



mysore petro chemicals limited

52nd Annual Report 2021-2022

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BOARD OF DIRECTORS

Shri M M Dhanuka – *Chairman & Managing Director*

Shri Nikunj Dhanuka, *Non-Executive Director*

Shri S N Maheshwari, *Non-Executive Director*

Shri Anil Kochar, *Independent Director*

Shri Shrikant Somani, *Independent Director*

Smt Uma Acharya, *Independent Director*

CHIEF FINANCIAL OFFICER

Shri Nilesh Panchal

COMPANY SECRETARY

Ms. Sejal Makwana (*upto 29th April, 2022*)

Smt. Labdhi Shah (*with effect from 26th May, 2022*)

AUDITORS

MSKA & Associates

REGISTERED OFFICE

D/4, Jyothi Complex

134/1, Infantry Road, Bengaluru - 560 001

Tel. : 080 - 22868372

Fax : 080 - 22868778

E-mail : mpcl@mysorepetro.com

Website : www.mysorepetro.com

CIN : L24221KA1969PLC001799

CORPORATE OFFICE

401-404, Raheja Centre

214, Nariman Point

Mumbai-400 021

Tel : 022-40586100/40586135

Fax : 022-22040747

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.

Office No. S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali

Caves Road, Andheri (East), Mumbai - 400 093.

Tel.: 022-6263 8200/222/223 • Fax : 022-6263 8299

E-mail : investor@bigshareonline.com

Website: www.bigshareonline.com

AGM

52nd Annual General Meeting

Tuesday, 27th September, 2022

at 2:30 pm through Video

Conference (VC)/Other Audio

Visual Means (OAVM)

ATTENTION

Shareholders who have not yet claimed any dividend from the FY 2014-15 are requested to claim dividend on or before 30th September, 2022 failing which both the dividend and shares will be transferred to IEPF Authority. For more details, kindly refer Directors' Report.

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NOTICE

NOTICE is hereby given that the 52nd Annual General Meeting of **Mysore Petro Chemicals Limited** (CIN: L24221KA1969PLC001799) will be held on **Tuesday, 27th September, 2022 at 2:30 p.m.** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business:

AS ORDINARY BUSINESS

1. To consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended 31st March, 2022 and the Report of the Board of Directors and the Auditors' Report thereon.
2. To declare Dividend for the financial year ended 31st March, 2022.
3. To appoint a Director in place of Shri S N Maheshwari (DIN 00193540) who retires by rotation and being eligible offers himself for re-appointment.
4. **Appointment of Statutory Auditors**

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time or any other law for the time being in force (including any statutory modification or re-enactment thereof), M/s. RMJ & Associates LLP, Chartered Accountants, (Firm's Registration No. W100281), be and are hereby appointed as the Statutory Auditors of the Company to hold office for five (5) consecutive years from the conclusion of this Annual General Meeting (AGM) until the conclusion of 57th AGM to be held in the year 2027 on such remuneration as shall be decided by the Board of Directors of the Company in consultation with the Statutory Auditors of the Company."

AS SPECIAL BUSINESS

5. **Modification in remuneration of Shri M M Dhanuka, Managing Director**

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

"RESOLVED THAT in partial modification to the members approval accorded in the Annual General Meeting held on 5th August, 2021 and pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or any re-enactment(s) thereof for the time being in force) read with Schedule V to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded to modify the remuneration of Shri M M Dhanuka (DIN 00193456) as set out in the explanatory statement annexed to the notice with effect from 1st April, 2022 for the remainder of his term and that all other terms and conditions as approved by the members at their Annual General Meeting held on 5th August, 2021 shall remain unchanged."

6. **Approval of Material Related Party Transactions with I G Petrochemicals Limited**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws, if any, subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred

to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and M/s I G Petrochemicals Ltd. to trade in Orthoxylene, Phthalic Anhydride, Maleic Anhydride, Benzoic Acid, Diethyl Phthalate and other products for a period of five years upto ₹ 50,00,00,000/- p.a. (Rupees Fifty Crores only per annum).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities and to take all such decisions from powers herein conferred.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

7. Approval of Material Related Party Transactions with Bluesky Petrochem Limited

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws, if any, subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") which expression includes any Committee constituted by the Board to exercise its powers to enter into material related party transaction(s)/contract(s) (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) to provide a letter of credit facilities to M/s Bluesky Petrochem Ltd. upto an amount of ₹ 30,00,00,000/- p.a. (Rupees Thirty Crores only per annum) for a period of five years.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities and to take all such decisions from powers herein.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

8. Investments under Section 186 of the Companies Act, 2013

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 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act read with Rules framed thereunder, (including any statutory modification(s) or any re-enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of the Directors of the Company ("the Board") which expression includes any Committee constituted by the Board to exercise its powers, to give any loan to any person or other body corporate or to give any guarantee or provide any security in connection with a loan to any other body corporate or person and to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as it may in its absolute discretion deem beneficial and in the interest of the Company, subject to, however, that the aggregate of the loans and investments so far made

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in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 200,00,00,000/- (Rupees Two 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 Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board be and is hereby authorized to arrange to fix the terms and conditions from time to time as it may deem fit and to sign and execute all such deeds, contracts, instruments, agreements and any other documents as may be required and to do all such acts, deeds, matters, things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred by this resolution to any Committee of Directors and/or Directors and/or Officers of the Company."

9. Grant of letter of credit facility pursuant to Section 185 of the Companies Act, 2013

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 185 of the Companies Act, 2013 read with Rules framed thereunder, (including any statutory modification(s) or any re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of the Directors of the Company ("the Board") which expression includes any Committee constituted by the Board to give any guarantee or provide any security in connection with any credit facilities to be availed by Bluesky Petrochem Ltd., in whom the Directors of the Company are deemed to be interested, upto ₹ 30,00,00,000/- (Rupees Thirty Crores Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate, finalize and settle the terms and conditions of the facility and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

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

Labdhi Shah
Company Secretary

Mumbai
8th August, 2022

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

Notes :

1. In view of the continuing Covid-19 pandemic and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 by Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 and SEBI/HO/CFD/CMD2/DIR/P/2022/62 dated 13th May, 2022 issued by the Securities and Exchange Board of India (SEBI), physical attendance of the members at the venue of the Annual General Meeting (AGM) is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Corporate members intending to authorize its representatives are requested to send a certified scanned copy of the Board Resolution to the Company, authorizing their representative to attend the AGM through VC/OAVM and vote on its behalf at the meeting
4. In case of joint holders attending the AGM, 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.
5. The Members can join the AGM in the VC/ OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of the reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").
7. The Explanatory Statement pursuant to Section 102 of the Act, which sets out details relating to Special Business to be transacted at the AGM, is annexed hereto.
8. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations"), in respect of the Directors seeking re-appointment at the AGM, forms an integral part of the notice.
9. In accordance with the aforesaid Circulars, the Notice of AGM alongwith Annual Report 2021-22 has been sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the Notice of AGM and Annual Report will be available on the website of the Company at www.mysorepetro.com and on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL i.e. www.evoting.nsdl.com. A person who is not a Member as on the cut off date should treat this Notice for information purpose only.
10. Members whose email addresses are not registered can register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
11. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 5th May, 2022 the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating

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voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

12. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 21st September, 2022 to Friday, 23rd September, 2022 (both days inclusive) for the purpose of AGM and payment of dividend, if declared.
13. If dividend as recommended by the Board of Directors is approved at the meeting, payment will be made subject to deduction of tax at source on or after 4th October, 2022 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 20th September, 2022;
 - b) To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 20th September, 2022.
14. Members holding securities in demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form should send a request updating their bank details, to the Company's RTA.
15. Pursuant to the changes introduced by the Finance Act, 2020, dividend income will be taxable in the hands of the members w.e.f. 1st April, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to members at the prescribed rates:

For Resident Members, taxes shall be deducted at source under Section 194 of the Income Tax Act, as follows:

Valid PAN of member available with the Company	7.5% or as notified by the Government of India
Members without PAN/invalid PAN with the company	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual member if the total dividend to be received by them during the financial year 2021-22 does not exceed ₹ 5,000/- and also in cases where members provide form 15G (applicable to any person other than a company or a firm)/form 15H (applicable to an Individual who is 60 years and older) subject to conditions specified in the Act. Members may also submit any other document as prescribed under the Act to claim a lower/nil withholding tax. PAN is mandatory for members providing form 15G/ form 15H or any other documents as mentioned above.

For Non-Resident Members, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable Sections of the Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by Government of India on the amount of dividend payable. However, as per Section 90 of the Act, non-resident members may have an option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. In order to avail the benefits of DTAA, the non-resident members will have to provide necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

The aforementioned documents are required to be submitted at udhuri@igpetro.com on or before Saturday, 17th September, 2022 in order to enable the Company to determine and deduct appropriate TDS/withholding tax. Incomplete, unsigned forms and declarations and/or any communication on tax determination received after 17th September, 2022 will not be considered by the Company.

16. A statement of unclaimed dividend declared at the last AGM held on 5th August, 2021 as on 31st March, 2022 is available on the Company's website www.mysorepetro.com/

Further, pursuant to the provisions of Section 124(5) and 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, 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.

Members may note that the dividend declared by the Company for the year 2014-15 and remaining unclaimed shall be liable to be transferred to IEPF on 30th September, 2022. If dividend is not claimed for any of the seven consecutive years, the underlying shares on the above dividend shall also be transferred to IEPF.

The members whose shares and dividend have been transferred to the IEPF Authority may claim the same by making an online application 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 before it becomes due for transfer to IEPF.

17. The members whose bank details are not registered with the Company are requested to notify the name of the bank and the branch, MICR No., IFSC, the nature of account and their Core Banking Solutions account number (CBS A/c No.) to the Company/RTA, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.
18. Pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and 14th December, 2021, the Company has sent the letters to all the members of the Company holding shares in physical form asking them to furnish their PAN, KYC details and Nomination in Form ISR-1, ISR- 3 and SH-13 which are available on the website of the Company at www.mysorepetro.com/investor-information/. The members of the Company holding shares in physical form may note that folios which are not KYC compliant available on or after 1st April, 2023, shall be frozen and the members will neither be eligible to lodge grievance or avail service request from the RTA nor eligible for receipt of dividend in physical mode.
19. The attention of the members are invited to the Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 issued by SEBI whereby in cases pertaining to issue of duplicate share certificate; transmission, claim from Unclaimed Suspense Account; renewal/ exchange of certificate, etc. can be issued only in demat form. Members are requested to take note of the same and submit Form ISR-4 along with their service requests referred herein, the format of which is available at www.mysorepetro.com/investor-information/.
20. Members seeking any information with regard to the accounts or any matter to be placed at the AGM may write to the Company on or before 21st September, 2022 at udhuri@igpetro.com
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

The instructions for shareholders 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 the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services provided by NSDL.

