commencement of the meeting. 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.
4. 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, authorising their representative to attend and vote on their behalf at the meeting.
5. A statement giving the relevant details of the Directors seeking appointment/re appointments under item nos. 3 and 5 of the accompanying Notice as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto. The Directors have furnished the requisite declaration for their appointment/re-appointment.
6. The Register of Members and Share Transfer Books of the Company will remain closed on Wednesday, 8th August, 2018 and Thursday, 9th August, 2018 for the purpose of Annual General Meeting and payment of dividend, if declared.
7. If dividend as recommended by the Board of Directors is approved at the meeting, payment will be made on or after 20th August, 2018 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 7th August, 2018;
 - b) To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 7th August, 2018.
8. Members are requested to immediately intimate change of address, if any, to the Company/Registrar & Transfer Agent (RTA).
9. During the year, there was no amount which was liable to be transferred to the Investor Education and Protection Fund (IEPF) in terms of Sections 124 of the Companies Act, 2013. A statement of unclaimed dividend declared at the last AGM held on 7th September, 2017 is available on the Company's website www.mysorepetro.com. Members are requested to claim their dividend before they become due for transfer to IEPF.

Further, pursuant to the provisions of Section 124(5) and Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF authority.

The Members whose shares have been transferred to the IEPF Authority may claim the shares by making an application to IEPF Authority in Form IEPF 5 available at www.iepf.gov.in. Member should note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any un-encashed dividends.

10. Electronic copy of the Annual Report is being sent to the members whose email ID's are registered with the Company/ Depositories 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 are being sent in the permitted mode and they are requested to register their e-mail address with the Company to facilitate the faster receipt of communication and avoid any possible loss in postal transit apart from benefits resulting out of reduction in paper consumption and contributing towards a greener environment.
11. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company/RTA for assistance in this regard.
12. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Members may also note that the Notice of the 48th Annual General Meeting and the Annual Report for the year 2017-18 will also be available on the Company's website www.mysorepetro.com for download.
14. A route map showing directions to reach the venue of the meeting is given in the Annual Report.
15. 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.
16. 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 NSDL on all resolutions set forth in this Notice and the Members may cast their vote on resolutions through e-voting.
17. The facility for voting by 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 poll at the meeting. However, 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 voting electronically are as under:

In compliance with provisions of the Companies Act, 2013 and the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The remote e-voting period commences on Saturday, 11th August, 2018 (9:00 am) and ends on Monday, 13th August, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e.

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7th August, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Members' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, you can check the communication sent to your postal address for further instructions about obtaining password.
 - d) Member may obtain a User ID and password for casting his /her vote by remote e-voting by sending a request at evoting@nsdl.co.in by providing the details such as Demat account no or Folio no, PAN no, name, address etc.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

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Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
4. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 7th August, 2018.
5. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 7th August, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
7. Mr Martinho Ferrao, Practicing Company Secretary (Membership No. 6221) or failing him Mr. Shiv Kumar Vaishy (Membership No. 45528) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
8. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poll Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
9. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.mysorepetro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

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

Item No.4 & 5

The Members of the Company at the 45th Annual General Meeting held on 24th August 2015 approved re-appointment of Shri M M Dhanuka as Managing Director & CEO of the Company for a period of three years effective from 1st July, 2015 through a Special Resolution pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and Schedule V to the Act.

Shri M M Dhanuka attained the age of 70 years during April 2018 and in terms of Section 196(3)(a), his appointment is subject to the approval of the Members at the general meeting. Accordingly, pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 29th May, 2018 appointed Shri M M Dhanuka as the Managing Director and CEO for a period of three years with effect from 14th August, 2018, subject to the approval of Members on the remuneration, terms & conditions as set out below:

Remuneration

- I. Remuneration - ₹ 9,67,000/- per month.
- II. Personal Pay - Equivalent to two month's remuneration per annum.
- III. Perquisites - In addition to the aforesaid remuneration & personal pay, he shall be entitled to the following perquisites which are classified in three categories:

Category A

- a) Housing
House Rent Allowance of ₹ 50,000/- per month.
- b) Medical re-imburement
Expenses incurred by him and his family subject to a ceiling of ₹ 5,00,000 per annum.
- c) Leave
Earned leave with full pay and allowance as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure as per the rules of the Company will be allowed.
- d) Club fees
Subject to a maximum of two clubs
- e) Insurance
Cost of insurance in respect of mediclaim policy for self and family and personal accident insurance shall be borne by the Company.
- f) Other perquisites
Subject to the overall ceiling on remuneration, he may be given any other allowances, benefits, perquisites and facilities as the Board of Directors of the Company (which term includes any Committee thereof) may from time to time decide.

Category B

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

Category C

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

IV. Term of Appointment –The term of appointment shall expire on 13th August, 2021.

Disclosures as required under Schedule V to the Companies Act, 2013 is appended below:**I. General Information :**

| | | | | |
|---|------------------------------|---------------------------------|------------------------------|--|
| Nature of Industry | | Organic and inorganic chemicals | | |
| Date or expected date of Commercial Production | | N.A. | | |
| In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | | N.A. | | |
| Financial performance:- | | (₹ in lakhs) | | |
| Particulars | For the year ended | | | |
| | 31 st March, 2018 | 31 st March, 2017 | 31 st March, 2016 | |
| Total Income | 1,656.77 | 3,123.41 | 2,428.86 | |
| Depreciation | 78.21 | 293.23 | 276.81 | |
| Net Profit | 5,354.83 | 202.63 | 192.46 | |
| Paid up Capital | 658.76 | 658.76 | 658.76 | |
| Reserves & Surplus | 7,876.34 | 2,584.10 | 2,381.47 | |

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

II. Information about the Appointee

| | |
|------------------------|-------------------------------------|
| Background details | Given in the body of this statement |
| Past Remuneration | ₹ 87.89 lakhs – FY 2017-18 |
| Recognition and Awards | Nil |

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| | |
|--|---|
| Job profile and his suitability | The appointee will be Managing Director & CEO of the Company and will be responsible for the management of the whole affairs of the Company. Keeping in view his experience, knowledge and tenure with the Company, it would be in the best interest of the Company to appoint him. |
| Remuneration proposed | As mentioned above |
| Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. | Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company. |

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

Shri M M Dhanuka has successfully proved his expertise in very effective manner and driven the Company towards the growth over the last several years. Hence, the Board of Directors considers that the remuneration proposed to him is justified commensurate with other organizations of similar type, size and nature of industry.

III. Other information:

1. Reasons for loss or inadequate profits :

The Company has sold its Maleic Anhydride business by way of slump sale to "I G Petrochemicals Ltd". During the year under review, Company did not have any production activity. The Company is now involved in trading of Maleic Anhydride, Phthalic Anhydride, Benzoic Acid, etc. and is exploring new markets for business.

2. Steps taken or proposed to be taken for improvement: The Company is exploring new markets for economic viability of the Company.

3. Expected increase in productivity and profits in measurable terms: Presently not applicable

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

Shri M M Dhanuka attained the age of 70 years during April 2018. In view of the provisions of the Act and taking into consideration the above factors, it is deemed fit to seek consent of the members by way of special resolution for continuation of holding of office after the age of seventy years during the currency of his term and to appoint him as Managing Director & CEO under the provisions of Section 196(3)(a) and schedule V of the Companies Act, 2013.

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

The Board of Directors recommends the resolutions at item nos. 4 & 5 for your consideration and approval as Special Resolution.

Item No.6

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or other persons, granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of Members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of Members by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding ₹ 100,00,00,000 (Rupees One Hundred Crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company are interested in the resolution.

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT

Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015]

| Name | Shri Nikunj Dhanuka | Shri M M Dhanuka |
|---|--|--|
| Director Identification Number | 00193499 | 00193456 |
| Date of Birth | 26.05.1967 | 17.04.1948 |
| Date of Appointment | 29th September,1996 | 14th August,2018 |
| Qualifications | B.Com | B.E |
| Expertise | Possess diverse experience and extensive knowledge on the functioning of chemical industries, finance & banking. | He has extensive knowledge on the functioning of Chemical Industries and is in charge of the overall affairs of the Company. |
| Directorship held in other Public Companies (excluding foreign and private Companies) | I G Petrochemicals Limited | I G Petrochemicals Limited |
| Chairmanships / Memberships of Committees in other Public Companies | <u>I G Petrochemicals Limited</u> Audit Committee -Member | <u>I G Petrochemicals Limited</u> Audit Committee -Member Stakeholder Relationship Committee - Member |
| Shareholding of Directors | Nil | 60,900 |
| Relationship between directors inter-se | Nil | Nil |

Mysore Petro Chemicals Limited

DIRECTORS' REPORT

To
The Members

Mysore Petro Chemicals Limited

Your Directors have pleasure in presenting the Forty Eighth Annual Report together with the Audited Statements of Accounts and the Auditors Report of your company for the financial year ended 31st March, 2018

The financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"). In accordance with the notification issued by the Ministry of Corporate Affairs your Company has adopted Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules with effect from 1st April, 2017.

1. FINANCIAL HIGHLIGHTS

The summary of Company's financial performance is given below:

(₹ In lakhs)

| Particulars | Year Ended 31 st March, 2018 | Year Ended 31 st March, 2017 |
|--|--|--|
| Total revenue | 1,656.77 | 3,488.07 |
| Profit before interest, depreciation & taxes | 677.72 | 706.26 |
| Depreciation | 78.21 | 293.23 |
| Finance cost | 6.84 | 120.10 |
| Profit before tax & exceptional item | 592.67 | 292.93 |
| Exceptional item | 6,459.20 | - |
| Provision for taxation | 1,697.04 | 86.66 |
| Profit after tax | 5,354.83 | 206.27 |
| Balance brought forward | 1,867.06 | 1,748.23 |
| Balance available for appropriation | 7,221.89 | 1,954.50 |
| Appropriation : | | |
| Proposed dividend for the financial year | 131.67 | 65.83 |
| Corporate dividend tax | 27.07 | 13.41 |
| Transferred to general reserves | - | - |
| Surplus retained in profit & loss account | 7,159.54 | 1,867.09 |
| EPS before exceptional item | 9.97 | 3.13 |
| After exceptional item | 81.34 | - |

2. OPERATIONAL REVIEW

The Company is engaged in the trading of petrochemicals products. During the financial year 2017-18, total revenue amounted to ₹1,656.77 lakhs as compared to ₹ 3,488.07 lakhs in the previous year. Due to exceptional gain of ₹ 6,459.20 lakhs on account of sale of Maleic Anhydride business, the Profit After Tax rose to ₹ 5,354.83 lakhs as compared to profit of ₹ 206.27 lakhs in 2016-17.

3. DIVIDEND

Your Directors are pleased to recommend dividend of ₹ 2/- (20%) per equity share of ₹ 10/- each. The total outgo on account of dividend (including dividend distribution tax) for the current year amounts to ₹158.74 lakhs (previous year ₹ 79.24 lakhs).

4. TRANSFER TO RESERVES

The undistributed profits amounting to ₹7159.94 lakhs is proposed to be retained in the Statement of Profit & Loss.

5. DETAILS ABOUT CSR COMMITTEE, POLICIES, IMPLEMENTATION AND INITIATIVES

In accordance with the provisions of Section 135 of the Companies Act, 2013 ("the Act") and the Rules framed thereunder, the CSR Committee reviews and monitors the projects and expenditures incurred by the Company. The Company was not able to spend the amount of ₹ 12.52 lakhs towards CSR and proposes to carry forward the same. The Report on CSR are annexed to the Directors' Report as "Annexure-A".

6. AUDITORS

a. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had 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 2017-18. The said Report is annexed herewith as "Annexure-B".

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

b. STATUTORY AUDIT

M/s MSKA & Associates were appointed as Statutory Auditors of the Company by the members of the Company at the 47th annual general meeting.

Pursuant to the amendment to Section 139 of the Act vide Companies (Amendment) Act, 2017, the proviso relating to the ratification of the appointments of the Statutory Auditors at every annual general meeting has been removed.

In accordance with the above provisions, the ratification of the appointments of the Statutory Auditors shall not be placed at the ensuing annual general meeting.

7. DIRECTORS AND KEY MANAGERIAL PERSONNELS

a) Appointment/Re-Appointment

On the recommendation of the Nomination & Remuneration Committee and in accordance with the provision of the Act read with Rules framed thereunder, the Board of Directors appointed Shri M M Dhanuka as Managing Director & CEO of the Company for a period of 3 years with effect from 14th August, 2018; subject to the approval of the Members.

In accordance with the provisions of Section 152 of the Act, read with Companies (Management & Administration) Rules, 2014, Shri Nikunj Dhanuka retires by rotation at the ensuing Annual General Meeting of the Company and offers himself for re-appointment.

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As stipulated under the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), brief resume of the Directors proposed to be appointment/re-appointed is given in the Notice convening 48th Annual General Meeting.

b) Change in Key Managerial Personnel

Shri Anand Kadkol tendered his resignation from the post of Company Secretary w.e.f 19th January, 2018. The vacancy caused by his resignation was filled by the appointment of Ms. Pragati Nathani w.e.f 14th February, 2018.

c) Number of Meetings of the Board

During the year, four Board Meetings were convened and held, which are disclosed in the Report on Corporate Governance forming part of the Annual Report of the Company

d) Performance Evaluation of the Board

As stipulated by the Code of Independent Directors pursuant to Act and the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was held to review the performance of Non-independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

All Independent Directors have given their respective declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

8. 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 Act we state:

- a) that in the preparation of the annual financial statements for the year ended 31st March 2018, 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 2018 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 Act 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;
- 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.

9. TRANSFER OF SHARES TO IEPF

In compliance with the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the

IEPF Rules”) and amendments thereto, during the year the Company has transferred 84,803 shares to IEPF Authority in respect of shares on which dividend has not been paid or claimed for seven consecutive years.

Members whose shares are so transferred can claim their dividend and shares from the IEPF authority by filing Form IEPF-5 at www.iepf.gov.in. Member should also note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any un-encashed dividends.

The Company Secretary of the Company has been designated as the Nodal Officer who can be contacted for any guidance/assistance to claim the dividend and shares from IEPF Authority.

10. PHTHALIC ANHYDRIDE (PA) PLANT

The PA Plant at Raichur, Karnataka was closed down in 2013 and the final settlement with some of the workmen is in progress.

11. CONTRIBUTION TO THE EXCHEQUER

The Company has contributed ₹1,697.04 lakhs to the exchequer on account of income tax, GST, service tax etc.

12. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI Listing Regulations during the financial year were in the ordinary course of business and on an arm’s length basis and do not attract the provisions of Section 188 of the Act.

The details as required to be provided under Sec 134 of the Act are disclosed in Form AOC-2 as “**Annexure-C**” and forms part of this report.

13. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return in Form MGT-9 is annexed herewith as “**Annexure-D**” to the Directors Report.

14. VIGIL MECHANISM

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.

15. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS

The Company has not given any guarantee or advanced any loans pursuant to the provisions of Section 186 of the Act. Details of investments made by the Company have been given in the notes to the Financial Statements.

16. DEPOSITS

The Company has not accepted any deposits from the public during the year under review. No amount on account of principal or interest was outstanding as at 31st March, 2018.

17. PARTICULARS OF EMPLOYEES AND REMUNERATION

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 Act read with Rule 5 of the Companies

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(Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided to the members upon request.

18. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption is not applicable to the Company. During the year under review, the foreign exchange outgo was ₹ 321.61 lakhs (previous year ₹ 466.82 lakhs)

19. REPORT ON CORPORATE GOVERNANCE

The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance. The disclosures as required under Schedule V to the SEBI Listing Regulations together with a certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance forms part of this Annual Report.

20. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN

The Company has adopted a policy on prevention and redressal of sexual harassment at work place in accordance with the provisions of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. No complaints of sexual harassment were received during the year.

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. ACKNOWLEDGEMENT

The Directors gratefully acknowledge all stakeholders of the Company viz. customers, members, banks etc. for their continued support.

For and on behalf of the Board of Directors

Mumbai
29th May, 2018

M M Dhanuka
Chairman & Managing Director
DIN - 00193456

ANNEXURE 'A' TO THE DIRECTORS' REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. 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 at www.mysorepetro.com

2. Composition of the CSR Committee:

| 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 |

During the year, the Committee met once on 14th February, 2018.

3. Average net profit of the Company for the last three financial years: ₹ 626.03 lakhs.
 4. Prescribed CSR expenditure (two per cent of the amount as in item No. 3 above): ₹ 12.52 lakhs.
 5. Details of amount spent on CSR during the financial year 2017-18:
- Total amount spent: Nil
 - Amount unspent, if any: ₹12.52 lakhs
 - Manner in which the amount spent during the financial year is detailed below: NA

The Company proposes to carry forward the unspent amount.

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

ANNEXURE 'B' TO DIRECTOR'S REPORT

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2018

[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 Ltd

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 Ltd** (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, 2018 ('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, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made 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, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 and its amendments notified on 18th September, 2015 (Not Applicable during the audit period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period)

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the audit period) and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the audit period);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 law applicable specifically to the Company:

- Petroleum Act, 1934 and
- Petroleum Rules, 2002
- Chemicals 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 composition of the Board of Directors during the period under review was 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

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690

Place: Mumbai
Date: 29th May, 2018.

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

Mysore Petro Chemicals Limited

'Annexure A'

To,
The Members,

Mysore Petro Chemicals Ltd

D-4, Jyothi Complex, 134/1, Infantry Road,
Bangalore – 560 001, Karnataka.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.,
Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690

Place: Mumbai
Date: 29th May, 2018.

ANNEXURE 'C' TO DIRECTOR'S REPORT

FORM AOC-2

RELATED PARTY TRANSACTIONS

(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 | a) Trading of Goods | One year | Procurement of petrochemical products upto ₹ 100 Cr. per year | Commercial benefits | 30-10-2017 | NIL |
| | b) Letting of premises | Leave and License Agreement upto 31.03.2022 | License fee – ₹ 88.29 lakhs. Security deposit - ₹ 69.02 lakhs. | To put the premises to optimum use. | 04-05-2017 | NIL |
| | c) Agreement to sell | N.A. | Sale of MA Business Consideration - ₹ 7448 lakhs | Commercial prudence | 09-11-2016 | NIL |

Mysore Petro Chemicals Limited

ANNEXURE "D" TO DIRECTOR'S REPORT

FORM NO. MGT-9

Extract of Annual Return as on the financial year ended 31st March, 2018

(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 |
| 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. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 072. Tel. : 022-62638200/222/223 Fax : 022-62638299 Email: investor@bigshareonline.com Web : www.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 Products/Services | % of total turnover of the Company |
|--|--|------------------------------------|
| Other specialised wholesale | 466 | 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 | | | | |

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 [As on 1 st April, 2017] | | | | No. of Shares held at the end of the year [As on 31 st March, 2018] | | | | % Change during the year |
|---|--|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 109576 | - | 109576 | 1.66 | 109576 | - | 109576 | 1.66 | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 4695729 | - | 4695729 | 71.33 | 4695729 | - | 4695729 | 71.33 | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoters (A) | 4805305 | - | 4805305 | 72.99 | 4805305 | - | 4805305 | 72.99 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 130 | 100 | 230 | - | 130 | 100 | 230 | - | - |
| b) Banks / FI | 455 | 970 | 1425 | 0.02 | 455 | 400 | 855 | 0.01 | (0.01) |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | 196010 | - | 196010 | 2.98 | 196010 | - | 196010 | 2.98 | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Foreign Portfolio Investors | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | 196595 | 1070 | 197665 | 3 | 196595 | 500 | 197095 | 2.99 | (0.01) |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| Indian | 251449 | 2808 | 254257 | 3.86 | 236767 | 1480 | 238247 | 3.62 | (0.24) |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakh | 799115 | 324853 | 1123968 | 17.07 | 799264 | 229201 | 1028465 | 15.62 | (1.45) |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 166232 | - | 166232 | 2.52 | 165866 | - | 165866 | 2.52 | (0.01) |
| c) Others (specify) | | | | | | | | | |
| Independent Directors | 3725 | - | 3725 | 0.06 | 3725 | - | 3725 | 0.06 | - |
| Investor Education & Protection Fund Authority | - | - | - | - | 84803 | - | 84803 | 1.29 | 1.29 |
| Non Resident Indians | 22871 | 310 | 23181 | 0.35 | 37261 | 40 | 37301 | 0.57 | 0.21 |
| Clearing Members | 9005 | - | 9005 | 0.14 | 22531 | - | 22531 | 0.34 | 0.21 |
| Trusts | 150 | - | 150 | - | 150 | - | 150 | - | - |
| Sub-total (B)(2):- | 1252547 | 327971 | 1580518 | 24.01 | 1350367 | 230721 | 1581088 | 24.02 | 0.01 |
| Total Public Shareholding (B) = (B)(1)+ (B)(2) | 1449142 | 329041 | 1778183 | 27.01 | 1546962 | 231221 | 1778183 | 27.01 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 6254447 | 329041 | 6583488 | 100 | 6352267 | 231221 | 6583488 | 100 | - |

Mysore Petro Chemicals Limited

ii. Shareholding of Promoters-

| Sr. No. | Shareholder's Name | No. of Shares held at the beginning of the year [As on 1 st April, 2017] | | | No. of Shares held at the end of the year [As on 31 st March, 2018] | | | % Change during the year |
|---------|----------------------------------|--|----------------------------------|--|---|----------------------------------|--|--------------------------|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | M M Dhanuka | 60,900 | 6.93 | - | 60,900 | 6.93 | - | - |
| 2 | Amishi Dhanuka | 2,050 | 0.03 | - | 2,050 | 0.03 | - | - |
| 3 | Umang Dhanuka | 46,626 | 0.71 | - | 46,626 | 0.71 | - | - |
| 4 | Bihariji Constructions (I) Ltd | 2,94,510 | 4.47 | - | 2,94,510 | 4.47 | - | - |
| 5 | Gembel Trade Enterprises Ltd | 7,78,325 | 11.82 | - | 7,78,325 | 11.82 | - | - |
| 6 | Kalimpong Produce Co. Ltd | 4,800 | 0.07 | - | 4,800 | 0.07 | - | - |
| 7 | Kamrup Enterprises Ltd. | 8,01,499 | 12.17 | - | 8,01,499 | 12.17 | - | - |
| 8 | Savita Investments Co. Ltd. | 15,09,503 | 22.93 | - | 15,09,503 | 22.93 | - | - |
| 9 | Shekhavati Investment Corp. Ltd. | 6,56,094 | 9.97 | - | 6,56,094 | 9.97 | - | - |
| 10 | Shogun Vinimay (P) Ltd. | 4,633 | 0.07 | - | 4,633 | 0.07 | - | - |
| 11 | Vincent (India) Ltd. | 6,46,365 | 9.82 | - | 6,46,365 | 9.82 | - | - |
| | Total | 48,05,305 | 72.99 | - | 48,05,305 | 72.99 | - | - |

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

There is no change in the Promoters' shareholding.

iv. Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year [As on 1 st April, 2017] | | Cumulative Shareholding during the Year [As on 31 st March, 2018] | | |
|---------|-------------------------------------|--|----------------------------------|---|----------------------------------|------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | |
| 1 | Life Insurance Corporation Of India | | | | | |
| | 01-04-2017 | 1,96,010 | 2.98 | 1,96,010 | 2.98 | |
| | Changes during the year | No Change During The Year | | | | |
| | 31-03-2018 | - | - | 196010 | 2.98 | |
| 2 | Woodburn Infratech Pvt. Ltd. | | | | | |
| | 01-04-2017 | 1,07,602 | 1.63 | 1,07,602 | 1.63 | |
| | Changes during the year | Reason | | | | |
| | 12-05-2017 | Sale | (2214) | (0.03) | 1,05,388 | 1.60 |
| | 28-07-2017 | Sale | (3249) | (0.05) | 1,02,139 | 1.55 |
| | 04-08-2017 | Sale | (5275) | (0.08) | 96,864 | 1.47 |
| | 31-03-2018 | - | - | 96,864 | 1.47 | |

| Sr. No. | For Each of the Top 10 Shareholders | | Shareholding at the beginning of the year [As on 1 st April, 2017] | | Cumulative Shareholding during the Year [As on 31 st March, 2018] | |
|---------|--|--------|--|----------------------------------|---|----------------------------------|
| | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 3 | Nangalia Traders Pvt. Ltd | | | | | |
| | 01-04-2017 | | 75,104 | 1.14 | 75,104 | 1.14 |
| | No Change During The Year | | | | | |
| | 31-03-2018 | | - | - | 75,104 | 1.14 |
| 4 | Ritu Garg | | | | | |
| | 01-04-2017 | | 56,501 | 0.86 | 56,501 | 0.86 |
| | Changes during the year | Reason | | | | |
| | 05-05-2017 | Buy | 1,249 | 0.02 | 57,750 | 0.88 |
| | 19-05-2017 | Buy | 715 | 0.01 | 58,465 | 0.89 |
| | 26-05-2017 | Buy | 283 | - | 58,748 | 0.89 |
| | 16-06-2017 | Buy | 1,036 | 0.02 | 59,784 | 0.91 |
| | 23-06-2017 | Buy | 1,216 | 0.02 | 61,000 | 0.93 |
| | 31-03-2018 | | - | - | 61,000 | 0.93 |
| 5 | Rakesh V Sawant | | | | | |
| | 01-04-2017 | | 50,866 | 0.77 | 50,866 | 0.77 |
| | No Change During The Year | | | | | |
| | 31-03-2018 | | - | - | 50,866 | 0.77 |
| 6 | Rajiv Garg | | | | | |
| | 01-04-2017 | | 28,000 | 0.43 | 28,000 | 0.43 |
| | Changes during the year | Reason | | | | |
| | 21-07-2017 | Buy | 2,366 | 0.04 | 30,366 | 0.46 |
| | 28-07-2017 | Buy | 1,134 | 0.02 | 31,500 | 0.48 |
| | 07-09-2017 | Buy | 500 | 0.01 | 32,000 | 0.49 |
| | 31-03-2018 | | - | - | 30,366 | 0.46 |
| 7 | Anmol Sekhri Consultants Private Limited | | | | | |
| | 01-04-2017 | | - | - | - | - |
| | Changes during the year | Reason | | | | |
| | 20-10-2017 | Buy | 1,601 | 0.02 | 1,601 | 0.02 |
| | 24-11-2017 | Buy | 451 | 0.01 | 2,052 | 0.03 |
| | 29-12-2017 | Buy | 5,873 | 0.09 | 7,925 | 0.12 |
| | 12-01-2018 | Buy | 10,000 | 0.15 | 17,925 | 0.27 |
| | 26-01-2018 | Buy | 4,150 | 0.06 | 22,075 | 0.34 |
| | 09-02-2018 | Buy | 1,550 | 0.02 | 23,625 | 0.36 |
| | 23-03-2018 | Buy | 200 | - | 23,825 | 0.36 |
| | 31-03-2018 | | - | - | 23,825 | 0.36 |
| 8 | Keshav Garg | | | | | |
| | 01-04-2017 | | 17,000 | 0.26 | 17,000 | 0.26 |
| | Changes during the year | Reason | | | | |
| | 05-05-2017 | Buy | 3,075 | 0.05 | 20,075 | 0.30 |

Mysore Petro Chemicals Limited

| Sr. No. | For Each of the Top 10 Shareholders | | Shareholding at the beginning of the year [As on 1 st April, 2017] | | Cumulative Shareholding during the Year [As on 31 st March, 2018] | |
|---------|-------------------------------------|------|--|----------------------------------|---|----------------------------------|
| | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | 12-05-2017 | Buy | 1,625 | 0.02 | 21,700 | 0.33 |
| | 14-07-2017 | Buy | 300 | - | 22,000 | 0.33 |
| | 31-03-2018 | | - | - | 22,000 | 0.33 |
| 9 | Hitesh Gangrade | | | | | |
| | 01-04-2017 | | 4,923 | 0.07 | 4,923 | 0.07 |
| | Changes during the year | | Reason | | | |
| | 04-08-2017 | Buy | 5,077 | 0.08 | 10,000 | 0.15 |
| | 11-08-2017 | Buy | 908 | 0.01 | 10,908 | 0.17 |
| | 18-08-2017 | Buy | 3,447 | 0.05 | 14,355 | 0.22 |
| | 25-08-2017 | Buy | 500 | 0.01 | 14,855 | 0.23 |
| | 07-09-2017 | Buy | 2,340 | 0.04 | 17,195 | 0.26 |
| | 15-09-2017 | Buy | 2,700 | 0.04 | 19,895 | 0.30 |
| | 22-09-2017 | Buy | 2,205 | 0.03 | 22,100 | 0.34 |
| | 06-10-2017 | Buy | 700 | 0.01 | 22,800 | 0.35 |
| | 20-11-2017 | Buy | 200 | - | 23,000 | 0.35 |
| | 12-01-2018 | Sale | (2,000) | (0.03) | 21,000 | 0.32 |
| | 31-03-2018 | | - | - | 21,000 | 0.32 |
| 10 | Sonia Rahul Nangalia | | | | | |
| | 01-04-2017 | | - | - | - | - |
| | Changes during the year | | Reason | | | |
| | 16-06-2017 | Buy | 19,183 | 0.29 | 19,183 | 0.29 |
| | 31-03-2018 | | - | - | 19,183 | 0.29 |

v. Shareholding of Director and Key Managerial Personnel

| Sr. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year [As on 1 st April, 2017] | | Cumulative Shareholding during the Year [As on 31 st March, 2018] | |
|---------|--|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | M M Dhanuka | 60,900 | 0.93 | 60,900 | 0.93 |
| 2 | Nikunj Dhanuka | - | - | - | - |
| 3 | M M Jayakar | 2,725 | 0.04 | 2,725 | 0.04 |
| 4 | Shrikant Somani | 100 | - | 100 | - |
| 5 | Anil Kochar | 100 | - | 100 | - |
| 6 | Satyanarayan Maheshwari | 700 | 0.01 | 700 | 0.01 |
| 7 | Uma Acharya | - | - | - | - |
| 7 | Pragati Nathani | - | - | - | - |
| 8 | Nilesh Panchal | - | - | - | - |

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

(₹ in lakhs)

| Particulars | Secured Loans Excluding Deposits | Unsecured Loan | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 73.68 | 543.18 | - | 616.86 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 35.12 | - | 35.12 |
| Total (i+ii+iii) | 73.68 | 578.30 | - | 651.98 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | - | - | - | - |
| * Reduction | (41.59) | (578.30) | - | (619.89) |
| Net Change | (41.59) | (578.30) | - | (619.89) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 32.09 | - | - | 32.09 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 32.09 | - | - | 32.09 |

vii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ in lakhs)

| Sr. No. | Particulars of Remuneration | Name of Managing Director | Total Amount |
|---------|---|---------------------------|--------------|
| | | M M Dhanuka | |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 | 60.00 | 60.00 |
| | (b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 | 27.89 | 27.89 |
| | (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 | - | - |
| 5. | Others, please specify | - | - |
| | Total (A) | 87.89 | 87.89 |
| | Ceiling as per Section 198 read with Schedule V, Part II, Section II of the Companies Act, 2013 | | 84.00 |

Note: The total remuneration drawn include the value of perquisites, which are not to be included within the computation of overall ceiling limit.

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B. Remuneration to other directors

(₹ in lakhs)

| Sr. 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 | 1.35 | 1.65 | 1.10 | 1.15 | 5.25 |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (1) | 1.35 | 1.65 | 1.10 | 1.15 | 5.25 |
| 2 | Other Non-Executive Directors | Nikunj Dhanuka | S N Maheshwari | | | |
| | Fee for attending Board/ Committee meetings | 2.05 | 1.90 | | | - |
| | Commission | - | - | | | - |
| | Others, please specify | - | - | | | - |
| | Total (2) | 2.05 | 1.90 | | | 3.95 |
| | Total (B)=(1+2) | | | | | 9.20 |
| | Total Managerial Remuneration (A+B) | | | | | 97.09 |
| | Within the limits prescribed as per the provisions of the Companies Act, 2013 | | | | | |

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

(₹ in lakhs)

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel | | | | Total |
|---------|---|--------------------------|-----------------------|-------------------|------------------------|--------------|
| | | Anand Kadkol (CS)# | Pragati Nathani (CS)* | Paras Jain (CFO)@ | Nilesh Panchal (CFO)\$ | |
| 1 | Gross salary | | | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 | 31.00 | 1.02 | 2.59 | 11.53 | 49.29 |
| | (b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 | 3.72 | 0.24 | - | 5.31 | 6.12 |
| | (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 | - | - | - | - | - |
| 5. | Others, please specify | - | - | - | - | - |
| | Total (A) | 34.72 | 1.26 | 2.59 | 16.84 | 55.41 |

Upto 19th January, 2018

@ upto 31st May, 2017

* w.e.f. 14th February, 2018

\$ w.e.f. 25th July, 2017

V. Penalties / Punishment / Compounding of Offences

There were no penalties / Punishment / Compounding of Offences during the year ended 31st March, 2018.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015)
The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2018.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the application of best management practices, continued compliances of law and adherence to highest ethical standards to achieve the objectives of the Company of enhancing stakeholder's value.

At Mysore Petro Chemical Limited, it has been a constant endeavor to follow the principles of fairness, equity, transparency, accountability in various aspects of its functioning to achieve excellence in Corporate Governance, which leads to enhance the value of all stakeholders. The Company has formulated, Corporate Social Responsibility Policy and code on prohibition of insider trading to ensure the high ethical and moral standards. The company conducts its activities in a manner that is fair and transparent and perceived to be such by others and has always complied with the code of Corporate Governance.

BOARD OF DIRECTORS

Composition and Category of the Directors

The composition of the Board of Directors of the Company is a fair mix of executive, non executive and independent directors which is in compliant with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Board consists of seven directors comprising of two non-executive director, four non-executive independent directors out of which one is a woman director; and an Executive Chairman and Managing Director.

The Company has 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

The Board met four times during the year i.e. on 4th May, 2017, 25th July, 2017, 30th October, 2017 and 14th February, 2018.

The composition of the Board, attendance at the Board Meetings and at the last Annual General Meeting, number of Directorships, Memberships/Chairmanship of the Committees of public companies are given below:

| Name of the Director | Category | Number of Board Meetings attended | Attendance at the AGM held on 7 th September, 2017 | Number of Directorship(s) held in other public companies | | Number of Committee positions held in other public companies | | No. of shares held |
|----------------------|-----------------------------|-----------------------------------|---|--|--------|--|--------|--------------------|
| | | | | Chairman | Member | Chairman | Member | |
| Shri M M Dhanuka | Managing Director | 4 | No | - | 1 | - | 2 | 60,900 |
| Shri Nikunj Dhanuka | Non-Executive Director | 4 | No | 1 | - | - | - | 0 |
| Shri M M Jayakar | Non-Executive & Independent | 3 | No | - | 4 | 1 | 5 | 2,725 |
| Shri Anil Kochar | Non-Executive & Independent | 2 | Yes | - | 1 | - | 1 | 100 |
| Shri Shrikant Somani | Non-Executive & Independent | 2 | No | - | - | - | - | 100 |
| Shri S N Maheshwari | Non-Executive Director | 4 | Yes | - | - | - | - | 700 |
| Smt Uma Acharya | Non-Executive & Independent | 4 | No | - | 1 | - | 2 | 100 |

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- i. Excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.
- ii. In accordance with Regulation 26(1)(b) of SEBI Listing Regulations, Membership/ Chairpersonship of only the Audit Committee and Stakeholders Relationship Committee in all Indian Public Limited Companies have been considered.
- iii. The Company has not issued any convertible instruments.
- iv. The Directors are not related to each other.

The familiarization programme of the Directors can be accessed at www.mysorepetro.com

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 Regulation and Section 177 of the Companies Act, 2013 ("the Act"). 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.

Members of the committee met four times during the year on 4th May, 2017, 25th July, 2017, 30th October, 2017 and 14th February, 2018.

During the year there were no changes in the constitution of the Audit Committee. The Audit Committee constitute of majority of independent directors. The composition of the Audit Committee and details of participation of the members at the meetings held during the year are given below:

| Name of the Director | Position | Category | No. of Meetings | |
|----------------------|----------|--------------------------------------|-----------------|----------|
| | | | Held | Attended |
| Shri M M Jayakar | Chairman | Non-Executive & Independent Director | 4 | 3 |
| Shri Nikunj Dhanuka | Member | Non-Executive Director | 4 | 4 |
| Shri Anil Kochar | Member | Non-Executive & Independent Director | 4 | 3 |
| Shri Shrikant Somani | Member | Non-Executive & Independent Director | 4 | 2 |

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

NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted, in terms of the provisions of Section 178 of the Act and SEBI Listing Regulation, Nomination and Remuneration Committee. Terms of reference of the committee relates 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 Members the appointment of directors, formulating criteria for evaluation of independent directors, etc.

Members of the committee met two times during the year on 25th July, 2017 & 14th February, 2018. The composition of the Nomination and Remuneration Committee and details of participation of the members at the meetings held during the year are given below:

| Name of the Director | Position | Category | No. of Meetings | |
|----------------------|----------|--------------------------------------|-----------------|----------|
| | | | Held | Attended |
| Shri M M Jayakar | Chairman | Non-Executive & Independent Director | 2 | 1 |
| Shri Anil Kochar | Member | Non-Executive & Independent Director | 2 | 2 |
| Shri Shrikant Somani | Member | Non-Executive & Independent Director | 2 | 2 |
| Shri S N Maheshwari | Member | Non-Executive Director | 2 | 2 |

Performance evaluation criteria of independent directors

Companies Act, 2013 and SEBI Listing Regulation mandates evaluation of performance of Independent Directors, Non-Independent Directors and Chairperson. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the directors being evaluated.

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 to the working.

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 is disclosed in the Board Report. There are no performance linked incentives payable to the Directors.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' 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.

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Members of the committee met thrice during the year on 25th July, 2017, 15th January, 2018 & 14th February, 2018. The composition of the Stakeholders Relationship Committee and details of complains during the year are given below:

| Name of the Director | Position | Category | No. of complaints | | |
|----------------------|----------|--------------------------------------|-------------------|----------|---------|
| | | | Received | Resolved | Pending |
| Shri Nikunj Dhanuka | Chairman | Non-Executive Director | 1 | 1 | 0 |
| Shri M M Jaykar | Member | Non-Executive & Independent Director | | | |
| Shri S N Maheshwari | Member | Non-Executive & Independent Director | | | |

The Company Secretary acts as the Secretary of the Committee and the Compliance Officer of the Company.