The remote e-voting period begins on Saturday, 24th September, 2022 (9:00 am) and ends on Monday, 26th September, 2022 (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. 20th September, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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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:

How do I vote electronically using NSDL e-voting system?





Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the

Type of shareholders	Login Method
	<p>remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 Shareholders' section.
3. A new screen will open. You will have to enter your User ID, 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 e-services 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 Demas 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 1 2 ***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company EVEN of the Company is 121246. For example if folio number is 001*** and then user ID is 121246001***

5. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in process for those shareholders whose email ids are not registered
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 your 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.

Step 2: Cast your vote electronically and join

General Meeting on NSDL e-voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to udhuri@igpetro.com on or before 22nd September, 2022.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to udhuri@igpetro.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

The instructions for members for E-Voting on the day of the AGM are as under:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote E-VOTING will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

Instructions for Members for attending the AGM through VC/OAVM, are as under:

- a) Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join Meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
- b) Members are encouraged to join the Meeting through Laptops for better experience.
- c) Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- e) Members who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at udhuri@igpetro.com. The same will be replied by the Company suitably.
- f) Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-1020-990 and 1800-224-430.

General Guidelines for shareholders

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 shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-1020-990 and 1800-224-430 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. 20th September, 2022.
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. 20th September, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/RTA.
6. 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.: 1800-1020-990 and 1800-224-430.
7. 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 shall only be entitled to avail the facility of remote e-voting as well as e-voting during the AGM through remote e-voting.
8. Shri Martinho Ferrao (Membership No. 6221) or failing him Shri Shiv Kumar Vaishy (Membership No. 45528) Practicing Company Secretaries 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.
9. The Results 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 intimated to the BSE Limited.

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

Item No.: 4

Pursuant to the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with applicable Rules framed thereunder, M/s MSKA & Associates, the existing Statutory Auditors of the Company will complete their term as Statutory Auditors of the Company at the conclusion of the ensuing 52nd Annual General Meeting ('AGM').

In terms of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, and Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee and the Board of Directors have considered and recommended to appoint, M/s RMJ & Associates LLP, Chartered Accountants, (Firm's Registration No. W100281) as the Statutory Auditors of the Company. M/s. RMJ & Associates LLP, a peer reviewed firm have given their consent to act as the Statutory Auditors and has issued a certificate confirming that their appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Act and the rules made thereunder. The firm comprises of 80 plus team members led by 5 Partners and a Senior Consultant having rich experience in their area of domain. It is proposed to appoint M/s. RMJ & Associates LLP for a term of five (5) years to hold office from the conclusion of the 52nd AGM till the conclusion of the 57th AGM subject to the approval of the Members of the Company on such remuneration plus applicable taxes and out-of-pocket expenses incurred in connection with the Audit as may be decided by the Board. The present remuneration of the Statutory Auditors is Rupees Five Lakhs only plus applicable taxes and reimbursement of out-of-pocket expenses incurred. The total remuneration proposed to be paid to the Statutory Auditors would be commensurate with their services. Subject to the approval of the shareholders, the Audit Committee and the Board of Directors may decide the remuneration of the Statutory Auditors on a mutually agreed terms.

The Board of Directors recommends the Ordinary Resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said resolution.

Item No. 5

The members of the Company at their 51st Annual General Meeting held on 5th August, 2021 had re-appointed Shri M M Dhanuka as Managing Director of the Company for a period of three years with effect from 14th August, 2021.

One of the perquisites approved was the reimbursement of medical expenses incurred by him and his family upto a limit of ₹ 5 lakhs per annum.

Shri M M Dhanuka is a founder member and has been associated with the Company from last 4 decades. It is felt that the existing limit of medical reimbursement needs to be revised considering the overall responsibilities shouldered by him and the increased cost of medical expenses. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has, therefore, proposed that the limit on the reimbursement of medical expenses be removed and the same be reimbursed at actuals.

All other terms and conditions of his appointment remains unchanged.

The Board of Directors recommends the Special Resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, in the said resolution.

Item No. 6

The members of the Company at their 46th Annual General Meeting held on 23rd August, 2016 had accorded their consent

to enter into related party transactions with I G Petrochemicals Ltd for trading in petrochemical products.

The proposed transaction(s) would exceed 10% of the Company's turnover and hence the same would be construed as a 'material' related party transactions under Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In view of the recent amendment to the SEBI Listing Regulations and the circulars issued by SEBI, all material related party contracts or arrangements entered into prior to the date of the notifications of the aforesaid regulations and which may continue beyond such date shall be placed for the approval of the shareholders in the first general meeting subsequent to notification of these regulations. In accordance with this, it is, therefore, proposed to seek the approval of the shareholders for the material related party transactions to be entered into with M/s I G Petrochemicals Ltd. for the purpose of trading in Orthoxylene, Phthalic Anhydride, Maleic Anhydride, Benzoic Acid, Diethyl Phthalate and other products as described below:

Name of the Related Party	I G Petrochemicals Limited
Name of the Directors/ KMP who is related	Shri M M Dhanuka – Managing Director Shri Nikunj Dhanuka – Non-Executive Director
Nature of Relationship	Promoter
Monetary Value	₹ 50 Crores per annum
Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes
Nature, Material terms and particulars of arrangement.	Trading of petrochemical and other products
Any other information relevant or important for the Members to take a decision on the proposed resolution	At arms' length basis and in the ordinary course of business

The consent of the members is sought for entering into the above transaction for a period of five years commencing from 1st October, 2022 to 30th September, 2027.

Members of the Promoters/Promoters Group are deemed to be interested in the business and shall not be entitled to vote on the resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

Except Shri M M Dhanuka and Shri Nikunj Dhanuka, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, in the said resolution.

Item No. 7

The Company has been sanctioned the credit facilities by RBL Bank upto an amount of ₹ 30 Crores. The Company has been approached by Bluesky Petrochem Limited (hereinafter referred to as "Bluesky"), an entity in which the Promoter Group of the Company are interested, to avail Letter of Credit facility upto an amount of ₹ 30 Crores on their behalf from RBL Bank for its trading activities. Subject to the approval of the shareholders, the credit facilities would be utilized by Bluesky and it is, therefore, proposed that the realisations from the said utilization would accrue to the benefit of the Company.

The proposed transaction(s) is expected to be in excess of 10% of the Company's turnover and hence, the same would be construed as a 'material' related party transaction under Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In view of the recent amendment to the SEBI Listing Regulations and the circulars issued by SEBI, all material related party contracts or arrangements shall be subject to the approval of the shareholders. In accordance with this, it is, therefore, proposed to seek the approval of the shareholders for the material related party transactions to be entered into with Bluesky for a period of five years commencing from 1st October, 2022 to 30th September, 2027.

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The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2015 are as under:

Name of the Related Party	Bluesky Petrochem Limited
Name of the Directors/ KMP who is related	Shri M M Dhanuka – Managing Director Shri Nikunj Dhanuka – Non-Executive Director
Nature of Relationship	Entity controlled by the Promoters/Promoter Group
Monetary Value	₹ 30 Crores per annum
Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes
Nature, Material terms and particulars of arrangement.	Grant of Letter of Credit facility
Any other information relevant or important for the Members to take a decision on the proposed resolution	At arms' length basis

Members of the Promoters/Promoters Group are deemed to be interested in the business and shall not be entitled to vote on the resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

Except Shri M M Dhanuka and Shri Nikunj Dhanuka, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

Item No. 8

The members of the Company at an Annual General Meeting held on 14th August, 2018 had accorded an approval to increase the overall limit of investment upto ₹ 100,00,00,000 (Rupees One Hundred Crores Only) in accordance with the provisions of Section 186 of the Companies Act, 2013 ("the Act").

The Board of Directors of the Company proposes to increase the aforesaid limit of investments upto ₹ 200,00,00,000/- (Rupees Two Hundred Crores) in order to optimize the usage of funds available with the Company and also to achieve long term strategic and business objectives.

Since the proposed limit of investments as stated above would be in excess of higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves, the same needs to be approved by the shareholders by way of special resolution in accordance with the provisions of Section 186(3) of the Act and the Rules made thereunder.

Approval of the members of the Company is, therefore, sought to make investments upto an amount not exceeding ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores) 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 Act.

The Board of Directors recommends the Special Resolution for your approval.

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 said resolution.

Item No. 9

The attention of the members is drawn to item number 7 whereby Bluesky Petrochem Ltd an entity in which the Promoter Group of the Company are deemed to be interested has approached the Company to avail Letter of Credit facility upto an amount of ₹ 30 Crores on their behalf from RBL Bank for the import of materials for its trading activities.

Subject to the approval of the shareholders, the credit facilities of the Company would be utilized by Bluesky for its principal business activities. It is proposed that the realisations from the said utilization would accrue to the benefit of the Company.

Pursuant to provisions of Section 185 of the Companies Act, 2013 ("the Act") a Company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the Company is interested subject to the approval of the members. Since the availing of facilities by Bluesky as referred to in item no. 7 of this notice would be construed as a guarantee by the Company, approval of the members of the Company is sought in accordance with Section 185 of the Act.

The Board of Directors recommends the Special Resolution for your approval.

Except Shri M M Dhanuka and Shri Nikunj Dhanuka, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the said resolution.

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

Labdhi Shah
Company Secretary

Mumbai
8th August, 2022

Registered Office :

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

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2

Name	Shri S N Maheshwari
Directors Identification Number	00193540
Age	65 years
Date of Appointment	19/11/2001
Qualifications	B.com; F.C.A.
Expertise	He has extensive knowledge and experience in finance, accounts and taxation areas.
Directorship held in Listed Companies	Nil
Chairmanship / Membership of Committees in other Public Companies	Nil
Number of Shares held	700 Shares
Relationship between directors inter-se	Nil

Note: The terms and conditions of appointment remains unchanged.
Remuneration and number of meetings attended is mentioned in the Corporate Governance Report.