GENERAL BODY MEETINGS

a. Annual General Meetings

| Financial Year | Date | Time | Venue | Special Resolutions |
|----------------|---------------------------------|------------|--|--|
| 2014-15 | 24 th August, 2015 | 12.30 p.m. | Hotel Woodlands 5, Raja Rammohan Roy Road, Bengaluru – 560 025 | 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 |
| 2015-16 | 23 rd August, 2016 | 12.30 p.m. | | Approval of material related party transactions |
| 2016-17 | 7 th September, 2017 | 12.30 p.m. | | ----- |

- b. During the year, no Special Resolution was passed through postal ballot. However, an Ordinary Resolution was passed through postal ballot for carrying out Related Party transaction with M/s. I G Petrochemicals Limited, the results of which were declared on 28th December, 2017. Shri. Martino Ferrao was appointed as the scrutinizer for the said purpose.
- c. No special resolution is proposed to be conducted through postal ballot at this AGM.

MEANS OF COMMUNICATION

The quarterly financial results and other information (as applicable) are promptly disclosed to the stock exchange and are generally published in Financial Express and Hosadigantha, Bengaluru. The financial results are also uploaded on the website of the Company www.mysorepetro.com

GENERAL INFORMATION TO MEMBERS

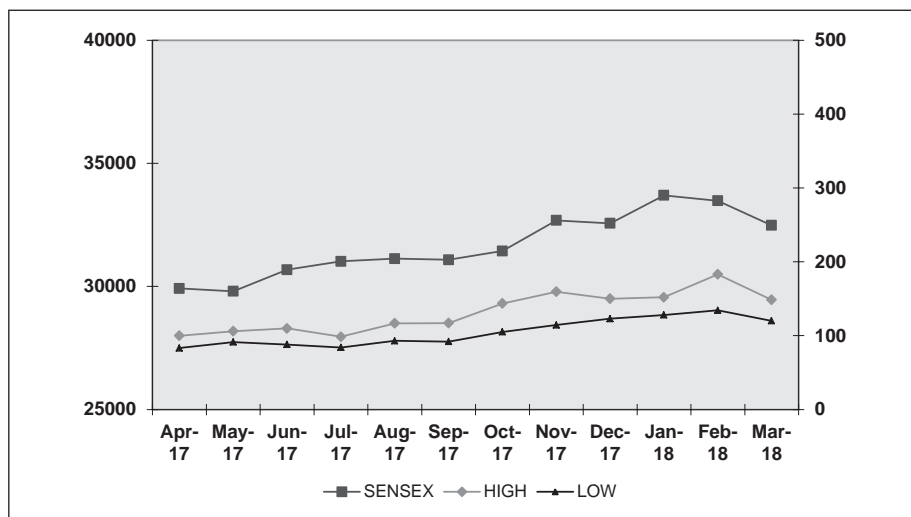
| | |
|---|---|
| Annual General Meeting Date, Time and Venue | Tuesday, 14 th August, 2018 at 12.30 p.m. at Hotel Ajantha, Rohini Hall, 22-A, M G Road, Bengaluru - 560 001. |
| Financial year | 1 st April to 31 st March |
| Dividend Payment Date | On or after 20 th August, 2018 |
| Name and address of stock exchange | BSE Limited The listing fees for the year 2018-19 has been paid to the Stock Exchange. |
| Scrip Code | 506734 |
| Date of Book Closure | 8 th August, 2018 and 9 th August, 2018. |
| Registrar & Transfer Agent | M/s Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Andheri (East), Mumbai - 400 059 Tel. : 22-62638200/222/223 Fax : 22-62638299 E-mail : investor@bigshareonline.com Web : www.bigshareonline.com |
| Share Transfer System | By the Registrar & Transfer Agents in compliance of the provisions. |
| Dematerialisation of shares and liquidity | 96.50% of the shares are held in dematerialised form as at 31 st March, 2018. The shares of the Company are freely tradable on the stock exchange. |
| ISIN Code | INE 741A01011 |
| Address for correspondence | 401-404, Raheja Centre, 214, Nariman Point Mumbai - 400 021 Tel. : (91) 022-30286100 E-mail- mpcl@mysorepetro.com |

MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2018 (MONTH-WISE)

| Bombay Stock Exchange (BSE) | | |
|------------------------------------|-----------------|----------------|
| Month | High (₹) | Low (₹) |
| April | 99.95 | 83.30 |
| May | 106.00 | 91.30 |
| June | 109.80 | 88.00 |
| July | 98.50 | 84.00 |
| August | 116.80 | 93.00 |
| September | 117.00 | 92.00 |
| October | 143.65 | 105.15 |
| November | 159.50 | 114.50 |
| December | 150.00 | 123.00 |
| January | 152.10 | 128.00 |
| February | 183.00 | 134.25 |
| March | 148.45 | 120.10 |

Mysore Petro Chemicals Limited

PERFORMANCE OF MPCL SHARE PRICE IN COMPARISON WITH SENSEX (BSE)



Distribution of shareholding as at 31st March, 2018

| Shareholding | No. of shareholders | % to total | No. of shares | % to total |
|-----------------|---------------------|------------|---------------|------------|
| 1 – 500 | 5,846 | 94.24 | 5,91,206 | 8.97 |
| 501 – 1000 | 208 | 3.35 | 1,66,739 | 2.53 |
| 1001 – 2000 | 75 | 1.21 | 1,12,514 | 1.71 |
| 2001 – 3000 | 24 | 0.39 | 59,872 | 0.91 |
| 3001 – 4000 | 11 | 0.18 | 39,230 | 0.60 |
| 4001 – 5000 | 6 | 0.10 | 28,699 | 0.44 |
| 5001 – 10000 | 13 | 0.21 | 1,04,520 | 1.59 |
| 10001 and above | 20 | 0.32 | 54,80,708 | 83.25 |
| Total | 6,203 | 100.00 | 65,83,488 | 100.00 |

OTHER DISCLOSURES

Related party transactions

The material related party transactions were entered into with M/s I G Petrochemicals Limited with the approval of the Members in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Strictures and Penalties

The Company has been in compliance with the SEBI Listing Regulations 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 behavior, 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 Ind AS, 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 discretionary requirements:

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

The Company does not have any material subsidiary.

The Policy on related party transactions is available at www.mysorepetro.com

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

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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, 2018 confirming their compliance of the same.

Mumbai
29th May, 2018

M M Dhanuka
Managing Director & CEO

Mysore Petro Chemicals Limited

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

Mysore Petro Chemicals Limited

We, MSKA & Associates, Chartered Accountants, the Statutory Auditors of Mysore Petro Chemicals Limited (the 'Company') have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31st March, 2018 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 ('the Listing Regulations') and as amended from time to time.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of relevant records and information and according to the explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, during the year ended March 31, 2018, as applicable.

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

MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants
Firm Registration No. 105047W

Anita Somani

Partner
Membership No.124118

Place: Mumbai
Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MYSORE PETRO CHEMICALS LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of Mysore Petro Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 Standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India.

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 Standalone Ind AS 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 Standalone Ind AS 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 thereunder.

We conducted our audit of the Standalone Ind AS financial statements 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 Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

Mysore Petro Chemicals Limited

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 4, 2017 and May 20, 2016 respectively expressed an unmodified audit opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which were not subjected to review or audited by us.

Report on Other Legal and Regulatory Requirements

1. 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, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'
 - (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 Standalone Ind AS financial statements – Refer Note 32 to the Standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of sub-section 11 of section 143 of the Act, we give in the ‘Annexure B’, a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MSKA & Associates
(Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W

Anita Somani
Partner
Membership No.124118

Place : Mumbai
Date : May 29, 2018

Mysore Petro Chemicals Limited

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MYSORE PETRO CHEMICALS LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

Report on the Internal Financial Controls 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 March 31, 2018 in conjunction with our audit of the standalone 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) (the "Guidance Note"). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,

accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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 March 31, 2018, 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.

For **MSKA & Associates**
(Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W

Anita Somani
Partner
Membership No.124118

Place : Mumbai
Date : May 29, 2018

Mysore Petro Chemicals Limited

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MYSORE PETRO CHEMICALS LIMITED FOR THE YEAR ENDED MARCH 31, 2018

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company did not have any inventory as at the year ended March 31, 2018. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. 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 Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, provisions stated in paragraph 3(v) of the order are not applicable to Company
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for the period of more than six months from the date they become payable.
(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, sales-tax, service tax, value added tax and other statutory dues on account of any dispute, are as follows:

| Name of the Statue | Name of the Dues | Amount (₹ in Lakhs) | Amount paid under protest (₹ In Lakhs) | Period to which amount relates | Forum where dispute is pending |
|---------------------------------------|------------------|---------------------|--|--------------------------------|--------------------------------|
| Karnataka Special Entry Tax Act, 2004 | Sales Tax | 23.98 | - | 2008-09 | Karnataka High Court |

| Name of the Statue | Name of the Dues | Amount (₹ in Lakhs) | Amount paid under protest (₹ In Lakhs) | Period to which amount relates | Forum where dispute is pending |
|--|--|---------------------|--|--------------------------------|--|
| Karnataka Industrial Areas Development Act | Interest on maintenance charges of the leased land | 24.22 | - | 2004-05 to 2017-18 | Karnataka Industrial Areas Development Board |

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates
(Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W

Anita Somani
Partner
Membership No.124118

Place : Mumbai
Date : May 29, 2018

Mysore Petro Chemicals Limited

Standalone Balance Sheet as at March 31, 2018

₹ in Lakhs

| Particulars | Note | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---|------|-------------------------|-------------------------|------------------------|
| ASSETS | | | | |
| Non Current Assets | | | | |
| Property, Plant and Equipment | 2 | 510.68 | 1,854.96 | 1,821.94 |
| Investment Property | 3 | 1,372.50 | 1,395.10 | 1,417.70 |
| Financial Assets | | | | |
| Investments | 4 | 1,546.67 | 1,013.73 | 863.73 |
| Other financial assets | 5 | 3,823.44 | 107.51 | 110.45 |
| Total Non-Current Assets | | 7,253.29 | 4,371.30 | 4,213.82 |
| Current Assets | | | | |
| Inventories | 6 | - | 211.72 | 246.38 |
| Financial Assets | | | | |
| Investments | 7 | 203.77 | - | 0.30 |
| Trade Receivables | 8 | - | 164.01 | 269.78 |
| Cash and Cash Equivalents | 9 | 58.42 | 63.15 | 109.75 |
| Bank balances other than Cash and Cash Equivalents | 10 | 17.66 | 15.91 | 13.64 |
| Other financial assets | 11 | 1,355.79 | 25.08 | 25.88 |
| Other Current Assets | 12 | 143.96 | 56.27 | 146.09 |
| Total Current Assets | | 1,779.60 | 536.14 | 811.82 |
| TOTAL ASSETS | | 9,032.89 | 4,907.44 | 5,025.64 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share Capital | 13 | 658.76 | 658.76 | 658.76 |
| Other Equity | 14 | 7,876.34 | 2,583.49 | 2,464.63 |
| Equity attributable to owners of the company | | 8,535.10 | 3,242.25 | 3,123.39 |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 15 | - | 576.66 | 638.78 |
| Other Financial Liabilities | 16 | 71.02 | 2.00 | - |
| Provisions | 17 | 9.91 | 74.19 | 64.25 |
| Deferred Tax Liabilities (Net) | 29 | 48.98 | 176.81 | 229.95 |
| Total Non-Current Liabilities | | 129.91 | 829.66 | 932.98 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Trade Payables | 18 | 134.93 | 215.97 | 255.53 |
| Other financial liabilities | 19 | 32.08 | 75.32 | 648.21 |
| Provisions | 20 | 124.49 | 44.22 | 20.55 |
| Other Current Liabilities | 21 | 76.38 | 500.02 | 44.98 |
| Total Current Liabilities | | 367.88 | 835.53 | 969.27 |
| TOTAL EQUITY AND LIABILITIES | | 9,032.89 | 4,907.44 | 5,025.64 |
| Significant Accounting Policies | 1 | | | |
| Notes to Financial Statements | 2-42 | | | |

As per our report of even date
For **MSKA & Associates** (formerly
known as 'MZSK & Associates')
Chartered Accountants
Firm's Registration No: 105047W

Anita Somani
Partner
Membership No: 124118

Mumbai
May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka
Managing Director
DIN : 00193456

Shrikant Somani
Director
DIN : 00085039

Nilesh Panchal
Chief Financial Officer

Pragati Nathani
Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2018

₹ in Lakhs

| Particulars | Note | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|---|-------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Revenue from Operations | 22 | 623.00 | 3,352.50 |
| Other Income | 23 | 1,033.77 | 135.57 |
| Total Income (I) | | 1,656.77 | 3,488.07 |
| EXPENSES | | | |
| Cost of Raw Material Consumed | 24 | - | 91.45 |
| Purchase of Stock-in-Trade | | 565.68 | 442.90 |
| Changes in Inventories of Finished Goods and Work-In-Progress | 25 | - | (6.70) |
| Excise Duty | | - | 322.74 |
| Employee Benefits Expenses | 26 | 224.48 | 1,112.34 |
| Finance cost | 27 | 6.84 | 120.10 |
| Depreciation Expenses | 2 & 3 | 78.21 | 293.23 |
| Other Expenses | 28 | 188.89 | 819.08 |
| Total Expenses (II) | | 1,064.10 | 3,195.14 |
| Profit before exceptional items and tax (I-II) | | 592.67 | 292.93 |
| Exceptional Items (Refer note 35) | | 6,459.20 | - |
| Profit before Tax | | 7,051.87 | 292.93 |
| Tax Expense | 29 | | |
| Current Tax | | 1,824.88 | 139.80 |
| Deferred Tax | | (127.84) | (53.14) |
| Total Tax Expense | | 1,697.04 | 86.66 |
| Profit for the year | | 5,354.83 | 206.27 |
| OTHER COMPREHENSIVE INCOME | | | |
| (i) Items that will not be reclassified to statement of profit and loss | | | |
| Remeasurement of Defined Benefit Plan | | 24.26 | (12.21) |
| Income tax effect | | (7.00) | 4.04 |
| | | 17.26 | (8.17) |
| (ii) Items that will be reclassified to statement of profit and loss | | - | - |
| Other Comprehensive Income For the Year (i-ii) | | 17.26 | (8.17) |
| Total Comprehensive Income For the Year | | 5,372.09 | 198.10 |
| Earning Per share in ₹ | 30 | | |
| Face value of shares ₹ 10 each (Previous year ₹ 10 each) | | | |
| Basic and Diluted | | | |
| Before exceptional Items | | 9.97 | 3.13 |
| After exceptional Items | | 81.34 | 3.13 |
| Significant Accounting Policies | 1 | | |
| Notes to Financial Statements | 2-42 | | |

As per our report of even date
For **MSKA & Associates (formerly known as 'MZSK & Associates')**
Chartered Accountants
Firm's Registration No: 105047W

Anita Somani
Partner
Membership No: 124118

Mumbai
May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka
Managing Director
DIN : 00193456

Nilesh Panchal
Chief Financial Officer

Shrikant Somani
Director
DIN : 00085039

Pragati Nathani
Company Secretary

Mysore Petro Chemicals Limited

Statement of Changes in Equity for the year ended March 31, 2018

₹ in Lakhs

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---------------------------------|----------------------|----------------------|---------------------|
| Equity Share Capital | | | |
| Opening Balance | 658.76 | 658.76 | 658.76 |
| Changes in Equity Share Capital | - | - | - |
| Closing Balance | 658.76 | 658.76 | 658.76 |

₹ in Lakhs

| Other Equity | Reserves and Surplus | | | | Total Other Equity |
|--|----------------------------|-----------------|----------------------|-------------------|--------------------|
| | Securities Premium Reserve | General Reserve | Amalgamation Reserve | Retained Earnings | |
| Balance as at April 1, 2016 | 398.89 | 280.01 | 37.50 | 1,748.23 | 2,464.63 |
| Profit for the Year | - | - | - | 206.27 | 206.27 |
| Other Comprehensive Income, net of tax | - | - | - | (8.17) | (8.17) |
| Dividend (including dividend distribution tax) | - | - | - | (79.24) | (79.24) |
| Balance as at March 31, 2017 | 398.89 | 280.01 | 37.50 | 1,867.09 | 2,583.49 |
| Profit for the Year | - | - | - | 5,354.83 | 5,354.83 |
| Other Comprehensive Income, net of tax | - | - | - | 17.26 | 17.26 |
| Dividend (including dividend distribution tax) | - | - | - | (79.24) | (79.24) |
| Balance as at March 31, 2018 | 398.89 | 280.01 | 37.50 | 7,159.94 | 7,876.34 |

The nature of reserves are as follows:

- Securities Premium Reserve :** Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the Companies Act, 2013.
- General Reserve :** General Reserve is used from time to time to transfer profit from retained earnings for Appropriation purposes.
- Amalgamation Reserve :** The Company has recognised this reserve on amalgamation of Napro Synthetic Limited as per statutory requirement. This reserve is not available for capitalisation / declaration of dividend and share buy back.
- Retained Earnings :** The amount can be utilised by the Company to distribute as dividend to its equity shareholders.

As per our report of even date
For MSKA & Associates (formerly known as 'MZSK & Associates')
 Chartered Accountants
 Firm's Registration No: 105047W

Anita Somani
 Partner
 Membership No: 124118

Mumbai
 May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka
 Managing Director
 DIN : 00193456

Shrikant Somani
 Director
 DIN : 00085039

Nilesh Panchal
 Chief Financial Officer

Pragati Nathani
 Company Secretary

Standalone Statement of Cash Flow for the year ended March 31, 2018

₹ in Lakhs

| Particulars | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| A. Operating Activities | | |
| Profit before tax | 7,051.87 | 292.93 |
| Adjustments for: | | |
| Depreciation Expenses | 78.21 | 293.23 |
| Profit on Sale of Fixed Assets (Net) | (4.30) | - |
| Profit on Fair value of Investment through profit and Loss | (188.36) | - |
| Sundry Balances / Excess Provision Written Back | - | 73.88 |
| Interest Expense | 6.84 | 120.10 |
| Interest Income | (636.93) | (9.31) |
| Dividend Income | (122.32) | (81.54) |
| Operating profit before working capital changes | 6,185.01 | 689.29 |
| Working Capital Adjustments: | | |
| Decrease in Trade and Other Payables | (273.59) | (175.76) |
| Decrease in Trade and Other Receivables | - | 19.77 |
| Decrease in Inventories | - | 34.66 |
| Decrease / (increase) in loans and advances | (104.93) | 81.55 |
| Cash generated from operations | 5,806.49 | 649.51 |
| Income Tax Paid (Net of refunds) | (1,799.12) | (124.66) |
| Net cash generated from operation before exceptional items | 4,007.37 | 524.85 |
| Exceptional Items | (6,459.20) | - |
| Net cash (used in) / generated from operating activities | (2,451.83) | 524.85 |
| B. Investing Activities | | |
| Purchase of Property, Plant and Equipment | (36.88) | (247.36) |
| Proceeds from sale of an undertaking under slump sale | 2,357.10 | - |
| Sale/(Purchase) of Investments | (548.35) | (149.70) |
| Interest Received | 637.09 | 7.95 |
| Dividend Received | 122.32 | 81.54 |
| Net cash flow from / (used in) investing activities | 2,531.28 | (307.57) |
| C. Financing Activities | | |
| Proceeds / (Repayments) of Long-term borrowings | - | (89.00) |
| Dividend Paid on equity shares (Including Dividend Distribution Tax) | (77.34) | (77.48) |
| Interest Paid | (6.84) | (97.40) |
| Net cash used in financing activities | (84.18) | (263.88) |
| Net decrease in cash and cash equivalents (A+B+C) | (4.73) | (46.60) |
| Add : Cash and cash equivalents at the beginning of the year | 63.15 | 109.75 |
| Cash and cash equivalents at the end of the year | 58.42 | 63.15 |

As per our report of even date
**For MSKA & Associates (formerly
 known as 'MZSK & Associates')**
 Chartered Accountants
 Firm's Registration No: 105047W

Anita Somani
 Partner
 Membership No: 124118

Mumbai
 May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka
 Managing Director
 DIN : 00193456

Nilesh Panchal
 Chief Financial Officer

Shrikant Somani
 Director
 DIN : 00085039

Pragati Nathani
 Company Secretary

Mysore Petro Chemicals Limited

Note 1:

Significant Accounting Policies

a. General Information:

Mysore Petro Chemicals Limited ("the Company") is a public limited Company incorporated in India with its registered office at D/4, Jyothi Complex, 134/1, Infantry Road, Bengaluru-560 001. It is engaged in trading of Maleic Anhydride and other chemicals. The equity shares of the Company is listed on BSE and the security code is 506734.

b. Basis of preparation:

For all periods up to and including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). Detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company is given under Note 42.