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Fifty-Second Annual Report together with the Audited Statements of Accounts and the Auditors Report of your Company for the financial year ended 31st March, 2022.

1. Financial Results

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

Particulars	(₹ in lakhs)	
	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Total Revenue	3,515.63	3,272.26
Profit before interest, depreciation and taxes	1,150.26	773.14
Depreciation	59.44	60.15
Finance Cost	25.64	34.09
Profit before exceptional item and tax	1,065.18	678.90
Exceptional item	—	(694.69)
Provision for taxation	190.04	86.27
Profit/(Loss) after tax	875.14	(102.06)
Earnings per share (₹)	13.29	(1.55)

2. Operational review

The Company is engaged in the trading of petrochemicals products. During the financial year 2021-22, total revenue amounted to ₹ 3,515.63 lakhs as compared to ₹ 3,272.26 lakhs in the previous year and the profit before exceptional item and tax rose to ₹ 1,065.18 lakhs as compared to ₹ 678.90 lakhs in 2020-21. The net profit after tax for FY 2021-22 is ₹ 875.14 lakhs as against loss of ₹ 102.06 lakhs for the corresponding previous year.

3. Dividend

Your Directors are pleased to recommend dividend of ₹ 2.50/- (25%) per equity share of ₹ 10/- each. The total outgo on account of dividend for the current year amounts to ₹ 164.59 lakhs (previous year ₹ 131.67 lakhs).

4. Transfer to Reserves

The Company do not propose to transfer any amount to General Reserves.

5. Share Capital

The paid-up equity share capital of the Company as at 31st March, 2022 was ₹ 658.76 lakhs. During the year under review, the Company has not issued any shares.

6. Deposits

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

7. Particulars of Loans, Investments and Guarantee

Details of Loans, Guarantee and Investment covered under the provision of the Section 186 of the Companies Act, 2013 ("the Act") are given in the notes to the Financial Statements.

8. Corporate Social Responsibility (CSR)

The functions of the CSR Committee are performed by the Board of the Company as it is not mandatory for the Company to have a separate CSR Committee. The CSR obligations of the Company for the year 2021-22 was ₹ 6.91 lakhs which was utilized towards education and distribution of food.

An annual report on CSR activities containing prescribed details is annexed herewith as "Annexure-I".

The CSR Policy of the Company can be accessed at www.mysorepetro.com/csr/

9. Management Discussion and Analysis

The Company has sold its Maleic Anhydride business in 2017. The Phthalic Anhydride plant at Raichur was shut down in 2013 due to it being economically unviable.

Presently, the Company is engaged in the trading of Orthoxylene, Phthalic Anhydride, Maleic Anhydride, Benzoic Acid and other petrochemical products. Due to lack of further business opportunities and in line with the expectation, the Company desires to continue with the existing business of trading.

In view of the ongoing activities, the information related to segment wise performance, industry structure and developments, etc. are not applicable. There are no material development in human resources. The report on review of financial performance has already been stated and disclosed.

The details of significant changes in the key financial ratios along with relevant explanations are given below, to the extent they are applicable:

Key financial ratio	2021-22	2020-21	% change	Reason
Debtor Turnover	6.39	8.18	(21.87)	—
Interest Coverage Ratio	130.83	(3.82)	(3,528.07)	Better Profit & Lower Interest Cost & Investment written off during previous year
Current Ratio	7.26	8.24	(11.86)	—
Net Profit Margin	156.42%	(9.82%)	(1,692.40)	Higher Profit
Return on Net Worth	0.22	0.15	48.22	Higher Profit

10. Directors and Key Managerial Personnel

a. Re-appointment of Director

In accordance with the provision of Section 152 of the Act, read with the Companies (Management and Administration) Rules, 2014, Shri S N Maheshwari (DIN 00193540) who retires by rotation and being eligible has offered himself for re-appointment.

In the opinion of the Board of Directors of the Company, all Independent Directors possess high integrity, expertise and experience including the proficiency to discharge their respective duties and responsibilities.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March, 2022 are: Shri M M Dhanuka, Managing Director, Shri Nilesh Panchal, Chief Financial Officer and Ms. Sejal Makwana, Company Secretary.

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Ms. Sejal Makwana, Company Secretary of the Company resigned with effect from the close of working hours of 29th April, 2022. Subsequently, on recommendation of Nomination and Remuneration Committee and in accordance with the provisions of the Act read with Rules framed thereunder, the Board of Directors appointed Smt. Labdhi Shah as the Company Secretary of the Company with effect from 26th May, 2022.

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.

b. Performance Evaluation

As stipulated by the Code of Independent Directors pursuant to the 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.

c. Remuneration Policy

The details of the Remuneration policy forms part of the Corporate Governance Report.

The information related to remuneration as required pursuant to Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the said Rules") are given below:

- i. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year –
Shri M M Dhanuka, Managing Director & CEO – 16:1
- ii. The Percentage increase in the remuneration of Managing Director, Chief Financial Officer and Company Secretary for the Financial Year 2021-22- MD - 7.50%, CFO - 15% and CS - 8%
- iii. The percentage increase in the median remuneration of the employee in the financial year – 13.07%
- iv. Number of permanent employees on the payrolls of the Company – 5
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – N.A.

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

There is no employee other than the Managing Director in respect of whom the information under the Rule 5(2) of the said Rules is required to be provided.

11. Directors' Responsibility Statement

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

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2022, 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, 2022 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.

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 Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis and necessary approvals were obtained, wherever required.

The necessary disclosures regarding the transactions are given in the notes to accounts.

13. Auditors

a. Statutory Auditors

M/s MSKA & Associates were appointed as Statutory Auditors of the Company by the members of the Company at the 47th AGM held on 7th September, 2017, for a period of five years commencing from the conclusion of 47th AGM till the conclusion of the 52nd AGM. Accordingly, M/s MSKA & Associates will hold office upto the conclusion of this AGM.

The Audit Committee and the Board of Directors have recommended to appoint M/s RMJ & Associates LLP Chartered Accountants, (Firm Regn. No. W100281) as Statutory Auditors of the Company to hold office from the conclusion of the 52nd AGM till the conclusion of the 57th AGM to be held in the year 2027 subject to the approval of the shareholders. The Statutory Auditors have confirmed their independence and eligibility for the said appointment.

The Auditors' Report does not contain any qualification, reservation or adverse remark. The Statutory Auditors have not reported any incident of fraud to the Audit Committee pursuant to Section 143(12) of the Act.

b. Secretarial Audit

The Secretarial Audit Report for the year 2021-22 provided by M/s MMJB & Associates LLP, Practicing Company Secretaries is annexed herewith as "Annexure-II".

14. Conservation of Energy, 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 earnings and outgo was NIL (previous year NIL).

15. Report on Corporate Governance

The Company has complied with the requirements of conditions of Corporate Governance. The disclosures as required under Schedule V to the SEBI Listing Regulations together with a certificate from the Practicing Company Secretaries of the Company regarding compliance of conditions of Corporate Governance forms part of this Annual Report.

16. Annual Return

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company as at 31st March, 2022 is uploaded on the Company's website www.mysorepetro.com/corporate-announcement/

17. Transfer of Unclaimed Dividend / Shares to IEPF

In accordance with the provisions of Sections 124, 125 of the Act, read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") the amount of dividend or any other amount remaining unclaimed or unpaid for a period of seven years is required to be transferred to the IEPF Authority. Further, all the shares in respect of which dividend remained unclaimed or unpaid for seven consecutive years or more, shall also be transferred to the Demat account of the IEPF Authority.

In pursuance of the above, Company had during the financial year 2021-22 transferred the 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 an online application through web-based Form IEPF-5 available at www.iepf.gov.in. Members are advised to claim any unencashed dividends.

The application for the claiming of shares along with the supporting documents are required to be submitted in an online mode only, as required under the IEPF Rules.

The shareholders may note that the dividend declared in the financial year 2014-15 and remaining unclaimed are due to be transferred to the IEPF on 30th September, 2022. Further, if the shareholders have not claimed dividend for any of the seven consecutive years i.e. between FY 2014-15 to FY 2020-21, the underlying shares pertaining to the dividend for the financial year 2014-15, shall also be transferred to IEPF. The shareholders are advised to forthwith claim their dividend by writing to the Company/ RTA.

The Company has uploaded the details of unclaimed dividend on the Company's website at www.mysorepetro.com/investor-information/ and the same is also available on the website of the Ministry of Corporate Affairs www.iepf.gov.in

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.

18. Contribution to the Exchequer

The Company has contributed ₹ 510.73 lakhs to the exchequer on account of income tax, GST, etc.

19. 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 www.mysorepetro.com/corporate-governance/. There was no fraud or irregularity noticed during the year under review.

20. Prevention of Sexual Harassment

No complaints pertaining to sexual harassment of women employees were received during the year. In accordance with the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, the Company

has formulated a policy on prevention, prohibition and redressal of sexual harassment of women at work place.

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

Your Directors would like to express their appreciation for the co-operation and assistance received from the customers, shareholders, vendors, bankers, employees and other stakeholders for their continued support.