The standalone financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in accounting policies stated below. The accounting policies have been applied consistently over all the periods presented in these financial statement.

c. Statement of Compliance:

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2017.

The standalone financial statements comply in all material aspects with Ind AS notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

d. Use of estimates and judgements:

The preparation of standalone financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and if material their effects are disclosed in the notes to the standalone financial statements.

e. Operating Cycle:

Assets and liabilities other than those relating to long-term contracts are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

In case of long-term contracts, the time between acquisition of assets for processing and realisation of the entire proceeds under the contracts in cash or cash equivalent exceeds one year. Accordingly, for classification of assets and liabilities related to such contracts as current, duration of each contract is considered as its operating cycle.

f. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

g. Property, Plant and Equipment:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Mysore Petro Chemicals Limited

Freehold land is not depreciated. Leasehold land is amortised over the remaining period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 1, 2016.

h. Investment Property:

Investment property comprises of building that are held for long-term rental yields and/or for capital appreciation. Investment property are initially recognised at cost. Subsequently investment property is carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on building is provided over the useful life as specified in Schedule II of the Companies Act, 2013. The residual values, useful life and depreciation method of investment property are reviewed, and adjusted on prospective basis as appropriate, at each balance sheet date. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on estimates.

Investment property are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

i. Inventories:

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

j. Cash and Cash Equivalents:

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balance, demand deposits with bank where the original maturity is three months or less and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

k. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

Initial recognition and measurement

The Company classifies its financial assets in the following measurement categories;

- those to be measured subsequently at fair value (either through OCI, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

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Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Company has not designated any debt instrument at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or Loss

Equity investments

All equity investments, except investments in an associate, are measured at FVTPL. The Company may make an irrevocable election on initial recognition to present in OCI any subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.

De-recognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Standalone Financial Statements) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Asset:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

L. Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

m. Revenue Recognition:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as value added tax, GST.

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Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

n. Employee Benefits:

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.

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.

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.

Actuarial gains/losses are immediately taken to other comprehensive income and are not deferred.

o. Impairment of non-financial assets :

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest Company of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

p. Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

q. Foreign Currencies:

The standalone financial statements are presented in INR, the functional currency of the Company. Items included in the standalone financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

r. Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

s. Leases :

Leases in which a substantial portion of the risks and reward of ownership are retained by the lessor are classified as operating leases. Payment and receipts under such leases are recognized to the statement of profit and loss on a straight line basis over the term of the lease unless the lease payment to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognized as an expenses in line with contractual term.

Leases are classified as financial leases whenever the terms of the lease transfer substantially all the risks and reward incidental to ownership to the lessee.

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note 2 : Property, Plant and Equipment

₹ in lakhs

| Particulars | Freshhold Land | Leasehold Land | Roads and Drains | Buildings | Plant and Equipments | Railway Siding | Furniture and Office Equipment | Vehicles | Total |
|---|----------------|----------------|------------------|---------------|----------------------|----------------|--------------------------------|---------------|------------------|
| Gross Carrying Amount | | | | | | | | | |
| As at April 1, 2016 | 14.77 | 36.05 | 48.25 | 386.79 | 10,584.30 | 5.13 | 40.75 | 143.04 | 11,259.08 |
| Additions | - | - | - | - | 27.42 | - | 159.40 | 116.83 | 303.65 |
| As at March 31, 2017 | 14.77 | 36.05 | 48.25 | 386.79 | 10,611.72 | 5.13 | 200.15 | 259.87 | 11,562.73 |
| Additions | - | - | - | - | - | - | - | - | - |
| Adjustment on account of slump sale (Refer note 35) | - | (36.05) | (27.49) | (214.55) | (8,656.05) | - | (7.57) | (114.53) | (9,056.24) |
| As at March 31, 2018 | 14.77 | - | 20.76 | 172.24 | 1,955.67 | 5.13 | 192.58 | 145.34 | 2,506.49 |
| Accumulated Depreciation & Impairment | | | | | | | | | |
| As at April 1, 2016 | - | 7.20 | 41.31 | 208.15 | 9,034.02 | 5.13 | 39.02 | 102.31 | 9,437.14 |
| Depreciation for the year | - | 0.37 | 0.69 | 8.27 | 230.05 | - | 5.94 | 25.31 | 270.63 |
| Impairment Loss | - | - | - | - | - | - | - | - | - |
| As at March 31, 2017 | - | 7.57 | 42.00 | 216.42 | 9,264.07 | 5.13 | 44.96 | 127.62 | 9,707.77 |
| Depreciation for the year | - | - | - | 2.71 | 14.63 | - | 15.26 | 23.01 | 55.61 |
| Impairment Loss | - | - | - | - | - | - | - | - | - |
| Adjustment on account of slump sale (Refer note 35) | - | (7.57) | (21.24) | (123.11) | (7,512.32) | - | (6.55) | (96.78) | (7,767.57) |
| As at March 31, 2018 | - | - | 20.76 | 96.02 | 1,766.38 | 5.13 | 53.67 | 53.85 | 1,995.81 |
| Net Carrying Amount | | | | | | | | | |
| As at April 1, 2016 | 14.77 | 28.85 | 6.94 | 178.64 | 1,550.28 | - | 1.73 | 40.73 | 1,821.94 |
| As at March 31, 2017 | 14.77 | 28.48 | 6.25 | 170.37 | 1,347.65 | - | 155.19 | 132.25 | 1,854.96 |
| As at March 31, 2018 | 14.77 | - | - | 76.22 | 189.29 | - | 138.91 | 91.49 | 510.68 |

Notes :

Carrying value of vehicles hypothecated with banks against vehicle loan is ₹ 61.33 Lakhs

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note 3: Investment Property**

₹ In Lakhs

| | |
|------------------------------------|-----------------|
| Particulars | |
| Gross Carrying Amount | |
| Cost as at April 1, 2016 | 1,427.34 |
| Additions | - |
| Disposals | - |
| As at March 31, 2017 | 1,427.34 |
| Additions | - |
| Disposals | - |
| As at March 31, 2018 | 1,427.34 |
| Depreciation and Impairment | |
| As at April 01, 2016 | 9.64 |
| Depreciation charge for the year | 22.60 |
| Disposals | - |
| As at March 31, 2017 | 32.24 |
| Depreciation charge for the year | 22.60 |
| Disposals | - |
| As at March 31, 2018 | 54.84 |
| Net Carrying Amount | |
| As at April 1, 2016 | 1,417.70 |
| As at March 31, 2017 | 1,395.10 |
| As at March 31, 2018 | 1,372.50 |

The fair value of investment property as at March 31, 2018 is ₹ 1,930 lakhs (March 31, 2017 - ₹ 1,973 lakhs; April 1, 2016 - ₹ 2,015 lakhs)

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018
Note - 4: Non-Current Investments

| Particulars | Numbers | As at March | | Numbers | As at March | | Numbers | As at March | |
|--|-----------|-------------|------------------|-----------|------------------|-----------|---------|-----------------|----------|
| | | 31, 2018 | 31, 2018 | | 31, 2017 | 31, 2017 | | 31, 2016 | 31, 2016 |
| (A) Unquoted | | | | | | | | | |
| (i) In Equity Instrument (Fully Paid-up of ₹ 10 each) [At Fair Value] | | | | | | | | | |
| The Saraswat Co. Op. Bank Limited | 2,500 | | 0.25 | 2,500 | 0.25 | 2,500 | | 0.25 | 0.25 |
| Equitylevers World Pvt. Limited | 6,173 | | 150.00 | 6,173 | 150.00 | - | | - | - |
| Bihariji Constructions (I) Limited | - | | - | 3,80,600 | 8.42 | 3,80,600 | | 8.42 | 8.42 |
| Kamrup Enterprises Limited | - | | - | 1,08,571 | 8.14 | 3,80,000 | | 8.14 | 8.14 |
| (ii) In Debentures [At Amortised Cost] [₹ 10,00,000 each] | | | | | | | | | |
| The Lakshmi Vilas Bank Limited | 2 | | 20.00 | 2 | 20.00 | 2 | | 20.00 | 20.00 |
| (iii) In Alternate Investment Fund - [Fully Paid-up of ₹ 1,000 each] [at Fair Value] | | | | | | | | | |
| Edelweiss Infrastructure Yield Plus | 5,000 | | 50.00 | - | - | - | | - | - |
| (iv) In Preference Shares (Fully Paid-up of ₹ 1,000 each) [at Fair Value] | | | | | | | | | |
| 7.50% Tata Capital Ltd. | 12,500 | | 126.27 | - | - | - | | - | - |
| 7.50% Tata Capital Ltd. | 37,000 | | 373.23 | - | - | - | | - | - |
| (B) Quoted (Associate entity) | | | | | | | | | |
| (i) In Equity Instrument (Fully Paid-up of ₹ 10 each) - [At Cost] | | | | | | | | | |
| I.G Petrochemicals Limited | 40,75,000 | | 826.92 | 40,75,000 | 826.92 | 40,75,000 | | 826.92 | 826.92 |
| Total (A + B) | | | 1,546.67 | | 1,013.73 | | | 863.73 | |
| Aggregate amount of quoted Investments | | | 826.92 | | 826.92 | | | 826.92 | |
| Aggregate amount of market value of quoted Investments | | | 26,149.28 | | 15,299.59 | | | 4,409.15 | |
| Aggregate amount of unquoted Investments | | | 719.75 | | 186.81 | | | 36.81 | |
| Aggregate amount of impairment in the value of Investments | | | - | | - | | | - | |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note - 5: Other Non Current Financial Assets**

| Particulars | ₹ in lakhs | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Receivables from Related Party - (Refer Note No. 33) | 3,750.00 | - | - |
| Deposit - Others | 72.64 | 85.83 | 91.36 |
| Loans to Employees | 0.80 | 21.68 | 5.48 |
| Others | - | - | 13.61 |
| Total | 3,823.44 | 107.51 | 110.45 |

Note - 6: Inventories

(at lower of cost and net realisable value)

| | | | |
|---------------------|----------|---------------|---------------|
| Raw Material | - | 3.34 | 4.50 |
| Stores and spares | - | 142.13 | 184.21 |
| Work - in- Progress | - | 29.05 | 29.01 |
| Finished Goods | - | 37.20 | 28.66 |
| Total | - | 211.72 | 246.38 |

Note - 7: Current Investment

| | | | |
|---|---------------|----------|-------------|
| (i) Government securities | | | |
| Six years National Saving Certificates of the face value of ₹ NIL (March 31, 2017- Nil, April 1, 2016 ₹ 30,000) lodged as security with Government Department . | - | - | 0.30 |
| (ii) Investment measured at Fair Value through Profit and Loss | | | |
| Kamrup Enterprises Limited (No. of Shares 1,08,571) | 78.17 | - | - |
| Bihariji Constructions (I) Limited (No. of Shares 3,80,600) | 125.60 | - | - |
| Total | 203.77 | - | 0.30 |

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and Letter of Offer dated May 18, 2018 received from Kamrup Enterprises Limited and Bihariji Construction (I) Limited announcing its intention to buy-back upto 1,24,000 shares and 4,00,000 shares respectively, the Company has tendered its entire shares for buy-back subject to the same being available for buy-back by the respective Company. As a result, above investment have been classified as Current Investment.

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 8: Trade Receivables

| Particulars | ₹ in lakhs | | |
|---------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Unsecured Considered Good | - | 164.01 | 269.78 |
| Total | - | 164.01 | 269.78 |

Note - 9: Cash and Cash Equivalents

| | | | |
|--|--------------|--------------|---------------|
| Cash on hand | 0.29 | 3.56 | 4.94 |
| Balances with Banks | 31.13 | 25.09 | 40.31 |
| Deposit with Original Maturity of less than 3 Months | 27.00 | 34.50 | 64.50 |
| Total | 58.42 | 63.15 | 109.75 |

Note - 10: Bank balances other than cash and cash equivalents

| | | | |
|--|--------------|--------------|--------------|
| Term deposits held as Margin Money | 6.86 | 6.49 | 5.98 |
| Term deposits held as Security Deposit | 0.68 | 1.20 | 1.20 |
| Unclaimed Dividend Account | 10.12 | 8.22 | 6.46 |
| Total | 17.66 | 15.91 | 13.64 |

Note - 11: Other Current Financial Assets

| | | | |
|--|-----------------|--------------|--------------|
| Related Party - Current Maturities - (Refer Note No. 33) | 1,350.00 | - | - |
| Loans to Employees | 1.20 | 16.11 | 13.97 |
| Others | 4.59 | 8.97 | 11.91 |
| Total | 1,355.79 | 25.08 | 25.88 |

Note - 12: Others Current Assets

| | | | |
|--|---------------|--------------|---------------|
| Advances to Suppliers - Considered Good | 68.03 | 6.02 | 70.95 |
| Prepayments | 9.71 | 17.73 | 23.72 |
| Deposit - Others | 30.57 | 30.57 | 30.57 |
| Income Tax Deducted at Source / Advance Income Tax (Net of Provisions) | 35.65 | 0.48 | 20.41 |
| Balance with Statutory / Government Authorities | - | 1.47 | 0.44 |
| Total | 143.96 | 56.27 | 146.09 |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note -13: Equity Share Capital

| Particulars | ₹ in lakhs | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| (A) Authorised | | | |
| 5,00,000 (March 31, 2017 - 5,00,000, April 1, 2016 - 5,00,000) Redeemable Cumulative preference shares of ₹ 100 each | 500.00 | 500.00 | 500.00 |
| 1,00,00,000 (March 31, 2017 - 1,00,00,000, April 1, 2016 - 1,00,00,000) Equity shares of ₹ 10 each | 1,000.00 | 1,000.00 | 1,000.00 |
| | 1,500.00 | 1,500.00 | 1,500.00 |
| (B) Issued | | | |
| 65,90,938 (March 31, 2017 - 65,90,938, April 1, 2016 - 65,90,938) Equity Shares of ₹ 10 each. | 659.09 | 659.09 | 659.09 |
| (C) Subscribed and Paid-up | | | |
| 65,83,488 (March 31, 2017 - 65,83,488, April 1, 2016 - 65,83,488) Equity shares of ₹ 10 each | 658.35 | 658.35 | 658.35 |
| Add : Amount Paid-up on 7,450 shares (March 31, 2017- 7,450 shares, April 1, 2016 - 7,450 shares) forfeited | 0.41 | 0.41 | 0.41 |
| | 658.76 | 658.76 | 658.76 |
| (D) Reconciliation of shares outstanding at the beginning and at the year end | | | |
| Equity shares at the beginning of the year | 65,83,488 | 65,83,488 | 65,83,488 |
| Add: Shares issued during the year | - | - | - |
| Equity shares at the end of the year | 65,83,488 | 65,83,488 | 65,83,488 |
| (E) Terms/rights attached to equity shares | | | |
| The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company pays the dividend in Indian Rupees. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting. | | | |
| (F) The Details of Shareholders holding more than 5% Shares in the Company | | | |
| Gembel Trade Enterprises Ltd. | | | |
| Numbers | 7,78,325 | 7,78,325 | 7,78,325 |
| % of holding | 11.82% | 11.82% | 11.82% |
| Savita Investment Company Ltd. | | | |
| Numbers | 15,09,503 | 15,09,503 | 15,09,503 |
| % of holding | 22.93% | 22.93% | 22.93% |

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | ₹ in Lakhs | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Shekhavati Investment Corporation Ltd. | | | |
| Numbers | 6,56,094 | 6,56,094 | 6,56,094 |
| % of holding | 9.97% | 9.97% | 9.97% |
| Vincent (India) Ltd. | | | |
| Numbers | 6,46,365 | 6,46,365 | 2,06,056 |
| % of holding | 9.82% | 9.82% | 3.13% |
| Kamrup Enterprises Ltd. | | | |
| Numbers | 8,01,499 | 8,01,499 | 1,32,090 |
| % of holding | 12.17% | 12.17% | 2.01% |

(G) The Company has not issued any Shares for considerations other than cash for the current year and for previous five years

Note -14: Other Equity

| | | | |
|----------------------------|-----------------|-----------------|-----------------|
| Securities Premium Reserve | 398.89 | 398.89 | 398.89 |
| General Reserve | 280.01 | 280.01 | 280.01 |
| Amalgamation Reserve | 37.50 | 37.50 | 37.50 |
| Retained Earnings | 7,159.94 | 1,867.09 | 1,748.23 |
| Total | 7,876.34 | 2,583.49 | 2,464.63 |

Note - 15: Non-current Borrowings

| | | | |
|--|----------|---------------|---------------|
| Secured | | | |
| Loans against Cars (Secured against Vehicles) | - | 33.48 | 6.60 |
| Unsecured | | | |
| From Bodies Corporate | - | 363.18 | 418.18 |
| From Directors | - | 180.00 | 214.00 |
| Total | - | 576.66 | 638.78 |

Unsecured loans from Bodies Corporate and Directors with interest ranging 6% p.a. to 13% p.a. repayable on demand and the same has been transferred to I G Petrochemicals Limited, as per Slump sale agreement dated April 1, 2017.