For and on behalf of the Board

M M Dhanuka

Chairman & Managing Director

DIN 00193456

Mumbai
26th May, 2022

Annual Report on Corporate Social Responsibility (CSR) Activities of the Company

1. Brief outline on CSR Policy of the Company www.mysorepetro.com/csr/
2. Composition of CSR Committee: Not Applicable
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. www.mysorepetro.com/csr/
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - Not Applicable
6. Average net profit of the company as per section 135(5) – ₹ 345.32 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5) – ₹ 6.91 lakhs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Not Applicable
(c) Amount required to be set off for the financial year, if any – Not Applicable
(d) Total CSR obligation for the financial year (7a+7b-7c) – ₹ 6.91 lakhs
8. (a) CSR amount spent or unspent for the financial year:
(b) Details of CSR amount spent against ongoing projects for the financial year - Not Applicable
(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (₹ in lakhs)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name.	CSR registration number
1.	Towards education and distribution of food.	ii	Local	Mumbai		6.91	No	Smt Parmeshwari Devi Jan Kalyan Trust	CSR00022580.
Total						6.91			

- (d) Amount spent in Administrative Overheads - Not Applicable
- (e) Amount spent on Impact Assessment, if applicable - Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 6.91 lakhs
- (g) Excess amount for set off, if any - Not Applicable

9. (a) Details of Unspent CSR amount for the preceding three financial years - Not Applicable
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): - Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Not Applicable
 - (a) Date of creation or acquisition of the capital asset(s) - Not Applicable
 - (b) Amount of CSR spent for creation or acquisition of capital asset - Not Applicable
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc - Not Applicable
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not Applicable

M M Dhanuka

Managing Director

DIN 00193456

Mumbai, 26th May, 2022

FORM NO. MR - 3 SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2022
[Pursuant to section 204 (1) of the Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

Mysore Petro Chemicals Limited
D.4, Jyothi Complex, 134/1,
Infantry Road, Bangalore-560001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mysore Petro Chemicals Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Unmodified Opinion:

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, 2022 (hereinafter called the '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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment; **(Foreign Direct Investment and External Commercial Borrowings are 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, 2018; **(Not Applicable to the Company during the Audit Period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with clients;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

(vi) As identified, no laws specifically applicable to the company;

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 **(Listing Regulations)**

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

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 re-appointment of the directors during the audit period was in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

For MMJB & Associates LLP

Company Secretaries

Deepti Kulkarni

Designated Partner

ACS No.: A34733

CP No: 22502

P. R. No: 904/2020

UDIN A034733D000398140

Place: Mumbai

Date: 26th May, 2022

*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.*

To,
The Members,
Mysore Petro Chemicals Limited
D.4, Jyothi Complex, 134/1,
Infantry Road, Bangalore-560001

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 MMJB & Associates LLP
Company Secretaries

Deepti Kulkarni
Designated Partner
ACS No.: A34733
CP No: 22502
P. R. No: 904/2020
UDIN A034733D000398140

Place: Mumbai
Date: 26th May, 2022

REPORT ON CORPORATE GOVERNANCE

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

Company's Philosophy on Code of Governance

Corporate governance is a system of rules, policies, and practices that dictate how a Company's Board of Directors manages and oversees the operations of a Company. It includes principles of transparency, accountability, and security. It essentially involves balancing the interests of a Company's stakeholders. It has been a constant endeavour to follow the principles of fairness, equity, transparency, and accountability in its functioning in accordance with the norms of Corporate Governance, which leads to enhancing the value of all stakeholders.

BOARD OF DIRECTORS

Composition and size of the Board

The composition of the Board of Directors of the Company is a fair mix of executive, non-executive and independent directors which is in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Shri M M Dhanuka, Chairman and Managing Director and Shri Nikunj Dhanuka, Non-Executive Director forms part of 'Promoter and Promoter Group'. Shri S N Maheshwari is the Non-Executive Director while Shri Anil Kochar, Shri Shrikant Somani and Smt. Uma Acharya are the Independent Directors.

Half of the Board consists of Independent Directors, whose terms are fixed in accordance with the provisions of Section 149 of the Companies Act, 2013 ("the Act").

The Company has Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration 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 8th June, 2021, 7th August, 2021, 12th November, 2021, and 10th February, 2022.

The attendance of the Directors at the Board Meetings and the Annual General Meeting, Directorship and Committee membership in other Companies are given below:

Name of the Directors	Category	Number of Board Meetings attended	Attendance at the AGM held on 5 th August, 2021	Number of Directorship(s) held in other public companies	Number of Committee positions held in other Public Companies*		No. of shares held
					Chairman	Member	
Shri M M Dhanuka	Executive	4	Yes	1	0	2	60,900
Shri Nikunj Dhanuka	Non-Executive	3	Yes	1	0	2	180
Shri S N Maheshwari	Non-Executive	4	Yes	1	0	1	700
Shri Anil Kochar	Non-Executive & Independent	4	Yes	2	3	0	100
Shri Shrikant Somani	Non-Executive & Independent	4	No	2	0	2	100
Smt. Uma Acharya	Non-Executive & Independent	4	Yes	2	2	1	100

*includes Mysore Petro Chemicals Ltd.

*includes only Audit Committee and Stakeholders Relationship Committee

Matrix of skills/competence/expertise of the Board of Directors

The Company is evaluating new markets for business and suitable workforce shall be deployed as and when the need arises.

Mysore Petro Chemicals Limited

The Board of Directors of the Company comprises of Directors with management, finance, and tax expertise amongst other pertinent experts to lead and guide the Company.

In the opinion of the Board, all the independent directors have fulfilled the conditions of the SEBI Listing Regulations and that they are independent of the Company's management.

The major skills/competencies/expertise and the directorships held by the Directors in other listed companies are summarized below:

Name of Directors	Directorship held in	Category of Directorship	Skills/Expertise
Shri M M Dhanuka	I G Petrochemicals Ltd.	Non-Executive, Chairman	Chemical Industries, sales, marketing, procurement, commercial, board governance and compliance, production and technical, project setup, general management
Shri Nikunj Dhanuka	I G Petrochemicals Ltd.	Managing Director & CEO	Finance, Banking, Chemical Industries, Operations and Management, Risk assessment and mitigation, business development, corporate strategy and planning
Shri S N Maheshwari	-	-	Audit, accounts, taxation and financial management
Shri Anil Kochar	Linc Ltd.	Non-Executive & Independent	Audit, accounts, taxation and legal
Shri Shrikant Somani	-	-	Industry knowledge and experience, strategic planning, leadership and operational
Smt. Uma Acharya	Everest Kanto Cylinder Ltd.	Non-Executive & Independent	Intellectual property law, corporate law and governance

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

None of the Directors of the Company are related to each other.

Audit Committee

The composition of the Audit Committee consists majorly of independent directors with diverse experience and Chairman possessing expertise in finance, accounts and taxation.

The meetings of the Committee are held at regular intervals. The terms of reference are governed by Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. It acts as an additional layer of governance for the Board of Directors in providing 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, related party transactions, reviewing the adequacy and evaluation of internal financial controls, etc.

The Audit Committee met four times during the year i.e., on 8th June, 2021, 7th August, 2021, 12th November, 2021 and 10th February, 2022.

The Composition of the Audit Committee and the details of the participation of the members at the meeting held during the year are given below:

Name of the Members	Position	Category	Number of Meetings	
			Held	Attended
Shri Anil Kochar	Chairman	Non-Executive & Independent	4	4
Shri Nikunj Dhanuka	Member	Non-Executive	4	3
Shri Shrikant Somani	Member	Non-Executive & Independent	4	4

The Company Secretary acts as the Secretary of the Committee. Statutory Auditors are invitees to the meeting.

The Chairman of Audit Committee was present at the last annual general meeting held.

NOMINATION AND REMUNERATION COMMITTEE

In terms of provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Board has constituted the 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.

All members of the Committee are non-executive with majority of them being independent. During the year, two meetings was held on 8th June, 2021 and 10th February, 2022 and all the members of the committee were present at the meeting.

The Composition of the Nomination and Remuneration Committee are given below:

Name of the Members	Position	Category
Shri Shrikant Somani	Chairman	Non-Executive & Independent
Shri Anil Kochar	Member	Non-Executive & Independent
Shir S N Maheshwari	Member	Non-Executive

The Company Secretary acts as the Secretary of the Committee.

Performance evaluation criteria of the Board of Directors

The criteria for the evaluation of directors are determined by the Nomination and Remuneration Committee in accordance with the provisions of the Act and the SEBI Listing Regulations on the basis of discussion amongst the Directors covering all aspects of the functioning of the Board and the Committees. The evaluation criteria provide for different parameters for the evaluation of the performance of the Board, its committees and Directors. The criteria for evaluation covers areas such as functioning of the Board/Committees, discharge of key responsibilities, Board governance, attendance at the meetings, independence of judgement exercised by the Directors, etc.

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance as well as the working of its Audit, Nomination & Remuneration and Stakeholder's Relationship Committee.

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 balanced pay reflecting short and long-term performance objectives to the working.

The non-executive directors of the Company are entitled 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.

Mysore Petro Chemicals Limited

The details of the sitting fees paid to Non-Executive Directors are given below: -

Name	₹ in lakhs
Shri Nikunj Dhanuka	1.35
Shri S N Maheshwari	1.45
Shri Anil Kochar	1.90
Shri Shrikant Somani	1.90
Smt. Uma Acharya	1.35

Details of Remuneration of Shri M M Dhanuka, Managing Director:

	₹ in lakhs
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	173.27
Perquisites	0.40
Total	173.67

The payment of remuneration to Managing Director is as per his terms of appointment agreed with the Company subject to the same being within the overall limits as prescribed under the Act. There are no performance-linked incentives or severance fees payable to the Directors. The Company has not granted Stock Option either to Directors or its employees.

The terms of appointment of the Managing Director provide that the appointment may be terminated by either party by giving to the other party three months' notice of such termination or the Company paying three months remuneration in lieu thereof.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee meets as and when required and reviews all matters relating to the resolution of the investor's grievances viz. transmission of shares, non-receipt of annual reports, 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 Share Transfer Agent (RTA) administered under the supervision of the Company Secretary and a periodical report on the same is being presented before the Committee.

Members of the committee met once during the year on 10th February, 2022 and all the members of the committee were present at the meeting.

The details of the composition of Committee and complaints during the year are given below:

Name of the Members	Position	Category	No. of complaints received	No. of complaints resolved	No. of complaints pending
Smt. Uma Acharya	Chairperson	Non-Executive & Independent	0	0	0
Shri Nikunj Dhanuka	Member	Non-Executive			
Shri S N Maheshwari	Member	Non-Executive			

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

General Body Meeting

a. Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolutions
2018-19	29 th August, 2019	12.30 p.m.	Hotel Ajanta, Rohini Hall, 22-A, M G Road, Ashok Nagar, Bengaluru - 560 001.	<ol style="list-style-type: none"> 1. Re-appointment of Shri Anil Kochar as an Independent Director 2. Re-appointment of Shri Shrikant Somani as an Independent Director 3. Re-appointment of Smt. Uma Acharya as an Independent Director
2019-20	29 th September, 2020	2:00 p.m.	Through VC/OAVM	—
2020-21	5 th August, 2021	3:00 p.m.	Through VC/OAVM	Re-appointment of Shri M M Dhanuka as Managing Director.