Note - 16: Other Non Current Financial Liabilities

| | | | |
|---|--------------|-------------|----------|
| Security Deposits received from Related Party (Refer Note 33) | 69.02 | - | - |
| Security Deposits received from Others | 2.00 | 2.00 | - |
| Total | 71.02 | 2.00 | - |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note -17: Non-current Provisions

| Particulars | ₹ in lakhs | | |
|--------------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Provision for Leave Encashment | 1.87 | 74.19 | 64.25 |
| Provision for Gratuity | 8.04 | - | - |
| Total | 9.91 | 74.19 | 64.25 |

Note - 18: Trade Payables

| Trade Payables | | | |
|---|---------------|---------------|---------------|
| Dues to Micro, Medium and Small Enterprises | - | 6.70 | 0.84 |
| Dues to others | 134.93 | 209.27 | 254.69 |
| Total | 134.93 | 215.97 | 255.53 |

Note:

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

| | | | |
|--|---|------|------|
| a. The principal amount and the interest due thereon remaining unpaid to any Supplier as at the end of each accounting year Principal amount due to micro and small enterprises interest due on above. | - | 6.70 | 0.84 |
| b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - | - |
| c. The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - |
| d. The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - | - |

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | ₹ in lakhs | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - |

Note - 19: Other Current Financial Liabilities

| | | | |
|---|--------------|-------|--------|
| Interest Accrued But not Due on Loans | - | 35.12 | 12.42 |
| Current Maturities of loan against Cars | 32.08 | 40.20 | 10.79 |
| Security Deposits - Related Party | - | - | 625.00 |
| Total | 32.08 | 75.32 | 648.21 |

Note - 20: Provisions

| | | | |
|--------------------------------|---------------|-------|-------|
| Provision for Leave Encashment | 32.08 | 11.47 | 11.75 |
| Provision for Gratuity | 92.41 | 32.75 | 8.80 |
| Total | 124.49 | 44.22 | 20.55 |

Note - 21: Other Current Liabilities

| | | | |
|---|--------------|--------|-------|
| Advance from Customers | 61.73 | 5.28 | - |
| Book Overdraft | - | 412.42 | - |
| Investor Education and Protection Fund for unclaimed dividend | 10.12 | 8.22 | 6.46 |
| Statutory Dues & Taxes Payable | 4.50 | 69.02 | 33.37 |
| Other Liabilities | 0.03 | 5.08 | 5.15 |
| Total | 76.38 | 500.02 | 44.98 |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 22: Revenue from Operations (Gross)

| Particulars | ₹ in lakhs | |
|-------------------------|---|---|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Sale of Products | | |
| Maleic Anhydride | - | 2,894.88 |
| Traded Goods | 623.00 | 457.62 |
| Total | 623.00 | 3,352.50 |

Note - 23: Other Income

| | | |
|--|-----------------|---------------|
| Interest income on | | |
| Bank Deposits | 3.72 | 0.50 |
| Receivable from IGPL for slump sale (Refer Note 35) | 633.21 | 8.81 |
| Dividend Income | 122.32 | 81.54 |
| Profit on Fair value of Investment through profit & loss | 188.36 | - |
| Profit on Sale of Fixed Assets (Net) | 4.30 | - |
| Rent Received | 81.86 | 44.52 |
| Miscellaneous income | - | 0.20 |
| Total | 1,033.77 | 135.57 |

Note - 24: Cost of material consumed

| | | |
|--|----------|--------------|
| Raw Materials | | |
| Opening Stock | 3.34 | - |
| Add: Purchases / Transfer | - | 94.79 |
| Less: Closing Stock | - | (3.34) |
| Less: Transfer in Slump sale (Refer note 35) | (3.34) | - |
| Total | - | 91.45 |

Note - 25: Changes in Inventories of Finished Goods and Work-in-Progress

| | | |
|--|--------------|---------------|
| Opening Inventories | | |
| Work - in- Progress | 29.05 | 29.01 |
| Finished Goods | 37.20 | 28.66 |
| Closing Inventories | | |
| Work - in- Progress | - | 29.05 |
| Finished Goods | - | 37.20 |
| Total | 66.25 | (8.58) |
| Less: Transfer in Slump sale (Refer note 35) | (66.25) | - |
| Excise duty on decrease on Finished Goods | - | 1.88 |
| Total | 0.00 | (6.70) |

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 26: Employee Benefits Expense

| Particulars | ₹ in lakhs | |
|---|-----------------------------------|-----------------------------------|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Salaries , Wages and Bonus | 151.34 | 896.37 |
| Contribution to Provident and Other Funds | 11.72 | 60.25 |
| Gratuity Expenses | 55.96 | 12.74 |
| Staff Welfare Expenses | 5.46 | 142.98 |
| Total | 224.48 | 1,112.34 |

Note - 27: Finance Cost

| | | |
|---------------------|-------------|---------------|
| Interest Expense on | | |
| Borrowings | - | 71.70 |
| Others | 5.80 | 47.87 |
| Bank Charges | 1.04 | 0.53 |
| Total | 6.84 | 120.10 |

Note - 28: Other Expenses

| | | |
|--|---------------|---------------|
| Consumption of Stores, Spares and Packing Materials | - | 84.29 |
| Power, Fuel and Water Charges | - | 96.90 |
| Repairs and Maintenance : | | |
| Plant and Machinery | - | 193.74 |
| Buildings | - | 3.45 |
| Others | 0.20 | 1.47 |
| Insurance Premium | 2.91 | 25.54 |
| Brokerage and Commission | - | 4.63 |
| Transportation | 2.60 | 81.38 |
| Rent | 0.06 | 3.71 |
| Rates and Taxes | 39.10 | 14.52 |
| Traveling and Conveyance | 44.37 | 79.89 |
| Communication Cost | 2.35 | 3.60 |
| Legal and Professional Fees | 30.34 | 35.24 |
| Entertainment Expenses | 13.73 | 10.71 |
| Service Charges | 12.84 | 50.10 |
| Miscellaneous Expenses | 24.84 | 97.86 |
| Foreign Exchange Difference | 3.85 | 6.34 |
| Donation and Contribution to Charitable Institutions | - | 13.34 |
| Directors Sitting Fees | 9.20 | 9.40 |
| Payment to Auditors (Refer Note-28.1) | 2.50 | 2.97 |
| Total | 188.89 | 819.08 |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 28.1: Payment to Auditors

| Particulars | ₹ in lakhs | |
|---------------------------|---|---|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Audit Fees | 2.50 | 2.00 |
| Tax Audit Fees | - | 0.75 |
| Reimbursement of Expenses | - | 0.22 |
| Total | 2.50 | 2.97 |

Note - 29: Tax Expense:

a. The major components of income tax expense are as follows:

| | | |
|---|-----------------|----------------|
| (i) Income tax recognised in statement of profit and loss | | |
| Current Income Tax expense : | | |
| Current Income Tax | 1,824.88 | 139.80 |
| Total | 1,824.88 | 139.80 |
| Deferred Tax benefit : | | |
| Origination and reversal of temporary differences | (127.84) | (53.14) |
| Total | (127.84) | (53.14) |
| Income Tax expense reported in the Statement of Profit or Loss | 1,697.04 | 86.66 |
| (ii) Income tax (expense)/ benefit recognised in OCI section | | |
| Deferred Tax benefit on remeasurements of defined benefit plans | (7.00) | 4.04 |
| Income tax charged to OCI | (7.00) | 4.04 |

b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rates :

| | | |
|---|-----------------|--------------|
| Accounting Profit before tax | 7,051.87 | 292.93 |
| Income tax expense calculated at corporate tax rate | 2,033.76 | 96.85 |
| Tax effect of adjustment to reconcile expected income tax expense to reported | | |
| Effect of: | | |
| Exempt income | (35.28) | (26.96) |
| Items not deductible for tax | - | 16.77 |
| Income taxed at different rate | (102.17) | - |
| Change in tax rate and law | (199.27) | - |
| Total | 1,697.04 | 86.66 |

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

- c. The major components of Deferred Tax Liabilities/ (Assets) arising on account of temporary differences are as follows:

Deferred tax relates to the following:

| Balance Sheet | | | ₹ in lakhs |
|--|-------------------------|-------------------------|------------------------|
| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Depreciation | 62.97 | 215.96 | 257.99 |
| Investment | 24.77 | - | - |
| Employees Separation and Retirement Expenses | (38.76) | (39.15) | (28.04) |
| Net Deferred Tax Liabilities | 48.98 | 176.81 | 229.95 |

| Profit & loss | | ₹ in lakhs |
|--|---|---|
| Particulars | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Depreciation | (152.99) | (42.03) |
| Investment | 24.77 | - |
| Employees Separation and Retirement Expenses | 0.38 | (11.11) |
| Deferred Tax Benefit | (127.84) | (53.14) |

Note - 30: Earning per share on face value of ₹ 10 each (EPS)

| | | |
|--|-----------|-----------|
| Weighted average No. of Shares for calculating basic and diluted EPS | 65,83,488 | 65,83,488 |
| Profit after tax before exceptional items (net of tax) (₹ in lakhs) | 656.29 | 206.27 |
| Basic & Diluted | 9.97 | 3.13 |
| Profit after tax after exceptional items (net of tax) (₹ in lakhs) | 5,354.83 | 206.27 |
| Basic & Diluted | 81.34 | 3.13 |

Note - 31: Capital Commitment

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---|-------------------------|-------------------------|------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances). | - | - | 97.39 |
| | - | - | 97.39 |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note - 32: Contingent Liabilities**

| Particulars | ₹ in lakhs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| (A) Claims against the Company not acknowledged as debt | | |
| i) Disputed taxation matter | 23.98 | 41.45 |
| ii) Demand from Karnataka Industrial Area Development Board towards Interest on maintenance charges of Land at Raichur. | 24.22 | - |
| (B) 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. | | |

Note - 33: Related Party Disclosure**(A) List of related parties (as identified by management)**

- (i) Enterprises Owned or significantly influenced by KMP or their relatives:
IG Petrochemicals Limited
- (ii) Key Management Personnel (KMP)
 1. Mr M M Dhanuka - Managing Director & CEO
 2. Mr Paras Jain - Chief Financial Office (upto May 31, 2017)
 3. Mr Nilesh Panchal - Chief Financial Officer (from June 1, 2017)
 4. Mr Anand Kadkol - Company Secretary (upto January 19, 2018)
 3. Ms Pragati Nathani - Company Secretary (from February 14, 2018)
- (iii) Relatives of KMP.
 1. Mrs Binadevi Dhanuka - Wife of Managing Director & CEO
 2. Mr Mayank Dhanuka - Son of Managing Director & CEO
 3. Mrs Neha Dhanuka - Son's wife of Managing Director & CEO

(B) Transaction during the year ended and balances outstanding with related parties are as follows:

- (i) Outstanding balances with related parties

| Particulars | Relationship | ₹ in lakhs | | |
|--|-------------------------------|-------------------------|-------------------------|------------------------|
| | | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (i) above | 69.02 | - | 625.00 |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (i) above | - | 9.81 | - |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (ii) above | - | 18.04 | - |

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | Relationship | ₹ in lakhs | | |
|--|-----------------------------------|-------------------------|-------------------------|------------------------|
| | | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (iii) above | - | 3.87 | - |
| Borrowings | as referred in (A) (ii) above | - | 167.00 | 167.00 |
| Other Financial Assets (Current + Non Current) | as referred in (A) (ii) above | 2.00 | - | - |
| Other Financial Assets (Current + Non Current) | as referred in (A) (i) above | 5,100.00 | - | - |

(ii) Transaction with related parties

| Nature of Transaction | Relationship | For the year ended | |
|--|-------------------------------|--------------------|----------------|
| | | March 31, 2018 | March 31, 2017 |
| Purchase (including Taxes) | as referred in (A) (i) above | 203.00 | 228.73 |
| Sales - Traded Goods (including Taxes) | as referred in (A) (i) above | 111.47 | 208.36 |
| Slump Sale of MA unit | as referred in (A) (i) above | 7,448.00 | - |
| Interest Income | as referred in (A) (i) above | 629.85 | - |
| Rent Income (including Taxes) | as referred in (A) (i) above | 88.29 | - |
| Interest Expense | as referred in (A) (ii) above | - | 20.04 |
| Remuneration | as referred in (A) (ii) above | 143.34 | 118.48 |

Note - 34: Defined benefit obligation

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| (I) Gratuity | | |
| (A) Changes in the present value of the defined benefit obligation are as follows: | | |
| Opening defined benefit obligation | 310.13 | 266.43 |
| Interest cost defined benefit obligation | 21.81 | 19.79 |
| Current service cost | 13.17 | 12.07 |
| Benefits paid | 26.78 | 1.01 |
| Actuarial (gains) / losses on obligation | (44.85) | 12.85 |
| Acquisition/Business Combination/Divestiture | (214.61) | - |
| Past service cost | 41.58 | - |
| Closing defined benefit obligation | 100.45 | 310.13 |
| (B) Changes in the fair value of plan assets are as follows: | | |
| Opening fair value of plan assets | 277.38 | 257.63 |
| Expected return | 7.86% | 7.42% |
| Interest income plan assets | 20.60 | 19.12 |
| Contributions by employer | - | - |
| Benefits paid | - | - |
| Actuarial gains / (losses) | (20.60) | 0.63 |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | ₹ in lakhs | |
|--|-------------------------------|-------------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Acquisition/Business Combination/Divestiture | (277.38) | - |
| Closing fair value of plan assets | - | 277.38 |
| (C) Maturity Profile of defined benefit obligation | | |
| Within next 12 months (next annual reporting period) | 95.97 | 47.19 |
| Between 2 and 5 years | 5.78 | 62.75 |
| Between 6 and 10 years | 1.65 | 107.80 |
| (D) Quantitative sensitivity analysis for significant assumption is as below | | |
| Increase / decrease on present value of defined benefits obligation at | | |
| One percentage point increase in discount rate | (3.73) | (11.51) |
| One percentage point decrease in discount rate | 4.56 | 47.19 |
| One percentage point increase in rate of salary | 3.32 | 62.75 |
| One percentage point decrease in rate of salary | (3.02) | (9.34) |
| (E) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below: | | |
| | % | % |
| Discount rate | 7.86 | 7.42 |
| Expected rate of return on assets | 7.86 | 7.42 |
| Employee turnover | 5 | 5 |
| Salary Escalation | 4 | 4 |
| Mortality | IALM (2006-08) Ultimate | IALM (2006-08) Ultimate |

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

(II) Provident Fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefit in respect of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary. The contribution, as specified under the law, are made to the provident fund administered and managed by Government of India (GOI) and Mysore Petro Chemicals Ltd Officers Provident Fund Trust (MPCL OPF Trust). The Company has no further obligation under the fund managed by the GOI and MPCL OPF Trust beyond its monthly contribution which are charged to the Statement of Profit and Loss in the period they are incurred except shortfall if any based on the Government specified minimum rate of return in the case of MPCL OPF Trust . The benefit are paid to employees on their retirement or resignation from the Company.

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 35: Note on Slump Sale

The Company has sold the Maleic Anhydride Unit situated at T-1, MIDC Industrial Area, Talaja, Dist. Raigad, Maharashtra – 410 208 to I G Petrochemicals Limited (IGPL) as a going concern on slump sale basis effective from April 1, 2017 for consideration of ₹ 74.48 Crores (Rupees Seventy Four Crores Forty Eight Lakhs Only) as per valuation by Haribhakti & Co. LLP and also approved by shareholders of the Company. The Profit on sale of the unit amounting to ₹ 6,459.20 Lakhs is shown under Exceptional item.

Note - 36: Category wise classification of Financial Instruments

| Particulars | ₹ in lakhs | |
|------------------------------|-----------------|------------------------------------|
| | Amortised Cost | Fair Value through Profit and Loss |
| As at March 31, 2018 | | |
| Financial Assets | | |
| Trade Receivable | - | - |
| Investment | 20.00 | 903.52 |
| Cash and bank | 76.08 | - |
| Other financial assets | 5,179.23 | - |
| Total | 5,275.31 | 903.52 |
| Financial Liabilities | | |
| Borrowings | - | - |
| Trade Payable | 134.93 | - |
| Other financial Liabilities | 103.10 | - |
| Total | 238.03 | - |
| As at March 31, 2017 | | |
| Financial Assets | | |
| Trade Receivable | 164.01 | - |
| Investment | 20.00 | 166.81 |
| Cash and bank | 79.06 | - |
| Other financial assets | 132.59 | - |
| Total | 395.66 | 166.81 |
| Financial Liabilities | | |
| Borrowings | 576.66 | - |
| Trade Payable | 215.97 | - |
| Other financial Liabilities | 77.32 | - |
| Total | 869.95 | - |
| As at April 1, 2016 | | |
| Financial Assets | | |
| Trade Receivable | 269.78 | - |

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | ₹ in lakhs | |
|------------------------------|-----------------|------------------------------------|
| | Amortised Cost | Fair Value through Profit and Loss |
| Investment | 20.30 | 16.81 |
| Cash and bank | 123.39 | - |
| Other financial assets | 136.33 | - |
| Total | 549.80 | 16.81 |
| Financial Liabilities | | |
| Borrowings | 638.78 | - |
| Trade Payable | 255.53 | - |
| Other financial Liabilities | 648.21 | - |
| Total | 1,542.52 | - |

Note - 37 :Financial Risk Management Policies and objectives

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures & borrowings.

Interest rate risk

The Company's exposure to interest rate risk is minimal as the Company does not have any significant interest earning asset or interest bearing liability. As such, the Company is not exposed to significant interest rate risk as at the reporting date.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assess the financial

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and agreeing of accounts receivable. Individual risk limit are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for provision as per provisioning policy of the Company. Where loans or receivables have been provided, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the statement of profit and loss.

Foreign Currency Risk

Foreign Currency exposure as at balance sheet Date is Nil

Note -38: Pursuant to Ind AS -17 'Leases', the following information is disclosed

- a) The Company has given asset on operating lease. The lease rental are receivable by the Company on monthly basis.
- b) Future minimum lease rentals receivable under non cancellable lease agreements are as under:

| Particulars | ₹ In lakhs | |
|--|-------------------------|-------------------------|
| | As At March 31, 2018 | As At March 31, 2017 |
| a) Not later than One Year | 78.22 | 78.20 |
| b) Later than One Year and not later than Five years | 225.90 | 304.12 |
| c) Later than Five Years | - | - |
| Total | 304.12 | 382.32 |

Note - 39:

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 June 4, 2013 had decided to close the unit permanently due to Economic unviability and the unit is closed since July 16, 2013.

Note - 40: Segment Information

For management purposes, the Company is into one reportable segment i.e. trading activity.

The Managing Director is the Chief Operating Decision Maker of the Company who monitors the operating results of its Company for the purpose of making decisions about resource allocation and performance assessment. Company's performance as single segment is evaluated and measured consistently with profit or loss in the standalone financial statements.

Note - 41: Proposed Dividend

The Board of Directors at its meeting held on May 29, 2018 have recommended a payment of final dividend of ₹ 2 (Rupees two only) per equity share of face value of ₹ 10 each for the financial year ended March 31, 2018. This amounts to ₹ 158.74 lakhs including dividend distribution tax of ₹ 27.07 lakhs.

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

Note - 42: First-time adoption of Ind AS

For all periods up to and including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP.

(A) Exemptions availed:

Ind AS 101- First-time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101:

- 1 The Company has elected not to apply Ind AS 103- Business Combinations, retrospectively to past business combinations that occurred before April 1, 2016 ('Ind AS Transition Date').
- 2 The Company has elected to consider the carrying value of all its items of property, plant and equipment and investment property recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.
- 3 The carrying amounts of the Company's investments in its associate company as per the financial statements of the Company prepared under Previous GAAP, are considered as deemed cost for measuring such investments in the opening Ind AS Balance Sheet.

(B) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017:

| ₹ in lakhs | | |
|---|-----------|------------------------------|
| Particulars | Footnotes | Year ended March 31, 2017 |
| Net Profit as per Previous GAAP | | 202.63 |
| Effect of measuring financial instruments at fair value | | (4.53) |
| Measurement cost of net defined benefit liability | 1 | 12.21 |
| Tax on above adjustments | | (4.04) |
| Net Profit as per Ind AS | | 206.27 |
| Other Comprehensive Income (net of tax) | 3 | (8.17) |
| Total Comprehensive Income for the year | | 198.10 |

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENT AS AT MARCH 31, 2018

(C) Reconciliation of Equity as at March 31, 2017 and April 1, 2016:

₹ in lakhs

| Particulars | Footnotes | Year ended March 31, 2017 | Year ended April 1, 2016 |
|---|-----------|------------------------------|-----------------------------|
| Equity as per Previous GAAP | | 2,584.10 | 2,381.47 |
| Effect of measuring financial instruments at fair value | | (0.61) | 3.92 |
| Proposed Dividend | 2 | - | 79.24 |
| Tax on above adjustments | | - | - |
| Equity as at | | 2,583.49 | 2,464.63 |

Footnotes:

- 1 In the financial statements prepared under Previous GAAP, remeasurement of defined benefit plans, arising primarily due to change in actuarial assumptions was recognised as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such remeasurement benefits relating to defined benefit plans is recognised in OCI as per the requirements of Ind AS 19- Employee benefits.
- 2 In the financial statements prepared under Previous GAAP, dividend on equity shares recommended by the Board of Directors after the end of reporting period but before the financial statements were approved for issue, was recognised as a liability in the financial statements in the reporting period relating to which dividend was proposed. Under Ind AS, such dividend is recognised in the reporting period in which the same is approved by the members in a general meeting.
- 3 Under Previous GAAP, there was no concept of Other comprehensive income. Under Ind AS, specified item of Income, expenses, gains or losses are required to be presented in Other Comprehensive income.
- 4 The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.
- 5 In the financial statements prepared under Previous GAAP, revenue from sale of products was presented net of excise duty. However, under Ind AS, revenue from sale of products includes excise duty. Excise duty expense amounting to ₹ 322.74 lakhs is presented separately on the face of the Statement of Profit and Loss for the year ended March 31, 2017.