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

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 Samyukta Karnataka, (Bengaluru edition). The financial results are uploaded on the website of the Company www.mysorepetro.com.

General Information to Shareholders

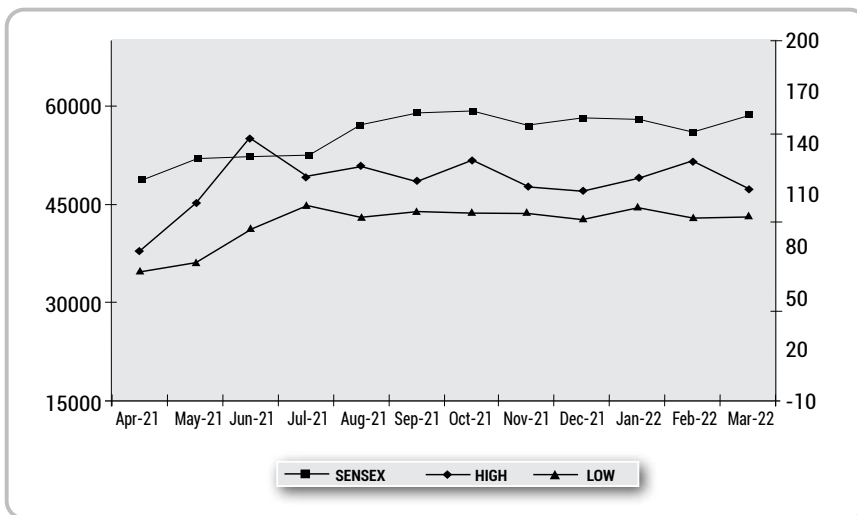
Day, Date and Time of Annual General Meeting	Tuesday, 27 th September, 2022 at 2:30 pm through VC / OAVM
Financial year	1 st April to 31 st March
Dividend Payment Date	On or after 4 th October, 2022
Listing on stock exchange and stock exchange code	BSE Ltd. Code: 506734 The listing fees for the year 2022-23 have been paid to the Stock Exchange
ISIN Code	INE741A01011
Date of Book Closure	21 st September, 2022 to 23 rd September, 2022
Registrar and Share Transfer Agents	M/s Bigshare Services Pvt. Ltd., Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 Tel: 022-62638200 • Fax: 022-62638299 • E-mail: investor@bigshareonline.com
Share Transfer System	By the Registrars & Share Transfer Agents
Dematerialization of shares and liquidity	97.62% of the shares are held in dematerialized form as at 31 st March, 2022
Address for correspondence	401-404, Raheja Centre, 214, Nariman Point, Mumbai - 400 021 Phone: +91-22-40586100 • E-mail- mpcl@mysorepetro.com

Mysore Petro Chemicals Limited

MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2022 (MONTH-WISE)

Month	Bombay Stock Exchange (BSE)	
	High (₹)	Low (₹)
April	78.65	66.60
May	105.40	71.05
June	142.50	91.10
July	121.20	104.65
August	127.35	96.65
September	118.00	100.30
October	129.80	100.00
November	115.00	100.00
December	112.70	96.35
January	120.50	103.00
February	130.00	97.40
March	114.00	98.60

PERFORMANCE OF MPCL SHARE PRICE IN COMPARISON WITH BSE SENSEX



Distribution of shareholding as at 31st March, 2022

Shareholding	No. of shareholders	% to total	No. of shares	% to total
1 – 500	5,426	94.27	5,15,223	7.83
501 – 1000	169	2.94	1,30,715	1.99
1001 – 2000	75	1.30	1,10,831	1.68
2001 – 3000	29	0.50	72,130	1.10
3001 – 4000	11	0.19	39,575	0.60
4001 – 5000	9	0.16	41,701	0.63
5001 – 10000	18	0.31	1,30,504	1.98
10001 and above	19	0.33	55,42,809	84.19
Total	5,756	100.00	65,83,488	100.00

Other Disclosures

- a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

There were no material related party transactions which could have had potential conflict with the interest of the Company at large.

- b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange or the Board or any statutory authority, on any matter related to capital markets, during the last three years.

No penalties or strictures were imposed by the stock exchange or SEBI or any other statutory authority during the last three years.

- c. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee

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.

During the year, no employee has been denied access to the Audit Committee.

- d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

The Company complies 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.

- e. Web link where policy for determining 'material' subsidiaries is disclosed

The Company do not have any subsidiary.

- f. Web link where policy on dealing with related party transactions

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

- g. Disclosure of commodity price risks and commodity hedging activities – NIL

Mysore Petro Chemicals Limited

- h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Not applicable
- i. Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority
The certificate forms part of this report.
- j. Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof – None
- k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part
- | | |
|---------------------------|----------------|
| Audit Fees | – ₹ 5.00 lakhs |
| Reimbursement of Expenses | – ₹ 0.05 lakhs |
| Total | – ₹ 5.05 lakhs |
- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
No complaints pertaining to sexual harassment of women employees were received during the year.
- m. Disclosure of loans/ advances in which Directors are interested. – Not Applicable.
- n. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed – Nil
- o. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted – Given above
- p. Disclosure with respect to demat suspense account /unclaimed suspense account – Not applicable

The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI Listing Regulations.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Mysore Petro Chemicals Limited
D-4, Jyothi Complex,
134/1, Infantry Road,
Bengaluru - 560 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mysore Petro Chemicals Limited having CIN L24221KA1969PLCO01799 and having registered office at D- 4, Jyothi Complex, 134/1, Infantry Road, Bangalore - 560 001 (hereinafter referred to as "the Company") produced before us by the Company, for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Madan Mohan Dhanuka	00193456	14/09/1982
2	Nikunj Dhanuka	00193499	28/09/1996
3	Satyanarayan Bankatlal Maheshwari	00193540	19/11/2001
4	Anil Kochar	00943161	12/07/2008
5	Shrikant Shreeniwas Somani	00085039	22/05/2009
6	Uma Achyut Acharya	07165976	25/05/2015

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Martinho Ferrao & Associates
Company Secretaries

Martinho Ferrao
Proprietor

FCS No. 6221

CP No. 5676

UDIN F006221D000357748

Mumbai, 26th May, 2022

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 declaration for the year ended 31st March, 2022 confirming their compliance of the same.

Mumbai, 26th May, 2022

M M Dhanuka
Managing Director
DIN 00193456

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of

Mysore Petro Chemicals Limited

D-4, Jyothi Complex, 134/1, Infantry Road,
Bengaluru - 560 001, Karnataka

We have examined the compliance of the conditions of Corporate Governance **Mysore Petro Chemicals Limited** ('the Company') for the year ended on 31st March, 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the year ended 31st March 2022.

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.

For and on behalf of
Martinho Ferrao & Associates
Company Secretaries

Martinho Ferrao
Proprietor

FCS No. 6221

CP No. 5676

UDIN FO06221D000357761

Mumbai, 26th May, 2022

STANDALONE
FINANCIAL
STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Members of
Mysore Petro Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Mysore Petro Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31st March, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Valuation of Investment</p> <p>Refer Note 1 (k), 4 and 7 of standalone financial statements</p> <p>The Company has investment (current and non-current) balance of ₹ 8,084.28 lakhs out of total assets of ₹ 10,167.32 lakhs as at 31st March, 2022. The Company has invested surplus funds available in equity instruments, preference shares, debt and mutual funds/alternate investment funds.</p>	<p>Our audit procedures included:</p> <ol style="list-style-type: none"> 1) Tested the design and operating effectiveness of the key controls over the accuracy of the key inputs and assumptions considered by the Company with respect to the valuation of Investments. 2) Obtained understanding of the investee business and the market in which it operates.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>The units in mutual funds/alternate investment funds are valued based on Net asset value per unit of the respective fund. The Fair value of unquoted equity, preference shares and debentures are determined using valuation approach/ methodology. The valuation approach / methodology adopted by the management involve significant judgment as regards the methods and inputs used.</p> <p>Given the value of transaction executed by the Company for its treasury operations throughout the year and considering factors for fair valuation, we determined valuation of investments as a key audit matter of our audit.</p>	<p>3) Compared the number of units and names of equity instruments, preference shares, debt and mutual funds to the statements and confirmations provided by the experts and traced the NAV/market value from statement issued by the experts.</p> <p>4) Obtained and reviewed valuation report by the valuation expert, and assessed the expert's competence, capability and objectivity.</p> <p>5) Assessed the appropriateness, accuracy and adequacy of the related presentation and disclosures in accordance with the applicable accounting standards.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report including Annexures to Director's Report and Report on Corporate Governance but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Director's Report including Annexures to Director's Report and Report on Corporate Governance, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Director's Report including Annexures to Director's Report and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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

Mysore Petro Chemicals Limited

financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (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 financial statements – Refer Note 27 to the standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 27 to the standalone financial statements).

- 3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN 22159694AJQXRJ3492

Mumbai
26th May, 2022

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended 31st March, 2022 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Ankush Agrawal
Partner

Membership No. 159694

UDIN 22159694AJQXRJ3492

Mumbai
26th May, 2022

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MYSORE PETRO CHEMICALS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2022

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

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified 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 as disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) The Company did not have any inventory as at the year ended 31st March, 2022. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company has not been sanctioned working capital limits. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) 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.
- 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, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess have generally been regularly deposited with the appropriate authorities.
According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

Mysore Petro Chemicals Limited

- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of sales tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Karnataka Special Entry Tax Act, 2004	Sales Tax	23.98	2008-09	Karnataka High Court

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) to (c) and sub clause (f) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion, according to the information explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its securities, or associate company.
- x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) 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, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) 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 nor on the Company.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended 31st March, 2022, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.
- 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) (a) to (c) 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 standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports issued by internal auditors during our audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. (a) 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)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 xvi (d) of the order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.
- xxi. The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.: 105047W

Ankush Agrawal

Partner

Membership No. 159694

UDIN 22159694AJQXRJ3492

Mumbai
26th May, 2022

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

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Mysore Petro Chemicals Limited on the Financial Statements for the year ended 31st March, 2022]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Mysore Petro Chemicals Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to standalone financial statements 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").

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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in 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 with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.: 105047W

Ankush Agrawal

Partner

Membership No. 159694

UDIN 22159694AJQXRJ3492

Mumbai
26th May, 2022

Mysore Petro Chemicals Limited

Standalone Balance Sheet as at 31st March, 2022

₹ in lakhs

Particulars	Notes	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	152.64	188.33
Investment Properties	3	1,424.00	1,319.07
Financial Assets			
Investments	4	6,251.38	3,871.50
Other Financial Assets	5	72.64	994.04
Other Non-Current Assets	6	77.43	69.52
Total Non-Current Assets		7,978.09	6,442.46
Current Assets			
Financial Assets			
Investments	7	1,832.90	558.64
Trade Receivables	8	168.36	485.56
Cash and Cash Equivalents	9	56.30	144.46
Bank balances other than Cash and Cash Equivalents	10	34.90	34.11
Other Financial Assets	11	58.36	1,681.96
Other Current Assets	12	38.41	2.87
Total Current Assets		2,189.23	2,907.60
Total Assets		10,167.32	9,350.06
EQUITY AND LIABILITIES			
Equity			
Share Capital	13	658.76	658.76
Other Equity	14	8,878.87	8,133.18
Equity attributable to owners of the Company		9,537.63	8,791.94
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	15	186.71	166.63
Provisions	16	12.53	9.98
Deferred Tax Liabilities (Net)	25	128.86	28.48
Total Non-Current Liabilities		328.10	205.09
Current Liabilities			
Financial Liabilities			
Trade Payables	17		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		65.38	116.66
Provisions	18	129.20	124.12
Other Current Liabilities	19	107.01	112.25
Total Current Liabilities		301.59	353.03
Total Equity and Liabilities		10,167.32	9,350.06
Significant Accounting Policies	1		
Notes on Financial Statements	2-44		

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

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

Ankush Agrawal
Partner
Membership No. 159694
Mumbai
26th May, 2022

M M Dhanuka
Managing Director
DIN 00193456
Nilesh Panchal
Chief Financial Officer

Uma Acharya
Director
DIN 07165976
Labdhi Shah
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31st March, 2022

₹ in lakhs

Particulars	Notes	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
INCOME			
Revenue from Operations	20	2,089.98	2,284.06
Other Income	21	1,425.65	988.20
Total Income		3,515.63	3,272.26
EXPENSES			
Purchase of Traded Goods		1,988.76	2,154.92
Employee Benefits Expense	22	238.93	222.34
Finance cost	23	25.64	34.09
Depreciation Expense	2 & 3	59.44	60.15
Other Expenses	24	137.68	121.86
Total Expenses		2,450.45	2,593.36
Profit before exceptional Items and tax		1,065.18	678.90
Exceptional Items			
Investment written off (Refer Note 37)		-	(694.69)
Profit/(Loss) before Tax		1,065.18	(15.79)
Tax Expense	25		
Current Tax		89.66	102.42
Deferred Tax		100.38	(16.15)
Total Tax Expense		190.04	86.27
Profit/(Loss) after Tax		875.14	(102.06)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of Defined Benefit Plan		2.96	3.42
Income tax effect		(0.74)	(0.86)
Total Other Comprehensive Income (Net of Tax)		2.22	2.56
Total Comprehensive Income for the year		877.36	(99.50)
Earning Per share	26		
Face value ₹ 10 per Equity Share (Previous year ₹ 10 each)			
Basic and Diluted earnings per share			
Before exceptional Items		13.29	9.00
After exceptional Items		13.29	(1.55)
Significant Accounting Policies	1		
Notes on Financial Statements	2-44		

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694

Mumbai
26th May, 2022

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

M M Dhanuka
Managing Director
DIN 00193456

Nilesh Panchal
Chief Financial Officer

Uma Acharya
Director
DIN 07165976

Labdhi Shah
Company Secretary

Mysore Petro Chemicals Limited

Statement of Changes in Equity for the year ended 31st March, 2022

(A) Equity Share Capital

₹ in lakhs

Particulars	As at	
	31 st March, 2022	31 st March, 2021
Equity Share Capital		
Opening Balance	658.76	658.76
Changes in Equity Share Capital	—	—
Closing Balance	658.76	658.76

(B) Other Equity

₹ in lakhs

Particulars	Reserves and Surplus				Total Other Equity
	Securities Premium	General Reserve	Amalgamation Reserve	Retained Earning	
As at 1st April, 2020	398.89	280.01	37.50	7,647.95	8,364.35
Loss for the Year	-	-	-	(102.06)	(102.06)
Other Comprehensive Income (net of tax)	-	-	-	2.56	2.56
Dividend	-	-	-	(131.67)	(131.67)
As at 31st March, 2021	398.89	280.01	37.50	7,416.78	8,133.18
Profit for the Year	-	-	-	875.14	875.14
Other Comprehensive Income (net of tax)	-	-	-	2.22	2.22
Dividend	-	-	-	(131.67)	(131.67)
Balance as at 31st March, 2022	398.89	280.01	37.50	8,162.47	8,878.87

The nature of reserves are as follows:

- (i) **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
- (ii) **General Reserve** : General Reserve is used from time to time to transfer profit from retained earnings for Appropriation purposes.
- (iii) **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.
- (iv) **Retained Earnings** : The amount can be utilised by the Company to distribute as dividend to its equity shareholders.

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694

Mumbai
26th May, 2022

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

M M Dhanuka
Managing Director
DIN 00193456

Nilesh Panchal
Chief Financial Officer

Uma Acharya
Director
DIN 07165976

Labdhi Shah
Company Secretary

Standalone Statement of Cash Flow for the year ended 31st March, 2022

₹ in lakhs

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
A. OPERATING ACTIVITIES		
Profit/ (Loss) before tax	1,065.18	(15.79)
Depreciation Expenses	59.44	60.15
Investment written off	-	694.69
(Profit)/ Loss on Sale of Investment	(66.40)	-
(Profit)/ Loss on Fair Value of Investment	(508.56)	(267.39)
Interest Expense	25.64	34.09
Interest Income	(227.34)	(357.78)
Dividend Income	(367.75)	(118.63)
OPERATING PROFIT /(LOSS) BEFORE WORKING CAPITAL CHANGES	(19.79)	29.34
Working Capital Adjustments:		
Decrease in Trade Payables and other payables	(51.49)	(69.84)
Increase /(Decrease) in Trade Receivables	317.21	(412.76)
Increase in Loans and Advances	(400.22)	(15.73)
Total	(134.50)	(498.33)
CASH GENERATED FROM OPERATIONS	(154.29)	(468.99)
Direct Taxes Paid (Net of refunds)	(13.04)	(28.20)
NET CASH USED IN OPERATING ACTIVITIES	(167.33)	(497.19)
B. INVESTING ACTIVITIES :		
Purchase of Property, Plant and Equipment and Investment Property	(128.68)	(0.65)
Payment received towards slum sale of earlier years	2,549.01	1,040.72
Purchase of Investments	(3,079.18)	(957.32)
Investments in Fixed Deposits and Banks	(0.79)	(3.96)
Interest Received	502.74	374.87
Dividend Received	367.75	118.63
NET CASH FLOW FROM INVESTING ACTIVITIES	210.85	572.29
C. FINANCING ACTIVITIES		
Dividend Paid on equity shares	(131.68)	(128.64)
NET CASH USED IN FINANCING ACTIVITIES	(131.68)	(128.64)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(88.16)	(53.54)
Add: Cash and Cash Equivalents at the beginning of the year	144.46	198.00
Cash and Cash Equivalents at the end of the year (Refer Note No. 9)	56.30	144.46

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013.

As per our attached report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

Mumbai

26th May, 2022

For and on behalf of the Board of Directors

Mysore Petro Chemicals Limited

M M Dhanuka

Managing Director

DIN 00193456

Nilesh Panchal

Chief Financial Officer

Uma Acharya

Director

DIN 07165976

Labdhi Shah

Company Secretary

Mysore Petro Chemicals Limited

Note - 1 :

Significant Accounting Policies

a. General Information:

Mysore Petro Chemicals Limited ("the Company") CIN L24221KA1969PLC001799 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 Phthalic Anhydride Maleic Anhydride and other chemicals. The equity shares of the Company is listed on BSE and the scrip code No. is 506734.

b. Basis of preparation:

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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in Lakhs or decimal thereof unless otherwise specified.

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

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.

Judgment, estimates and assumptions are required in particular for:

(i) Recognition and measurement of defined benefit obligations

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

(ii) Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

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

Mysore Petro Chemicals Limited

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 Act.

Freehold land is not depreciated.

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.

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 Act. 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

Mysore Petro Chemicals Limited

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 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.

Derecognition 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 Assets

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 month 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.

I. 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:

Ind AS 115 "Revenue from contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- A) Identify the contracts with a customer .
- B) Identify the performance obligations.
- C) Determine the transaction price;
- D) Allocate the transaction price to the performance obligations,
- E) Recognise revenue when or as an entity satisfies performance obligation.

Mysore Petro Chemicals Limited

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and allowances, trade discounts and volume rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Interest Income

Interest income is recognized on accrual basis.

Dividend Income

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

Insurance Claims

Insurance claim receivable is accounted for when amount of claim is finalized by insurance company.

n. Retirement and Other Employee Benefits:

a) Defined Contribution Plan

The Company contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

b) Gratuity (Unfunded Defined Benefit Scheme)

The Company provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the OCI for the period in which they occur.

c) Compensated absences (Defined Benefit Scheme)

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 recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill

or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

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 :

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease.