As per our report of even date
For **MSKA & Associates (formerly
known as 'MZSK & Associates')**

Chartered Accountants
Firm's Registration No: 105047W

Anita Somani
Partner
Membership No: 124118

Mumbai
May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka
Managing Director
DIN : 00193456

Nilesh Panchal
Chief Financial Officer

Shrikant Somani
Director
DIN : 00085039

Pragati Nathani
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of **Mysore Petro Chemicals Limited**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Mysore Petro Chemicals Limited (hereinafter referred to as "the Company") and its associate comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Company including its associate in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India. The Board of Director of the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and of its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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 thereunder.

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 consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 consolidated Ind AS 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 Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

Mysore Petro Chemicals Limited

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 consolidated financial position of the Company as at March 31, 2018, and its consolidated financial performance including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

- a. We did not audit the Ind AS financial information of associate as considered in the consolidated Ind AS financial statements. The Consolidated Ind AS financial statements include the Company's share of net profit of ₹ 1,810 lakhs for the year ended March 31, 2018 in respect of an associate. The Ind AS financial information of this associate have been audited by the other auditor whose reports have been furnished to us by the management, and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of other auditor.
- b. The comparative Ind AS financial information of the Company for the year ended March 31, 2017 and April 1, 2016 included in the consolidated Ind AS financial statements, is based on the management prepared financial information. (Refer Note 42 to the consolidated Ind AS financial statements).

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the Ind AS financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and other financial information of an associate, as noted in the 'Other Matter' paragraph above, we report, to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

- (d) In our opinion the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company and an associate, incorporated in India, none of the directors of the Company and its associate, incorporated in India, is disqualified as on March 31, 2018 from being appointed as a director of that Company in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and its associate incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'
- (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 and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the associates, as noted in the 'Other matter' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associate – Refer Note 32 to the consolidated Ind AS financial statements.
 - ii. The Company and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2018.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company and its associate, incorporated in India, during the year ended March 31, 2018.

For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
ICAI Firm Registration No. 105047W

Anita Somani
Partner
Membership No.: 124118

Place : Mumbai
Date : May 29, 2018

Mysore Petro Chemicals Limited

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MYSORE PETRO CHEMICALS LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

In conjunction with our audit of the consolidated financial statements of the **Mysore Petro Chemicals Limited** (hereinafter referred to as "the Company") and its associate as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Company and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Director of the Company and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its associate company, which are the companies incorporated in India, 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 the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company and its associate, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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, and to the best of our information and according to the explanations given to us, the Company and its associate, which are companies incorporated in India, have, 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 March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **MSKA & Associates**
(Formerly known as 'MZSK & Associates')
Chartered Accountants
ICAI Firm Registration No. 105047W

Anita Somani
Partner
Membership No.: 124118

Place : Mumbai
Date : May 29, 2018

Mysore Petro Chemicals Limited

Consolidated Balance Sheet as at March 31, 2018

₹ in Lakhs

| Particulars | Note | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
|---|------|-------------------------|-------------------------|-------------------------|
| ASSETS | | | | |
| Non-Current Assets | | | | |
| Property, Plant and Equipment | 2 | 510.68 | 1,854.96 | 1,821.94 |
| Investment Property | 3 | 1,372.50 | 1,395.10 | 1,417.70 |
| Financial Assets | | | | |
| Investments | 4 | 719.75 | 186.81 | 36.81 |
| Investment accounted using equity method | | 7,018.00 | 5,208.00 | 3,946.00 |
| Other financial assets | 5 | 3,823.44 | 107.51 | 110.45 |
| Total Non-Current Assets | | 13,444.37 | 8,752.38 | 7,332.90 |
| Current Assets | | | | |
| Inventories | 6 | - | 211.72 | 246.38 |
| Financial Assets | | | | |
| Investments | 7 | 203.77 | - | 0.30 |
| Trade Receivables | 8 | - | 164.01 | 269.78 |
| Cash and Cash Equivalents | 9 | 58.42 | 63.15 | 109.75 |
| Bank balances other than Cash and Cash Equivalents | 10 | 17.66 | 15.91 | 13.64 |
| Other financial assets | 11 | 1,355.79 | 25.08 | 25.88 |
| Other Current Assets | 12 | 143.96 | 56.27 | 146.09 |
| Total Current Assets | | 1,779.60 | 536.14 | 811.82 |
| TOTAL ASSETS | | 15,223.97 | 9,288.52 | 8,144.72 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share Capital | 13 | 658.76 | 658.76 | 658.76 |
| Other Equity | 14 | 14,067.42 | 6,964.57 | 5,583.71 |
| Equity attributable to owners of the company | | 14,726.18 | 7,623.33 | 6,242.47 |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 15 | - | 576.66 | 638.78 |
| Other Financial Liabilities | 16 | 71.02 | 2.00 | - |
| Provisions | 17 | 9.91 | 74.19 | 64.25 |
| Deferred Tax Liabilities (Net) | 29 | 48.98 | 176.81 | 229.95 |
| Total Non-Current Liabilities | | 129.91 | 829.66 | 932.98 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Trade Payables | 18 | 134.93 | 215.97 | 255.53 |
| Other financial liabilities | 19 | 32.08 | 75.32 | 648.21 |
| Provisions | 20 | 124.49 | 44.22 | 20.55 |
| Other Current Liabilities | 21 | 76.38 | 500.02 | 44.98 |
| Total Current Liabilities | | 367.88 | 835.53 | 969.27 |
| TOTAL EQUITY AND LIABILITIES | | 15,223.97 | 9,288.52 | 8,144.72 |
| Significant Accounting Policies | 1 | | | |
| Notes to Financial Statements | 2-44 | | | |

As per our report of even date
For MSKA & Associates (formerly
known as 'MZSK & Associates')
Chartered Accountants
Firm's Registration No: 105047W

Anita Somani
Partner
Membership No: 124118

Mumbai
May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka **Shrikant Somani**
Managing Director **Director**
DIN : 00193456 **DIN : 00085039**

Nilesh Panchal **Pragati Nathani**
Chief Financial Officer **Company Secretary**

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

₹ in Lakhs

| Particulars | Note | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|---|-------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Revenue from Operations | 22 | 623.00 | 3,352.50 |
| Other Income | 23 | 1,033.77 | 135.57 |
| Total Income (I) | | 1,656.77 | 3,488.07 |
| EXPENSES | | | |
| Cost of Raw Material Consumed | 24 | - | 91.45 |
| Purchase of Stock-in-Trade | | 565.68 | 442.90 |
| Changes in Inventories of Finished Goods and Work-In-Progress | 25 | - | [6.70] |
| Excise Duty | | - | 322.74 |
| Employee Benefits Expense | 26 | 224.48 | 1,112.34 |
| Finance cost | 27 | 6.84 | 120.10 |
| Depreciation Expenses | 2 & 3 | 78.21 | 293.23 |
| Other Expenses | 28 | 188.89 | 819.08 |
| Total Expenses (II) | | 1,064.10 | 3,195.14 |
| Profit before tax, share of profit of associates & exception items (I-II) | | 592.67 | 292.93 |
| Share of profit of associates | | 1,810.00 | 1,262.00 |
| Profit before tax and exceptional items | | 2,402.67 | 155.93 |
| Exceptional Items (Refer note 35) | | 6,459.20 | - |
| Profit before Tax | | 8,861.87 | 1,554.93 |
| Tax Expense | 29 | | |
| Current Tax | | 1,824.88 | 139.80 |
| Deferred Tax | | (127.84) | (53.14) |
| Total Tax Expense | | 1,697.04 | 86.66 |
| Profit for the year | | 7,164.83 | 1,468.27 |
| OTHER COMPREHENSIVE INCOME | | | |
| (i) Items that will not be reclassified to statement of profit and loss | | 24.26 | (12.21) |
| Remeasurement of Defined Benefit Plan | | (7.00) | 4.04 |
| Income tax effect | | 17.26 | (8.17) |
| (ii) Items that will not be reclassified to statement of profit and loss | | - | - |
| Other Comprehensive Income For the Year (i-ii) | | 17.26 | (8.17) |
| Total Comprehensive Income For the Year | | 7,182.09 | 1,460.10 |
| Earning Per share in ₹ | 30 | | |
| Face value of shares ₹ 10 each (Previous year ₹ 10 each) | | | |
| Basic and Diluted | | | |
| Before exceptional Items | | 37.46 | 22.30 |
| After exceptional Items | | 108.83 | 22.30 |
| Significant Accounting Policies | 1 | | |
| Notes to Financial Statements | 2-44 | | |

As per our report of even date
For **MSKA & Associates (formerly
known as 'MZSK & Associates')**
Chartered Accountants
Firm's Registration No: 105047W

Anita Somani
Partner
Membership No: 124118

Mumbai
May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka **Shrikant Somani**
Managing Director Director
DIN : 00193456 DIN : 00085039

Nilesh Panchal **Pragati Nathani**
Chief Financial Officer Company Secretary

Mysore Petro Chemicals Limited

Statement of Changes in Equity for the year ended March 31, 2018

₹ in Lakhs

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---------------------------------|-------------------------|-------------------------|------------------------|
| Equity Share Capital | | | |
| Opening Balance | 658.76 | 658.76 | 658.76 |
| Changes in Equity Share Capital | - | - | - |
| Closing Balance | 658.76 | 658.76 | 658.76 |

₹ in Lakhs

| Other Equity | Reserves and Surplus | | | | Total Other Equity |
|--|----------------------------------|--------------------|------------------------------|----------------------|--------------------------|
| | Securities Premium Reserve | General Reserve | Amalgam- ation Reserve | Retained Earnings | |
| Balance at April 1, 2016 | 398.89 | 280.01 | 37.50 | 4,867.31 | 5,583.71 |
| Profit for the Year | - | - | - | 1,468.27 | 1,468.27 |
| Other Comprehensive Income, net of tax | - | - | - | (8.17) | (8.17) |
| Dividend (including dividend distribution tax) | - | - | - | (79.24) | (79.24) |
| Balance at March 31, 2017 | 398.89 | 280.01 | 37.50 | 6,248.17 | 6,964.57 |
| Profit for the Year | - | - | - | 7,164.83 | 7,164.83 |
| Other Comprehensive Income, net of tax | - | - | - | 17.26 | 17.26 |
| Dividend (including dividend distribution tax) | - | - | - | (79.24) | (79.24) |
| Balance at March 31, 2018 | 398.89 | 280.01 | 37.50 | 13,351.02 | 14,067.42 |

The nature of reserves are as follows:

- Securities Premium Reserve** : Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the Companies Act, 2013.
- General Reserve** : General Reserve is used from time to time to transfer profit from retained earnings for Appropriation purposes.
- Amalgamation Reserve** : The Company has recognised this reserve on amalgamation of Napro Synthetic Limited as per statutory requirement. This reserve is not available for capitalisation / declaration of dividend and share buy back.
- Retained Earnings** : The amount can be utilised by the Company to distribute as dividend to its equity shareholders.

As per our report of even date
For **MSKA & Associates (formerly known
as 'MZSK & Associates')**

Chartered Accountants
Firm's Registration No: 105047W

Anita Somani
Partner
Membership No: 124118

Mumbai
May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka
Managing Director
DIN : 00193456

Shrikant Somani
Director
DIN : 00085039

Nilesh Panchal
Chief Financial Officer

Pragati Nathani
Company Secretary

Consolidated Statement of Cash Flow for the year ended March 31, 2018

₹ in Lakhs

| Particulars | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| A. Operating Activities | | |
| Profit before tax | 8,861.87 | 1,554.93 |
| Adjustments for: | | |
| Depreciation Expenses | 78.21 | 293.23 |
| Profit on Sale of Fixed Assets (Net) | (4.30) | - |
| Profit on Fair value of Investment through profit and Loss | (188.36) | - |
| Sundry Balances / Excess Provision Written Back | - | 73.88 |
| Share of profit from associates | (1,810.00) | (1,262.00) |
| Interest Expense | 6.84 | 120.10 |
| Interest Income | (636.93) | (9.31) |
| Dividend Income | (122.32) | (81.54) |
| Operating profit before working capital changes | 6,185.01 | 689.29 |
| Working Capital Adjustments: | | |
| Decrease in Trade and Other Payables | (273.59) | (175.76) |
| Decrease in Trade and Other Receivables | - | 19.77 |
| Decrease in Inventories | - | 34.66 |
| Decrease / (Increase) in loans and advances | (104.93) | 81.55 |
| Cash generated from operations | 5,806.49 | 649.51 |
| Income Tax Paid (Net of refunds) | (1,799.12) | (124.66) |
| Net cash generated from operations before exceptional items | 4,007.37 | 524.85 |
| Exceptional Items | (6,459.20) | - |
| Net cash (used in) / generated from operating activities | (2,451.83) | 524.85 |
| B. Investing Activities | | |
| Purchase of Property, Plant and Equipment | (36.88) | (247.36) |
| Proceeds from sale of an undertaking under slump sale | 2,357.10 | - |
| Sale/(Purchase) of Investments | (548.35) | (149.70) |
| Interest Received | 637.09 | 7.95 |
| Dividend Received | 122.32 | 81.54 |
| Net cash flow from / (used in) investing activities | 2,531.28 | (307.57) |
| C. Financing Activities | | |
| Proceeds / (Repayments) of Long-term borrowings | - | (89.00) |
| Dividend Paid on equity shares (Including Dividend Distribution Tax) | (77.34) | (77.48) |
| Interest Paid | (6.84) | (97.40) |
| Net cash used in financing activities | (84.18) | (263.88) |
| Net decrease in cash and cash equivalents (A+B+C) | (4.73) | (46.60) |
| Add : Cash and cash equivalents at the beginning of the year | 63.15 | 109.75 |
| Cash and cash equivalents at the end of the year | 58.42 | 63.15 |

As per our report of even date
For MSKA & Associates (formerly
known as 'MZSK & Associates')
Chartered Accountants
Firm's Registration No: 105047W

Anita Somani
Partner
Membership No: 124118

Mumbai
May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

Madan Mohan Dhanuka **Shrikant Somani**
Managing Director Director
DIN : 00193456 DIN : 00085039

Nilesh Panchal **Pragati Nathani**
Chief Financial Officer Company Secretary

Mysore Petro Chemicals Limited

Note 1:

Significant Accounting Policies

a. General Information:

Mysore Petro Chemicals Limited ("the Company") together with associates (collectively, the group) is engaged in the manufacture, trading of Phthalic Anhydride, Maleic Anhydride and other chemicals. The company is a public limited Company incorporated in India with its registered office at D/4, Jyothi Complex, 134/1, Infantry Road, Bengaluru-560 001. The equity shares of the Company is listed on BSE and the security code is 506734.

b. Basis of preparation:

For all periods up to and including the year ended March 31, 2017, the Group had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). Detailed explanation on how the transition from previous GAAP to Ind AS has affected the Group is given under Note 44).

The consolidated financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in accounting policies stated below. The accounting policies have been applied consistently over all the periods presented in these financial statement.

c. Statement of Compliance:

The consolidated financial statements of the Group have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2017.

The consolidated financial statements comply in all material aspects with Ind AS notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

d. Principles of consolidation:

The Group's interest in equity accounted investees comprise interest in associate.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interest in associate are accounted for using the equity method. They are initially recognised at cost which includes transaction cost. Subsequent to initial recognition, the consolidated financial statement include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

e. Use of estimates and judgements:

The preparation of consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in

estimates are reflected in the consolidated financial statements in the period in which changes are made and if material their effects are disclosed in the notes to the consolidated financial statements.

f. Operating Cycle:

Assets and liabilities other than those relating to long-term contracts are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

In case of long-term contracts, the time between acquisition of assets for processing and realisation of the entire proceeds under the contracts in cash or cash equivalent exceeds one year. Accordingly, for classification of assets and liabilities related to such contracts as current, duration of each contract is considered as its operating cycle.

g. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Mysore Petro Chemicals Limited

h. Property, Plant and Equipment:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the consolidated Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013

Freehold land is not depreciated. Leasehold land is amortised over the remaining period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Group has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. 1st April, 2016.

i. Investment Property:

Investment property comprises of building that are held for long-term rental yields and/or for capital appreciation. Investment property are initially recognised at cost. Subsequently investment property is carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on building is provided over the useful life as specified in Schedule II of the Companies Act, 2013. The residual values, useful life and depreciation method of investment property are reviewed, and adjusted on prospective basis as appropriate, at each balance sheet date. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on estimates.

Investment property are derecognised when either they have been disposed off for when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

j. Inventories:

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. The net realisable value is the estimated selling price in the ordinary

course of business less the estimated costs of completion and estimated costs necessary to make the sale.

k. Cash and Cash Equivalents:

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balance, demand deposits with bank where the original maturity is three months or less and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

l. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

Initial recognition and measurement

The Group classifies its financial assets in the following measurement categories;

- those to be measured subsequently at fair value (either through OCI, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

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Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Group has not designated any debt instrument at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or Loss

Equity investments

All equity investments, except investments in an associate, are measured at FVTPL. The Group may make an irrevocable election on initial recognition to present in OCI any subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Financial Statements) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Asset:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement:

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

m. Provisions and Contingent Liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of

resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

n. Revenue Recognition:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Group retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as value added tax, GST etc.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

o. Employee Benefits:

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.

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

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.

Actuarial gains/losses are immediately taken to other comprehensive income and are not deferred.

p. Impairment of non-financial assets :

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest Group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

q. Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

r. Foreign Currencies:

The consolidated financial statements are presented in INR, the functional currency of the Group. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

s. Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

t. Leases:

Leases in which a substantial portion of the risks and reward of ownership are retained by the lessor are classified as operating leases. Payment and receipts under such leases are recognized to the statement of profit and loss on a straight line basis over the term of the lease unless the lease payment to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognized as an expenses in line with contractual term.