The Company assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (low-value leases). For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by

Mysore Petro Chemicals Limited

the Company, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Company measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Company measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

Company as a Lessor

In arrangements where the Company is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

t. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 2 : Property, Plant and Equipment

Particulars	Freehold Land	Roads and Drains	Buildings	Railway Siding	Furniture and Office Equipment	Vehicles	Total
							₹ in lakhs
Gross Carrying Amount							
As at 1st April, 2020	14.77	20.76	144.76	5.13	192.58	145.34	523.34
Additions	-	-	-	-	0.65	-	0.65
Disposal	-	-	-	-	-	-	-
As at 31st March, 2021	14.77	20.76	144.76	5.13	193.23	145.34	523.99
Additions	-	-	-	-	0.39	-	0.39
Disposal	-	-	-	-	-	-	-
As at 31st March, 2022	14.77	20.76	144.76	5.13	193.62	145.34	524.38
Accumulated Depreciation							
As at 1st April, 2020	-	20.76	88.70	5.13	84.07	99.87	298.53
Depreciation for the year	-	-	2.23	-	15.18	19.72	37.13
Disposal	-	-	-	-	-	-	-
As at 31st March, 2021	-	20.76	90.93	5.13	99.25	119.59	335.66
Depreciation for the year	-	-	2.23	-	15.37	18.48	36.08
Disposal	-	-	-	-	-	-	-
As at 31st March, 2022	-	20.76	93.16	5.13	114.62	138.07	371.74
Net Carrying Amount							
As at 31 st March, 2021	14.77	-	53.83	-	93.98	25.75	188.33
As at 31st March, 2022	14.77	-	51.60	-	79.00	7.27	152.64

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 3 : Investment Properties

Particulars	₹ in lakhs
Gross Carrying Amount	
Cost as at 1 st April, 2020	1,454.82
Additions	-
Disposals	-
As at 31st March, 2021	1,454.82
Additions	128.29
Disposals	-
As at 31st March, 2022	1,583.11
Depreciation and Impairment	
As at 1 st April, 2020	112.73
Depreciation charge for the year	23.02
Disposals	-
As at 31st March, 2021	135.75
Depreciation charge for the year	23.36
Disposals	-
As at 31st March, 2022	159.11
Net Carrying Amount	
As at 31 st March, 2021	1,319.07
As at 31st March, 2022	1,424.00

Particulars	₹ in lakhs	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Rental Income	255.60	244.40
Profit from Investment properties before Depreciation and Impairment	255.60	244.40
Depreciation and Impairment	23.36	23.02
Profit from Investment Properties	232.24	221.38

Note: The fair value of investment properties as on 31st March, 2022 is ₹ 3,967 lakhs (Previous year - ₹ 3,639 lakhs)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 4 : Non Current Investments

Particulars	Numbers	As at 31 st March, 2022	₹ in lakhs	
			Numbers	As at 31 st March, 2021
(A) Unquoted				
i. In Equity Instrument [At Fair Value]				
Equitylevers World Private Limited (Fully paid-up of ₹ 10 each)	6,173	154.26	6,173	154.26
Blue Lotus International Limited (Fully Paid up of GBP 1 each)	–	–	20	694.69
Investment Written Off	–	–	–	(694.69)
ii. In Equity Instrument [At Fair Value]				
The Saraswat Co. Op. Bank Limited (Fully paid-up of ₹ 10 each)	2,500	0.25	2,500	0.25
Maruti Suzuki India Limited (Fully paid-up of ₹ 10 each)	–	–	3,415	234.24
Powergrid Infrastructure Investment Trust (Fully paid-up of ₹ 100 each)	216,700	290.16	–	–
iii. In Debentures (At Amortised Cost)				
DBS Bank India Limited (Fully paid-up) [₹ 10,00,000 each]	2	20.00	2	20.00
iv. In Debentures [At Fair Value]				
IIFL Wealth Finance Limited [₹ 10,00,000 each]	50	500.00	–	–
L&T IDF Market Inked [₹ 10,00,000 each]	25	292.68	25	268.25
Embassy Property Developments Private Limited [₹ 9,80,000 each]	50	541.35	–	–
Aventus Finance Private Limited [₹ 10,00,000 each]	50	532.09	–	–
Motilal Oswal Finance Services Limited [₹ 10,00,000 each]	50	514.60	–	–
v. In Alternate Investment Fund - (Fully Paid up) [At Fair Value]				
Edelweiss Infrastructure Yield Plus (₹ 10,000 each)	5,375	744.81	5,375	628.51
Edelweiss Infrastructure - EISAF II Onshore Fund (₹ 10,000 each)	4,105	507.93	3,550	420.90
TVS Shriram Growth fund (₹ 1000 each)	21,500	371.04	21,500	215.00
BPEA Credit India Fund III scheme F (₹ 100 each)	75,000	75.34	–	–
Kotak Pre IPO Opportunities Fund (₹ 1,000 each)	32,475	348.11	–	–
vi. In Preference Shares [At fair value]				
7.50% Tata Capital Limited (Fully Paid up of ₹ 1,000 each)	49,500	531.84	49,500	535.02
10% Tata Motors Finance Limited (Fully Paid up of ₹ 100 each)	–	–	250,000	568.15
(B) Quoted (Associate entity)				
i. In Equity Instrument (Fully Paid - up of ₹ 10 each) - [At Cost]				
I G Petrochemicals Limited	4,075,000	826.92	4,075,000	826.92
Total		6,251.38		3,871.50
Aggregate amount of quoted Investments		1,117.08		1,061.16
Aggregate amount of market value of quoted Investment		28,841.65		17,112.89
Aggregate amount of unquoted Investments		5,134.30		2,810.34

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 5 : Other Non-Current Financial Assets

Particulars	₹ in lakhs	
	As at 31 st March, 2022	As at 31 st March, 2021
Receivable from Related Party (Refer Note 28)	–	919.00
Security deposits	72.64	72.64
Loans to Employees	–	2.40
Total	72.64	994.04

Note - 6 : Non-Current Assets

Income Tax (Net of Provision for Tax)	77.43	69.52
Total	77.43	69.52

Note - 7 : Current Investment

In Debentures [At Fair Value]		
IIFL Wealth Finance Limited -No. of Debentures Nil (Previous year 500) [₹ 1,00,000 each]	–	558.64
In Mutual Fund [At Fair Value]		
ICICI Prudential Floating Interest Fund-Growth -491491 (Previous year Nil) [₹ 100 each]	1,657.97	–
IIFL Special Opportunities Fund Series X -1749913 (Previous year Nil) [₹ 10 each]	174.93	–
Total	1,832.90	558.64

Note - 8 : Trade Receivables

(Refer Note 39)

(a) Considered good - Secured	–	–
(b) Considered good - Unsecured	168.36	485.56
(c) Significant Increase in Credit risk	–	–
(d) Credit Impaired	–	–
Total	168.36	485.56

Note - 9 : Cash and Cash Equivalents

Cash on hand	0.46	1.42
Balance with Banks	55.84	143.04
Total	56.30	144.46

Note - 10 : Bank Balances other than Cash and Cash Equivalents

Fixed deposits	15.45	14.65
Unclaimed Dividend Account	19.45	19.46
Total	34.90	34.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 11 : Other Current Financial Assets

(Unsecured, Considered Good)

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Receivable from Related Party (Refer Note 28)	–	1,630.01
Security deposit -others	30.57	30.57
Loans to Employees	4.20	2.40
Interest Receivable and others	23.59	18.98
Total	58.36	1,681.96

(Key Management Personnel is receivable of ₹ 1.80 lakhs (Previous year Nil))

Note - 12 : Other Current Assets

(Unsecured, Considered Good)

Advances given	37.98	1.69
Prepaid Expenses	0.43	1.18
Total	38.41	2.87

Note - 13 : Share Capital

A Authorised		
5,00,000 (Previous year - 5,00,000) Redeemable Cumulative preference shares of ₹ 100 each	500.00	500.00
1,00,00,000 (Previous year - 1,00,00,000) Equity shares of ₹ 10 each	1,000.00	1,000.00
Total	1,500.00	1,500.00
B Issued		
65,90,938 (Previous year - 65,90,938) Equity Shares of ₹ 10 each	659.09	659.09
C Subscribed and Paid up		
65,83,488 (Previous year- 65,83,488) Equity Shares of ₹ 10 each	658.35	658.35
Add: Amount paid up on 7,450 (Previous year- 7,450) Shares forfeited	0.41	0.41
Total	658.76	658.76
D Reconciliation of shares outstanding at the year end		
Equity shares at the beginning of the year	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

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.

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

F The details of Shares held by Promoters

Name of Promoters	% Changing	As at 31 st March, 2022		As at 31 st March, 2021	
	31 st March, 2022	Numbers	% Held	Numbers	% Held
Gembel Trade Enterprises Limited	–	769,020	11.68%	769,020	11.68%
Savita Investment Company Limited	–	1,309,503	19.89%	1,309,503	19.89%
Shekhavati Investment Corporation Limited	–	656,094	9.97%	656,094	9.97%
Vincent (India) Limited	–	846,365	12.86%	846,365	12.86%
Kamrup Enterprises Limited	–	801,499	12.17%	801,499	12.17%
Bihariji Construction (India) Limited	–	294,510	4.47%	294,510	4.47%
Kalimpong Produce Co Limited	–	4,800	0.07%	4,800	0.07%
Shogun Vinimay (P) Limited	–	4,633	0.07%	4,633	0.07%
Madan Mohan Dhanuka	–	60,900	0.93%	60,900	0.93%
Nikunj Dhanuka	–	180	0.00%	180	0.00%
Amishi Dhanuka	–	2,050	0.03%	2,050	0.03%
Umang Dhanuka	–	46,626	0.71%	46,626	0.71%
Mayank Dhanuka	–	9,125	0.14%	9,125	0.14%
	–	4,805,305	72.99%	4,805,305	72.99%

There are no other Shareholders holding more than 5%.

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

Particulars	₹ in lakhs	
	As at 31 st March, 2022	As at 31 st March, 2021
(i) Securities Premium Reserve	398.89	398.89
(ii) General Reserve	280.01	280.01
(iii) Amalgamation Reserve	37.50	37.50
(iv) Retained earnings		
Balance at the beginning of the year	7,390.29	7,624.02
Add: Profit/(Loss) for the year	875.14	(102.06)
Less: Appropriations		
Equity dividend	131.67	131.67
Total	8,133.76	7,390.29
(v) Other Comprehensive Income (OCI)		
Balance at the beginning of the year	26.49	23.93
Add : Movement during the year	2.22	2.56
	28.71	26.49
Total	8,878.87	8,133.18

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 15 : Other Non-Current Financial Liabilities

	₹ in lakhs	
Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Deposits from Related Party (Refer Note 28)	89.10	69.02
Deposits - Others	97.61	97.61
Total	186.71	166.63

Note - 16 : Non-Current Provisions

Provision for Leave Obligation	4.03	2.82
Provision for Gratuity	8.50	7.16
Total	12.53	9.98

Note - 17 : Trade Payables

(Refer Note 40)

(i) MSME	-	-
(ii) Others	65.38	116.66
(iii) Disputed dues - MSME	-	-
(iv) Disputed dues - Others	-	-
Total	65.38	116.66

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.