Leases are classified as financial leases whenever the terms of the lease transfer substantially all the risks and reward incidental to ownership to the lessee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note 2 : Property, Plant and Equipment

| Particulars | ₹ in lakhs | | | | | | | | | |
|---|---------------|----------------|------------------|---------------|----------------------|----------------|--------------------------------|---------------|------------------|--|
| | Freehold Land | Leasehold Land | Roads and Drains | Buildings | Plant and Equipments | Railway Siding | Furniture and Office Equipment | Vehicles | Total | |
| Gross Carrying Amount | | | | | | | | | | |
| As at April 1, 2016 | 14.77 | 36.05 | 48.25 | 386.79 | 10,584.30 | 5.13 | 40.75 | 143.04 | 11,259.08 | |
| Additions | - | - | - | - | 27.42 | - | 159.40 | 116.83 | 303.65 | |
| Aa at March 31, 2017 | 14.77 | 36.05 | 48.25 | 386.79 | 10,611.72 | 5.13 | 200.15 | 259.87 | 11,562.73 | |
| Additions | - | - | - | - | - | - | - | - | - | |
| Adjustment on account of slump sale (Refer note 35) | - | (36.05) | (27.49) | (214.55) | (8,656.05) | - | (7.57) | (114.53) | (9,056.24) | |
| As at March 31, 2018 | 14.77 | - | 20.76 | 172.24 | 1,955.67 | 5.13 | 192.58 | 145.34 | 2,506.49 | |
| Accumulated Depreciation & Impairment | | | | | | | | | | |
| As at April 1, 2016 | - | 7.20 | 41.31 | 208.15 | 9,034.02 | 5.13 | 39.02 | 102.31 | 9,437.14 | |
| Depreciation for the year | - | 0.37 | 0.69 | 8.27 | 230.05 | - | 5.94 | 25.31 | 270.63 | |
| Impairment Loss | - | - | - | - | - | - | - | - | - | |
| As at March 31, 2017 | - | 7.57 | 42.00 | 216.42 | 9,264.07 | 5.13 | 44.96 | 127.62 | 9,707.77 | |
| Depreciation for the year | - | - | - | 2.71 | 14.63 | - | 15.26 | 23.01 | 55.61 | |
| Impairment Loss | - | - | - | - | - | - | - | - | - | |
| Adjustment on account of slump sale (Refer note 35) | - | (7.57) | (21.24) | (123.11) | (7,512.32) | - | (6.55) | (96.78) | (7,767.57) | |
| As at March 31, 2018 | - | - | 20.76 | 96.02 | 1,766.38 | 5.13 | 53.67 | 53.85 | 1,995.81 | |
| Net Carrying Amount | | | | | | | | | | |
| As at April 1, 2016 | 14.77 | 28.85 | 6.94 | 178.64 | 1,550.28 | - | 1.73 | 40.73 | 1,821.94 | |
| As at March 31, 2017 | 14.77 | 28.48 | 6.25 | 170.37 | 1,347.65 | - | 155.19 | 132.25 | 1,854.96 | |
| As at March 31, 2018 | 14.77 | - | - | 76.22 | 189.29 | - | 138.91 | 91.49 | 510.68 | |

Notes :

Carrying value of vehicles hypothecated with banks against vehicle loan is ₹ 61.33 Lakhs

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note 3: Investment Property**

₹ In Lakhs

| | |
|------------------------------------|-----------------|
| Particulars | |
| Gross Carrying Amount | |
| Cost as at April 1, 2016 | 1,427.34 |
| Additions | - |
| Disposals | - |
| As at March 31, 2017 | 1,427.34 |
| Additions | - |
| Disposals | - |
| As at March 31, 2018 | 1,427.34 |
| Depreciation and Impairment | |
| As at April 1, 2016 | 9.64 |
| Depreciation charge for the year | 22.60 |
| Disposals | - |
| As at March 31, 2017 | 32.24 |
| Depreciation charge for the year | 22.60 |
| Disposals | - |
| As at March 31, 2018 | 54.84 |
| Net Carrying Amount | |
| As at April 1, 2016 | 1,417.70 |
| As at March 31, 2017 | 1,395.10 |
| As at March 31, 2018 | 1,372.50 |

The fair value of investment property as at March 31, 2018 is ₹ 1930 lakhs (March 31, 2017 - ₹ 1973 lakhs; April 1, 2016 - ₹ 2015 lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018
Note - 4: Non Current Investments

| Particulars | Numbers | As at | | Numbers | As at | | ₹ in Lakhs |
|---|---------|----------------|---------------|----------|----------------|---------------|--------------|
| | | March 31, 2018 | 0.25 | | March 31, 2017 | April 1, 2016 | |
| Unquoted | | | | | | | |
| (i) In Equity Instrument (Fully Paid-up of ₹ 10 each) [At Fair Value] | | | | | | | |
| The Saraswat Co. Op. Bank Limited | 2,500 | 0.25 | 0.25 | 2,500 | 0.25 | 2,500 | 0.25 |
| Equitylevers World Pvt. Limited | 6,173 | 150.00 | 150.00 | 6,173 | 150.00 | - | - |
| Biharji Constructions (I) Limited | | - | 8.42 | 3,80,600 | 8.42 | 3,80,600 | 8.42 |
| Kamrup Enterprises Limited | | - | 8.14 | 1,08,571 | 8.14 | 3,80,000 | 8.14 |
| (ii) In Debentures [At Amortised Cost] [₹ 10,00,000 each] | | | | | | | |
| The Lakshmi Vilas Bank Limited | 2 | 20.00 | 20.00 | 2 | 20.00 | 2 | 20.00 |
| (iii) In Alternative Investment Fund [Fully Paid-up of ₹ 1,000 each] [at Fair Value] | | | | | | | |
| Edelweiss Infrastructure Yield Plus | 5,000 | 50.00 | - | - | - | - | - |
| (iv) In Preference Shares (Fully Paid-up of ₹ 1,000 each) [at Fair Value] | | | | | | | |
| 7.50% Tata Capital Ltd. | 12,500 | 126.27 | - | - | - | - | - |
| 7.50% Tata Capital Ltd. | 37,000 | 373.23 | - | - | - | - | - |
| Total | | 719.75 | 186.81 | - | 186.81 | - | 36.81 |
| Aggregate amount of quoted Investments | | - | - | | - | - | - |
| Aggregate amount of market value of quoted Investments | | - | - | | - | - | - |
| Aggregate amount of unquoted Investments | | 719.75 | 186.81 | | 186.81 | | 36.81 |
| Aggregate amount of impairment in the value of Investments | | - | - | | - | - | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note - 5: Other Non Current Financial Assets**

| Particulars | ₹ in lakhs | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Receivables from Related Party - (Refer Note No. 33) | 3,750.00 | - | - |
| Deposit - Others | 72.64 | 85.83 | 91.36 |
| Loans to Employees | 0.80 | 21.68 | 5.48 |
| Others | - | - | 13.61 |
| Total | 3,823.44 | 107.51 | 110.45 |

Note - 6: Inventories

(at lower of cost and net realisable value)

| | | | |
|---------------------|----------|---------------|---------------|
| Raw Material | - | 3.34 | 4.50 |
| Stores and spares | - | 142.13 | 184.21 |
| Work - in- Progress | - | 29.05 | 29.01 |
| Finished Goods | - | 37.20 | 28.66 |
| Total | - | 211.72 | 246.38 |

Note - 7: Current Investment

| | | | |
|--|---------------|----------|-------------|
| (i) Government securities | | | |
| Six years National Saving Certificates of the face value of ₹ NIL (March 31, 2017 - Nil, April 1, 2016 ₹ 30,000) lodged as security with Government Department . | - | - | 0.30 |
| (ii) Investment measured at Fair Value through Profit and Loss | | | |
| Kamrup Enterprises Limited (No. of Shares 1,08,571) | 78.17 | - | - |
| Bihariji Constructions (I) Limited (No. of Shares 3,80,600) | 125.60 | - | - |
| Total | 203.77 | - | 0.30 |

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and Letter of Offer dated May 18, 2018 received from Kamrup Enterprises Limited and Bihariji Constructions (I) Limited announcing its intension to buy-back upto 1,24,000 shares and 4,00,000 shares respectively, the Company has tendered its entire shares for buy-back subject to the same being available for buy-back by the respective Company. As a result, above investment have been classified as Current Investment.

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 8: Trade Receivables

| Particulars | ₹ in lakhs | | |
|-----------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Unsecured | | | |
| Considered Good | - | 164.01 | 269.78 |
| Total | - | 164.01 | 269.78 |

Note - 9: Cash and Cash Equivalents

| | | | |
|--|--------------|--------------|---------------|
| Cash on hand | 0.29 | 3.56 | 4.94 |
| Balances with Banks | 31.13 | 25.09 | 40.31 |
| Deposit with Original Maturity of less than 3 Months | 27.00 | 34.50 | 64.50 |
| Total | 58.42 | 63.15 | 109.75 |

Note - 10: Bank balances other than cash and cash equivalents

| | | | |
|--|--------------|--------------|--------------|
| Term deposits held as Margin Money | 6.86 | 6.49 | 5.98 |
| Term deposits held as Security Deposit | 0.68 | 1.20 | 1.20 |
| Unclaimed Dividend Account | 10.12 | 8.22 | 6.46 |
| Total | 17.66 | 15.91 | 13.64 |

Note - 11: Other Current Financial Assets

| | | | |
|--|-----------------|--------------|--------------|
| Related Party - Current Maturities - (Refer Note No. 33) | 1,350.00 | - | - |
| Loans to Employees | 1.20 | 16.11 | 13.97 |
| Others | 4.59 | 8.97 | 11.91 |
| Total | 1,355.79 | 25.08 | 25.88 |

Note - 12: Other Current Assets

| | | | |
|--|---------------|--------------|---------------|
| Advances to Suppliers - Considered Good | 68.03 | 6.02 | 70.95 |
| Prepayments | 9.71 | 17.73 | 23.72 |
| Deposit - Others | 30.57 | 30.57 | 30.57 |
| Income Tax Deducted at Source/Advance Income Tax (Net of Provisions) | 35.65 | 0.48 | 20.41 |
| Balance with Statutory/Government Authorities | - | 1.47 | 0.44 |
| Total | 143.96 | 56.27 | 146.09 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note -13: Equity Share Capital

| Particulars | ₹ in lakhs | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| (A) Authorised | | | |
| 5,00,000 (March 31, 2017 - 5,00,000, April 1, 2016 -5,00,000) Redeemable Cumulative preference shares of ₹ 100 each | 500.00 | 500.00 | 500.00 |
| 1,00,00,000 (March 31, 2017 - 1,00,00,000, April 1, 2016 - 1,00,00,000) Equity shares of ₹ 10 each | 1,000.00 | 1,000.00 | 1,000.00 |
| | 1,500.00 | 1,500.00 | 1,500.00 |
| (B) Issued | | | |
| 65,90,938 (March 31, 2017 - 65,90,938, April 1, 2016 - 65,90,938) Equity Shares of ₹ 10 each. | 659.09 | 659.09 | 659.09 |
| (C) Subscribed and Paid-up | | | |
| 65,83,488 (March 31, 2017 - 65,83,488, April 1, 2016 - 65,83,488) Equity shares of ₹ 10 each | 658.35 | 658.35 | 658.35 |
| Add : Amount Paid-up on 7,450 shares (March 31, 2017- 7,450 shares, April 1, 2016 - 7,450 shares) forfeited | 0.41 | 0.41 | 0.41 |
| | 658.76 | 658.76 | 658.76 |
| (D) Reconciliation of shares outstanding at the beginning and at the year end | | | |
| Equity shares at the beginning of the year | 65,83,488 | 65,83,488 | 65,83,488 |
| Add: Shares issued during the year | - | - | - |
| Equity shares at the end of the year | 65,83,488 | 65,83,488 | 65,83,488 |
| (E) Terms/rights attached to equity shares | | | |
| The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company pays the dividend in Indian Rupees. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting. | | | |
| (F) The Details of Shareholders holding more than 5% Shares in the Company | | | |
| Name of the shareholder | | | |
| Gembel Trade Enterprises Ltd. | | | |
| Numbers | 7,78,325 | 7,78,325 | 7,78,325 |
| % of holding | 11.82% | 11.82% | 11.82% |
| Savita Investment Company Ltd. | | | |
| Numbers | 15,09,503 | 15,09,503 | 15,09,503 |
| % of holding | 22.93% | 22.93% | 22.93% |

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | ₹ in Lakhs | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Shekhavati Investment Corporation Ltd. | | | |
| Numbers | 6,56,094 | 6,56,094 | 6,56,094 |
| % of holding | 9.97% | 9.97% | 9.97% |
| Vincent (India) Ltd. | | | |
| Numbers | 6,46,365 | 6,46,365 | 2,06,056 |
| % of holding | 9.82% | 9.82% | 3.13% |
| Kamrup Enterprises Ltd. | | | |
| Numbers | 8,01,499 | 8,01,499 | 1,32,090 |
| % of holding | 12.17% | 12.17% | 2.01% |

(G) The Company has not issued any Shares for considerations other than cash for the current year and for previous five years

Note -14: Other Equity

| | | | |
|----------------------------|------------------|----------|----------|
| Securities Premium Reserve | 398.89 | 398.89 | 398.89 |
| General Reserve | 280.01 | 280.01 | 280.01 |
| Amalgamation Reserve | 37.50 | 37.50 | 37.50 |
| Retained Earnings | 13,351.02 | 6,248.17 | 4,867.31 |
| Total | 14,067.42 | 6,964.57 | 5,583.71 |

Note - 15: Non-current Borrowings

| | | | |
|--|----------|---------------|---------------|
| Secured | | | |
| Loans against Cars (Secured against Vehicles) | - | 33.48 | 6.60 |
| Unsecured | | | |
| From Bodies Corporate | - | 363.18 | 418.18 |
| From Directors | - | 180.00 | 214.00 |
| Total | - | 576.66 | 638.78 |

Unsecured loans from Bodies Corporate and Directors with interest ranging 6% p.a. to 13% p.a. repayable on demand and the same has been transferred to I G Petrochemicals Limited, as per Slump sale agreement dated April 1, 2017.

Note - 16: Other Non Current Financial Liabilities

| | | | |
|---|--------------|-------------|----------|
| Security Deposits received from Related Party (Refer Note 33) | 69.02 | - | - |
| Security Deposits received from Others | 2.00 | 2.00 | - |
| Total | 71.02 | 2.00 | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note -17: Non-current Provisions**

| Particulars | ₹ in lakhs | | |
|--------------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Provision for Leave Encashment | 1.87 | 74.19 | 64.25 |
| Provision for Gratuity | 8.04 | - | - |
| Total | 9.91 | 74.19 | 64.25 |

Note - 18: Trade Payables

| Trade Payables | | | |
|---|---------------|--------|--------|
| Dues to Micro, Medium and Small Enterprises | - | 6.70 | 0.84 |
| Dues to others | 134.93 | 209.27 | 254.69 |
| Total | 134.93 | 215.97 | 255.53 |

Note:

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

| | | | |
|--|---|------|------|
| a. The principal amount and the interest due thereon remaining unpaid to any Supplier as at the end of each accounting year Principal amount due to micro and small enterprises interest due on above. | - | 6.70 | 0.84 |
| b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - | - |
| c. The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - |

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | ₹ in Lakhs | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| d. The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - | - |
| e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - |

Note - 19: Other Current Financial Liabilities

| | | | |
|---|--------------|-------|--------|
| Interest Accrued But not Due on Loans | - | 35.12 | 12.42 |
| Current Maturities of loan against Cars | 32.08 | 40.20 | 10.79 |
| Security Deposits - Related Party | - | - | 625.00 |
| Total | 32.08 | 75.32 | 648.21 |

Note - 20: Provisions

| | | | |
|--------------------------------|---------------|-------|-------|
| Provision for Leave Encashment | 32.08 | 11.47 | 11.75 |
| Provision for Gratuity | 92.41 | 32.75 | 8.80 |
| Total | 124.49 | 44.22 | 20.55 |

Note - 21: Other Current Liabilities

| | | | |
|---|--------------|--------|-------|
| Advance from Customers | 61.73 | 5.28 | - |
| Book Overdraft | - | 412.42 | - |
| Investor Education and Protection Fund for unclaimed dividend | 10.12 | 8.22 | 6.46 |
| Statutory Dues & Taxes Payable | 4.50 | 69.02 | 33.37 |
| Other Liabilities | 0.03 | 5.08 | 5.15 |
| Total | 76.38 | 500.02 | 44.98 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note - 22: Revenue from Operation (Gross)**

| Particulars | ₹ in lakhs | |
|-------------------------|---|---|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Sale of Products | | |
| Maleic Anhydride | - | 2,894.88 |
| Traded Goods | 623.00 | 457.62 |
| Total | 623.00 | 3,352.50 |

Note - 23: Other Income

| | | |
|--|-----------------|---------------|
| Interest income on | | |
| Bank Deposits | 3.72 | 0.50 |
| Receivable from IGPL for slump sale (Refer Note 35) | 633.21 | 8.81 |
| Dividend Income | 122.32 | 81.54 |
| Profit on Fair value of Investment through profit & Loss | 188.36 | - |
| Profit on Sale of Fixed Assets (Net) | 4.30 | - |
| Rent Received | 81.86 | 44.52 |
| Miscellaneous income | - | 0.20 |
| Total | 1,033.77 | 135.57 |

Note - 24: Cost of material consumed

| | | |
|--|----------|--------------|
| Raw Materials | | |
| Opening Stock | 3.34 | - |
| Add: Purchases / Transfer | - | 94.79 |
| Less: Closing Stock | - | (3.34) |
| Less: Transfer in Slump sale (Refer note 35) | (3.34) | - |
| Total | - | 91.45 |

Note - 25: Changes in Inventories of Finished Goods and Work-in-Progress

| | | |
|--|--------------|---------------|
| Opening Inventories | | |
| Work - in- Progress | 29.05 | 29.01 |
| Finished Goods | 37.20 | 28.66 |
| Closing Inventories | | |
| Work - in- Progress | - | 29.05 |
| Finished Goods | - | 37.20 |
| Total | 66.25 | (8.58) |
| Less: Transfer in Slump sale (Refer note 35) | (66.25) | - |
| Excise duty on decrease on Finished Goods | - | 1.88 |
| Total | - | 1.88 |

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 26: Employee Benefits Expenses

| Particulars | ₹ in lakhs | |
|---|-----------------------------------|-----------------------------------|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Salaries , Wages and Bonus | 151.34 | 896.37 |
| Contribution to Provident and Other Funds | 11.72 | 60.25 |
| Gratuity Expenses | 55.96 | 12.74 |
| Staff Welfare Expenses | 5.46 | 142.98 |
| Total | 224.48 | 1,112.34 |

Note - 27: Finance Cost

| | | |
|---------------------|-------------|---------------|
| Interest Expense on | | |
| Borrowings | - | 71.70 |
| Others | 5.80 | 47.87 |
| Bank Charges | 1.04 | 0.53 |
| Total | 6.84 | 120.10 |

Note - 28: Other Expenses

| | | |
|--|---------------|---------------|
| Consumption of Stores, Spares and Packing Materials | - | 84.29 |
| Power, Fuel and Water charges | - | 96.90 |
| Repairs and Maintenance : | | |
| Plant and Machinery | - | 193.74 |
| Buildings | - | 3.45 |
| Others | 0.20 | 1.47 |
| Insurance Premium | 2.91 | 25.54 |
| Brokerage and Commission | - | 4.63 |
| Transportation | 2.60 | 81.38 |
| Rent | 0.06 | 3.71 |
| Rates and Taxes | 39.10 | 14.52 |
| Travelling and Conveyance | 44.37 | 79.89 |
| Communication Cost | 2.35 | 3.60 |
| Legal and Professional Fees | 30.34 | 35.24 |
| Entertainment Expenses | 13.73 | 10.71 |
| Service Charges | 12.84 | 50.10 |
| Miscellaneous Expenses | 24.84 | 97.86 |
| Foreign Exchange Difference | 3.85 | 6.34 |
| Donation and Contribution to Charitable Institutions | - | 13.34 |
| Directors Sitting Fees | 9.20 | 9.40 |
| Payment to Auditors (Refer Note-28.1) | 2.50 | 2.97 |
| Total | 188.89 | 819.08 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note - 28.1: Payment to Auditors**

| Particulars | ₹ in lakhs | |
|---------------------------|---|---|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Audit Fees | 2.50 | 2.00 |
| Tax Audit Fees | - | 0.75 |
| Reimbursement of Expenses | - | 0.22 |
| Total | 2.50 | 2.97 |

Note - 29: Tax Expense:**a. The major components of income tax expense are as follows:**

| | | |
|---|-----------------|----------------|
| (i) Income tax recognised in statement of profit and loss | | |
| Current Income Tax expense : | | |
| Current Income Tax | 1,824.88 | 139.80 |
| Total | 1,824.88 | 139.80 |
| Deferred Tax benefit : | | |
| Origination and reversal of temporary differences | (127.84) | (53.14) |
| Total | (127.84) | (53.14) |
| Income Tax expense reported in the Statement of Profit or Loss | 1,697.04 | 86.66 |
| (ii) Income tax (expense)/ benefit recognised in OCI section | | |
| Deferred Tax benefit on remeasurements of defined benefit plans | (7.00) | 4.04 |
| Income tax charged to OCI | (7.00) | 4.04 |

b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rates :

| | | |
|---|-----------------|-----------------|
| Accounting Profit before tax | 8,861.87 | 1,554.93 |
| Less : Share of Profit of Associate | 1,810.00 | 1,262.00 |
| Profit Before tax | 7,051.87 | 292.93 |
| Income tax expense calculated at corporate tax rate | 2,033.76 | 96.85 |
| Tax effect of adjustment to reconcile expected income tax expense to reported | | |
| Effect of: | | |
| Exempt income | (35.28) | (26.96) |
| Items not deductible for tax | - | 16.77 |
| Income taxed at different rate | (102.17) | - |
| Change in tax rate and law | (199.27) | - |
| Total | 1,697.04 | 86.66 |

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

- c. The major components of Deferred Tax Liabilities/ (Assets) arising on account of temporary differences are as follows:

Deferred tax relates to the following:

Balance sheet

| Particulars | ₹ in lakhs | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Depreciation | 62.97 | 215.96 | 257.99 |
| Investment | 24.77 | - | - |
| Employees Separation and Retirement Expenses | (38.76) | (39.15) | (28.04) |
| Net Deferred Tax Liabilities | 48.98 | 176.81 | 229.95 |

Profit & loss

| Particulars | ₹ in lakhs | |
|--|---|---|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Depreciation | (152.99) | (42.03) |
| Investment | 24.77 | - |
| Employees Separation and Retirement Expenses | 0.38 | (11.11) |
| Deferred Tax Benefit | (127.84) | (53.14) |

Note - 30: Earning per share on face value of ₹ 10 each (EPS)

| | | |
|--|-----------|-----------|
| Weighted average No. of Shares for calculating basic and diluted EPS | 65,83,488 | 65,83,488 |
| Profit after tax before exceptional items (net of tax) (₹ in lakhs) | 2,466.29 | 1,468.27 |
| Basic & Diluted | 37.46 | 22.30 |
| Profit after tax after exceptional items (net of tax) (₹ in lakhs) | 7,164.83 | 1,468.27 |
| Basic & Diluted | 108.83 | 22.30 |

Note - 31: Capital Commitment

| Particulars | ₹ in lakhs | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances). | - | - | 97.39 |
| | - | - | 97.39 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note - 32: Contingent Liabilities**

| Particulars | ₹ in lakhs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| (A) Claims against the Company not acknowledged as debt | | |
| i) Disputed taxation matter | 23.98 | 41.45 |
| ii) Demand from Karnataka Industrial Area Development Board towards Interest on maintenance charges of Land at Raichur. | 24.22 | - |
| (B) 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. | | |

Note - 33: Related Party Disclosure**(A) List of related parties (as identified by management)**

- (i) Enterprises Owned or significantly influenced by KMP or their relatives:
 IG Petrochemicals Limited
- (ii) Key Management Personnel (KMP)
 1. Mr M.M.Dhanuka - Managing Director & CEO
 2. Mr Paras Jain - Chief Financial Office (upto May 31, 2017)
 3. Mr Nilesh Panchal - Chief Financial Officer (from June 1, 2017)
 4. Mr Anand Kadkol - Company Secretary (upto January 19, 2018)
 3. Ms Pragati Nathani - Company Secretary (from February 14, 2018)
- (iii) Relatives of KMP.
 1. Mrs Binadevi Dhanuka - Wife of Managing Director & CEO
 2. Mr Mayank Dhanuka - Son of Managing Director & CEO
 3. Mrs Neha Dhanuka - Son's wife of Managing Director & CEO

(B) Transaction during the year ended and balances outstanding with related parties are as follows:

- (i) Outstanding balances with related parties

| Particulars | Relationship | ₹ in lakhs | | |
|--|-------------------------------|-------------------------|-------------------------|------------------------|
| | | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (i) above | 69.02 | - | 625.00 |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (i) above | - | 9.81 | - |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (ii) above | - | 18.04 | - |

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | Relationship | ₹ in lakhs | | |
|--|-----------------------------------|-------------------------|-------------------------|------------------------|
| | | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Other Financial Liabilities (Current + Non Current) | as referred in (A) (iii) above | - | 3.87 | - |
| Borrowings | as referred in (A) (ii) above | - | 167.00 | 167.00 |
| Other Financial Assets (Current + Non Current) | as referred in (A) (ii) above | 2.00 | - | - |
| Other Financial Assets (Current + Non Current) | as referred in (A) (i) above | 5,100.00 | - | - |

(i) Transaction with related parties

| Nature of Transaction | Relationship | ₹ in lakhs | |
|--|-------------------------------|--------------------------------------|--------------------------------------|
| | | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
| Purchase (including Taxes) | as referred in (A) (i) above | 203.00 | 228.73 |
| Sales - Traded Goods (including Taxes) | as referred in (A) (i) above | 111.47 | 208.36 |
| Slump Sale of MA unit | as referred in (A) (i) above | 7,448.00 | - |
| Interest Income | as referred in (A) (i) above | 629.85 | - |
| Rent Income (including Taxes) | as referred in (A) (i) above | 88.29 | - |
| Interest Expense | as referred in (A) (ii) above | - | 20.04 |
| Remuneration | as referred in (A) (ii) above | 143.34 | 118.48 |

Note - 34: Defined benefit obligation

| Particulars | ₹ in lakhs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| (I) Gratuity | | |
| (A) Changes in the present value of the defined benefit obligation are as follows: | | |
| Opening defined benefit obligation | 310.13 | 266.43 |
| Interest cost defined benefit obligation | 21.81 | 19.79 |
| Current service cost | 13.17 | 12.07 |
| Benefits paid | 26.78 | 1.01 |
| Actuarial (gains) / losses on obligation | (44.85) | 12.85 |
| Acquisition/Business Combination/Divestiture | (214.61) | - |
| Past service cost | 41.58 | - |
| Closing defined benefit obligation | 100.45 | 310.13 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | ₹ in lakhs | |
|--|-------------------------------|-------------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| (B) Changes in the fair value of plan assets are as follows: | | |
| Opening fair value of plan assets | 277.38 | 257.63 |
| Expected return | 7.86% | 7.42% |
| Interest income plan assets | 20.60 | 19.12 |
| Contributions by employer | - | - |
| Benefits paid | - | - |
| Actuarial gains / (losses) | (20.60) | 0.63 |
| Acquisition/Business Combination/Divestiture | (277.38) | - |
| Closing fair value of plan assets | - | 277.38 |
| (C) Maturity Profile of defined benefit obligation | | |
| Within next 12 months (next annual reporting period) | 95.97 | 47.19 |
| Between 2 and 5 years | 5.78 | 62.75 |
| Between 6 and 10 years | 1.65 | 107.80 |
| (D) Quantitative sensitivity analysis for significant assumption is as below | | |
| Increase / decrease on present value of defined benefits obligation at | | |
| One percentage point increase in discount rate | (3.73) | (11.51) |
| One percentage point decrease in discount rate | 4.56 | 47.19 |
| One percentage point increase in rate of salary | 3.32 | 62.75 |
| One percentage point decrease in rate of salary | (3.02) | (9.34) |
| (E) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below: | | |
| | % | % |
| Discount rate | 7.86 | 7.42 |
| Expected rate of return on assets | 7.86 | 7.42 |
| Employee turnover | 5 | 5 |
| Salary Escalation | 4 | 4 |
| Mortality | IALM (2006-08) Ultimate | IALM (2006-08) Ultimate |

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

(II) Provident Fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Group are entitled to receive benefit in respect of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary. The contribution, as specified under the law, are made to the provident fund administered and managed by Government of India (GOI) and Mysore Petro Chemicals Ltd Officers Provident Fund Trust (MPCL OPF Trust). The Company has no further obligation under the fund managed by the GOI and MPCL OPF Trust beyond its monthly contribution which are charged to the Statement

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

of Profit and Loss in the period they are incurred except shortfall if any based on the Government specified minimum rate of return in the case of MPCL OPF Trust. The benefit are paid to employees on their retirement or resignation from the Company.

Note - 35: Note on Slump Sale

The Company has sold the Maleic Anhydride Unit situated at T-1, MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra – 410 208 to I G Petrochemicals Limited as a going concern on slump sale basis effective from April 1, 2017 for consideration of ₹ 74.48 Crores (Rupees Seventy Four Crores Forty Eight Lakhs Only) as per valuation by Haribhakti & Co. LLP and also approved by shareholders of the Company. The Profit on sale of the unit amounting to ₹ 6,459.20 Lakhs is shown under Exceptional item.

Note - 36: Category wise classification of Financial Instruments

| Particulars | Amortised Cost | ₹ in lakhs |
|------------------------------|-----------------|------------------------------------|
| | | Fair Value through Profit and Loss |
| As at March 31, 2018 | | |
| Financial Assets | | |
| Trade Receivable | - | - |
| Investment | 20.00 | 903.52 |
| Cash and Bank | 76.08 | - |
| Other Financial Assets | 5,179.23 | - |
| Total | 5,275.31 | 903.52 |
| Financial Liabilities | | |
| Borrowings | - | - |
| Trade Payable | 134.93 | - |
| Other Financial Liabilities | 103.10 | - |
| Total | 238.03 | - |
| As at March 31, 2017 | | |
| Financial Assets | | |
| Trade Receivable | 164.01 | - |
| Investment | 20.00 | 166.81 |
| Cash and Bank | 79.06 | - |
| Other Financial Assets | 132.59 | - |
| Total | 395.66 | 166.81 |
| Financial Liabilities | | |
| Borrowings | 576.66 | - |
| Trade Payable | 215.97 | - |
| Other Financial Liabilities | 77.32 | - |
| Total | 869.95 | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

| Particulars | Amortised Cost | ₹ in Lakhs |
|------------------------------|-------------------|--|
| | | Fair Value through Profit and Loss |
| As at April 1, 2016 | | |
| Financial Assets | | |
| Trade Receivable | 269.78 | - |
| Investment | 20.30 | 16.81 |
| Cash and bank | 123.39 | - |
| Other financial assets | 136.33 | - |
| Total | 549.80 | 16.81 |
| Financial Liabilities | | |
| Borrowings | 638.78 | - |
| Trade Payable | 255.53 | - |
| Other financial Liabilities | 648.21 | - |
| Total | 1,542.52 | - |

Note - 37 : Financial Risk Management Policies and objectives

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables, loans and borrowings.

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures & borrowings.

Interest rate risk

The Group's exposure to interest rate risk is minimal as the Company does not have any significant interest earning asset or interest bearing liability. As such, the Group is not exposed to significant interest rate risk as at the reporting date.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group maintains sufficient cash and cash equivalents to manage its liquidity risk.

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group. To manage this, the Group periodically assess the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and agreeing of accounts receivable. Individual risk limit are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for provision as per provisioning policy of the Group. Where loans or receivables have been provided, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the statement of profit and loss.

Foreign Currency Risk

Foreign Currency exposure as at balance sheet Date is Nil

Note -38: Pursuant to Ind AS -17 'Leases', the following information is disclosed

- The Group has given asset on operating lease. The lease rental are receivable by the Group on monthly basis.
- Future minimum lease rentals receivable under non cancellable lease agreements are as under:

₹ In lakhs

| Particulars | As At | As At |
|--|----------------|----------------|
| | March 31, 2018 | March 31, 2017 |
| a) Not later than One Year | 78.22 | 78.20 |
| b) Later than One Year and not later than Five years | 225.90 | 304.12 |
| c) Later than Five Years | - | - |
| Total | 304.12 | 382.32 |

Note - 39:

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 June 4, 2013 had decided to close the unit permanently due to economic unviability and the unit is closed since July 16, 2013.

Note - 40: Segment Information

For management purposes, the Company is into one reportable segment i.e. trading activity.

The Managing Director is the Chief Operating Decision Maker of the Company who monitors the operating results of its Company for the purpose of making decisions about resource allocation and performance assessment. Company's performance as single segment is evaluated and measured consistently with profit or loss in the consolidated financial statements.

Note - 41: Proposed Dividend

The Board of Directors at its meeting held on May 29, 2018 have recommended a payment of final dividend of ₹ 2 (Rupees two only) per equity share of face value of ₹ 10 each for the financial year ended March 31, 2018. This amounts to ₹ 158.74 lakhs including dividend distribution tax of ₹ 27.07 lakhs.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Note - 42:**

The Company has prepared its first Ind AS compliant financial statement for the year ended March 31, 2018. The Company has transition to Indian Accounting Standards from Indian GAAP from April 1, 2016. On transition to Ind AS, the Company has evaluated and accounted for investment in I G Petrochemicals Limited in accordance with Ind AS 28 – Investment in Associates and Joint ventures. This has triggered for the Company to prepare the consolidated financial statements, first time, for the year ended March 31, 2018 along with comparative financial information for the year ended March 31, 2017 and opening date balance sheet as at April 01, 2016 to comply with requirements of Ind AS 101 – First-time Adoption of Indian Accounting Standards.

| Particulars | ₹ In lakhs | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Investments accounted for using the Equity Method | | | |
| The following entities have been included in the consolidated financial statements using the equity method: | | | |
| i) I G Petrochemicals Limited | 7,018.00 | 5,208.00 | 3,946.00 |
| Total Equity Accounted Investments | 7,018.00 | 5,208.00 | 3,946.00 |
| Summarised financial information of associates: | | | |
| Current Assets | 31,511.29 | 28,992.37 | 22,322.19 |
| Non-Current Assets | 54,453.67 | 36,824.50 | 35,349.41 |
| Current Liabilities | 22,523.11 | 20,262.00 | 18,445.94 |
| Non-Current Liabilities | 10,664.21 | 6,397.37 | 9,400.16 |
| Equity | 52,777.64 | 39,157.50 | 29,825.50 |

| Particulars | ₹ In lakhs | |
|---|---|---|
| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
| Revenue | 1,17,454.54 | 1,13,877.64 |
| Expenses | 94,419.32 | 1,00,676.95 |
| Profit before Tax | 23,035.22 | 13,200.69 |
| Share of Loss from Joint Venture | 1.74 | 11.07 |
| Tax Expense | 8,430.39 | 3,033.02 |
| Profit for the Year | 14,603.09 | 10,156.60 |
| Group's share of Profit for the Year (Gross) | 1,932 | 1,344 |
| Dividend received during the Year | 122 | 82 |
| Group's share of Profit for the Year (Net) | 1,810 | 1,262 |

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

Note - 44: First-time adoption of Ind AS

For all periods up to and including the year ended March 31, 2017, the Group had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). This note explains the principal adjustments made by the Group in restating its financial statements prepared under Previous GAAP.

(A) Exemptions availed:

Ind AS 101- First-time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Group has availed the following exemptions as per Ind AS 101:

- 1 The Group has elected not to apply Ind AS 103- Business Combinations, retrospectively to past business combinations that occurred before April 1, 2016 ('Ind AS Transition Date').
- 2 The Group has elected to consider the carrying value of all its items of property, plant and equipment and investment property recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.
- 3 The carrying amounts of the Group's investments in its associate company as per the financial statements of the Company prepared under Previous GAAP, are considered as deemed cost for measuring such investments in the opening Ind AS Balance Sheet.

(B) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017:

₹ in lakhs

| Particulars | Footnotes | Year ended March 31, 2017 |
|---|-----------|------------------------------|
| Net Profit as per Previous GAAP | | 1,464.63 |
| Effect of measuring financial instruments at fair value | | (4.53) |
| Measurement cost of net defined benefit liability | 1 | 12.21 |
| Tax on above adjustments | | (4.04) |
| Net Profit as per Ind AS | | 1,468.27 |
| Other Comprehensive Income (net of tax) | 3 | (8.17) |
| Total Comprehensive Income for the year | | 1,460.10 |

(C) Reconciliation of Equity as at March 31, 2017 and April 1, 2016:

₹ in lakhs

| Particulars | Footnotes | Year ended March 31, 2017 | Year ended April 1, 2016 |
|---|-----------|------------------------------|-----------------------------|
| Equity as per Previous GAAP | | 6,965.18 | 5,500.55 |
| Effect of measuring financial instruments at fair value | | (0.61) | 3.92 |
| Proposed Dividend | 2 | - | 79.24 |
| Tax on above adjustments | | - | - |
| Equity as at | | 6,964.57 | 5,583.71 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018**Footnotes:**

- 1 In the financial statements prepared under Previous GAAP, remeasurement of defined benefit plans, arising primarily due to change in actuarial assumptions was recognised as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such remeasurement benefits relating to defined benefit plans is recognised in OCI as per the requirements of Ind AS 19- Employee benefits.
- 2 In the financial statements prepared under Previous GAAP, dividend on equity shares recommended by the Board of Directors after the end of reporting period but before the financial statements were approved for issue, was recognised as a liability in the financial statements in the reporting period relating to which dividend was proposed. Under Ind AS, such dividend is recognised in the reporting period in which the same is approved by the members in a general meeting.
- 3 Under Previous GAAP, there was no concept of Other comprehensive income. Under Ind AS, specified item of Income, expenses, gains or losses are required to be presented in Other Comprehensive income.
- 4 The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.
- 5 In the financial statements prepared under Previous GAAP, revenue from sale of products was presented net of excise duty. However, under Ind AS, revenue from sale of products includes excise duty. Excise duty expense amounting to ₹ 322.74 lakhs is presented separately on the face of the Statement of Profit and Loss for the year ended March 31, 2017.

As per our report of even date
**For MSKA & Associates (formerly
 known as 'MZSK & Associates')**

Chartered Accountants
 Firm's Registration No: 105047W

Anita Somani
 Partner
 Membership No: 124118

Mumbai
 May 29, 2018

For and on behalf of the Board of Directors of
Mysore Petro Chemicals Limited

| | |
|----------------------------|------------------------|
| Madan Mohan Dhanuka | Shrikant Somani |
| Managing Director | Director |
| DIN : 00193456 | DIN : 00085039 |

| | |
|-------------------------|------------------------|
| Nilesh Panchal | Pragati Nathani |
| Chief Financial Officer | Company Secretary |



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 48th Annual General Meeting of the Company at Hotel Ajantha, Rohini Hall, 22-A, M G Road, Bengaluru - 560 001 on Tuesday, 14th August, 2018 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 48th Annual General Meeting of the Company to be held on Tuesday, 14th August, 2018 at 12.30 p.m. at Hotel Ajantha, Rohini Hall, 22-A, M G Road, Bengaluru - 560 001 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 Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31 st March 2018 and the Report of the Board of Directors and the Auditors' Report. | 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 | | |
| | Special Business | | | |
| 4. | Continuation of term of Shri M M Dhanuka, as Managing Director & CEO after attaining the age of 70 years. | Special | | |
| 5. | Appointment of Shri M M Dhanuka (DIN 00193456) as Managing Director & CEO. | Special | | |
| 6. | To make loans and Investment by the Company | Special | | |

Signed this _____ day of _____ 2018

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.

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 Web : www.mysorepetro.com