Note - 18 : Short Term Provisions

Provision for Leave Obligation	52.34	47.36
Provision for Gratuity	76.86	76.76
Total	129.20	124.12

Note - 19 : Other Current Liabilities

Advance from Customers	3.94	3.95
Unpaid Dividend	19.45	19.46
Statutory Dues	17.04	16.68
Other Liabilities	66.58	72.16
Total	107.01	112.25

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 20 : Revenue from Operation

(Refer Note 42)

Particulars	₹ in lakhs	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Sale of Products		
Traded Goods	2,089.98	2,275.06
Other Operational Revenues	–	9.00
Total	2,089.98	2,284.06

Note: Entire Revenue is within India

Note - 21 : Other Income

Interest Income on		
Bank Deposits	7.79	2.57
Investments	108.68	52.50
Others	110.87	302.71
Dividend Income	367.75	118.63
Profit on Fair value of Investment	508.56	267.39
Profit on Sale of Investment	66.40	–
Rental income on Investment properties	255.60	244.40
Total	1,425.65	988.20

Note - 22 : Employee Benefits Expense

Salaries, Wages and Bonus	215.02	190.46
Contribution to Provident and Other Funds	18.62	27.01
Gratuity expenses	4.40	4.10
Staff welfare expenses	0.89	0.77
Total	238.93	222.34

Note - 23 : Finance Cost

Unwinding interest impact of deposits	25.32	33.99
Bank Charges	0.32	0.10
Total	25.64	34.09

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 24 : Other Expenses

	₹ in lakhs	
Particulars	Year Ended 31st March, 2022	Year Ended 31 st March, 2021
Insurance Premium	1.18	1.39
Freight Outwards	44.85	50.85
Rent Paid	0.06	0.06
Rates and Taxes	9.02	11.83
Travelling and Conveyance	13.01	3.16
Communication cost	0.82	1.56
Legal and Professional fees	31.62	18.62
Service Charges	5.37	4.79
Donations	6.91	-
Directors Sitting Fees	7.95	9.25
Payment to Auditors (Refer Note (i) below)	5.05	5.13
Miscellaneous Expenses	11.84	15.22
Total	137.68	121.86

Note (i):

Payments to Auditors

Audit Fees	5.00	5.00
Reimbursement of Expenses	0.05	0.13
Total	5.05	5.13

Note - 25 : 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	113.26	102.42
Tax for earlier years	(23.60)	-
Total	89.66	102.42
Deferred Tax Benefit:		
Origination and reversal of temporary differences	100.38	(16.15)
Total	100.38	(16.15)
Income tax expense reported in the Statement of Profit or Loss	190.04	86.27
(ii) Income Tax (expense)/benefit recognised in OCI section		
Deferred Tax benefit on remeasurements of defined benefit plans	(0.74)	(0.86)
Income tax charged to OCI	(0.74)	(0.86)

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 25 : Tax Expense (Contd.)

Particulars	₹ in lakhs	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
B Reconciliation of tax expenses / (benefits) and the accounting profit multiplied by India's tax rates:		
Accounting Profit / (Loss) before tax	1,065.18	(15.79)
Income tax expenses calculated at corporate tax rate	268.08	(3.97)
Tax effect of adjustment to reconcile expected income tax expense to reported		
Effect of:		
Items not deductible for tax	1.74	-
Income taxed at different rate	(22.30)	95.37
Tax for earlier years	(23.60)	-
Other non-deductible expenses	(33.88)	(5.13)
Total	190.04	86.27

C The major components of Deferred Tax Liabilities / (Assets) on account of temporary differences are as follows:

Deferred tax relates to the following:

₹ in lakhs

Particulars	Balance Sheet	
	As at 31 st March, 2022	As at 31 st March, 2021
On Account of Depreciation	66.13	62.98
Employees Separation and Retirement Expense	(35.67)	(33.75)
Investment	101.87	2.08
Others	(3.47)	(2.83)
Net Deferred Tax Liabilities	128.86	28.48

₹ in lakhs

Particulars	Profit and Loss	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Depreciation	3.15	(2.98)
Employees Separation and Retirement Expense	(1.92)	3.34
Investment	99.79	(16.51)
Others	(0.64)	-
Deferred tax benefit	100.38	(16.15)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 26 : Basic and Diluted Earnings Per Share (EPS)

	₹ in lakhs	
Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Weighted average No. of Shares for calculating Basic and Diluted EPS	65,83,488	65,83,488
Profit before Exceptional Item (net of tax) [₹ in lakhs]	857.14	592.63
Profit after Exceptional Item (net of tax) [₹ in lakhs]	857.14	(102.06)
Basic and Diluted before Exceptional Item- in ₹	13.29	9.00
Basic and Diluted after Exceptional Item- in ₹	13.29	(1.55)

Note - 27 : Commitments and contingencies

	As at 31 st March, 2022	As at 31 st March, 2021
A Claims against the Company not acknowledged as debt		
Disputed taxation matter	23.98	23.98

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.

C Leases

Operating lease commitments – Company as lessor

The Company has entered into cancellable and non-cancellable operating leases on its commercial premises. These leases have terms of one to five years.

Rental income recognised by the Company during the year

	₹ in lakhs	
Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Cancellable operating lease	78.65	78.21
Non-Cancellable operating lease	176.95	166.19
Total	255.60	244.40
Within one year	164.93	154.18
After one year but not more than five years	288.63	453.56
More than five years	–	–
Total	453.56	607.74

E Proposed Dividend

The Board of Directors at its meeting held on 26th May, 2022 have recommended a final dividend ₹ 2.50/- (Rupees two and paise fifty only) per equity share of face value of ₹ 10/- each for the financial year ended 31st March, 2022. This amount to ₹ 164.59 lakhs .

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

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 28 : Related Party Disclosure

(A) List of related parties (as identified by management)

(i) Associate

I G Petrochemicals Limited

(ii) Key Management Personnel

Shri and Smt. M. M. Dhanuka - Managing Director

Mr. Nikunj Dhanuka - Director

Mr. Anil Kochar - Director

Mr. Shrikant Somani - Director

Smt. Uma Acharya - Director

Mr. S N Maheshwari - Director

Mr. Nilesh Panchal - Chief Financial Officer

Ms. Sejal Makwana - Company Secretary

(iii) Entity controlled by the close member of the key management personnel's family

Blue Lotus International Limited (Investment written off)

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

Transaction with related parties:

₹ in lakhs

Nature of Transaction	Relationship	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Purchase (including Taxes)	As referred in (A) (i) above	2,346.83	2,544.66
Interest Income	As referred in (A) (i) above	106.43	302.72
Rent Income (Including Taxes)	As referred in (A) (i) above	88.85	88.85
Director Sitting Fees	As referred in (A) (ii) above	7.95	9.25
Remuneration	As referred in (A) (ii) above	204.34	187.07
Investment Written Off	As referred in (A) (iii) above	-	694.69
Dividend Income	As referred in (A) (i) above	305.63	81.50

Outstanding balances with related parties:

₹ in lakhs

Particulars	Relationship	As at 31 st March, 2022	As at 31 st March, 2021
Other Financial Liabilities (Current+Non current)	As referred in (A) (i) above	89.10	69.02
Other Financial Assets (Current+Non current)	As referred in (A) (ii) above	1.80	-
Other Financial Assets (Current+Non current)	As referred in (A) (i) above	-	2,549.01

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 29 : Defined benefit obligation

I Gratuity

The Company has a unfunded gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age.

Particulars	As at 31 st March, 2022	₹ in lakhs As at 31 st March, 2021
(A) Defined Contribution Plans		
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss		
Employers' Contribution to Provident Fund, Family Pension Scheme and Employee Deposit Linked Insurance (Refer note 22)	18.62	27.01
(B) Defined benefit plans		
a) Gratuity payable to employees	—	—
b) Compensated absences for Employees	—	—
i) Actuarial assumptions		
Discount rate (per annum)	6.90%	6.57%
Rate of increase in Salary	4.00%	4.00%
Expected average remaining working lives of employees (years)	7.62 years	7.79 years
Attrition rate	5.00%	5.00%
ii) Changes in the present value of defined benefit obligation		
	Employee's gratuity fund	
Present value of obligation at the beginning of the year	83.92	83.24
Interest cost	3.04	2.98
Past service cost	—	—
Current service cost	1.36	1.12
Curtailments	—	—
Settlements	—	—
Benefits paid	—	—
Actuarial (gain)/ loss on obligations	(2.96)	(3.42)
Present value of obligation at the end of the year*	85.36	83.92
*Included in provision for employee benefits (Refer note 16 and 18)		
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	1.36	1.12
Past service cost	—	—
Interest cost	3.04	2.98
Expected return on plan assets	—	—
Actuarial (gain) / loss on obligations	—	—
Settlements	—	—
Curtailments	—	—
Total expenses recognized in the Statement Profit and Loss (Refer note 22)	4.40	4.10

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	85.36	83.92
Unrecognized actuarial (gains)/losses	–	–
Unfunded net asset / (liability) recognized in Balance Sheet*	85.36	83.92
*Included in provision for employee benefits (Refer note 16 and 18)		
v) A quantitative sensitivity analysis for significant assumption as at 31st March 2022 is as shown below:		
Impact on defined benefit obligation		
Discount rate		
1% increase	(0.54)	(0.54)
1% decrease	0.63	0.62
Rate of increase in salary		
1% increase	0.43	0.43
1% decrease	(0.46)	(0.46)
vi) Maturity profile of defined benefit obligation		
Year		
Apr 2021- Mar 2022	–	79.24
Apr 2022- Mar 2023	79.46	0.51
Apr 2023- Mar 2024	0.68	0.55
Apr 2024- Mar 2025	0.67	0.54
Apr 2025- Mar 2026	0.67	0.54
Apr 2026 onwards	7.09	5.40

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

Note - 30 : Category wise classification of Financial Instruments

₹ in lakhs

Particulars	Cost	Amortised Cost	Fair value through Profit and Loss Value
As at 31st March, 2022			
Financial Assets			
Trade Receivable	–	168.36	–
Investment	826.92	20.00	7,237.36
Cash and Cash Equivalents	–	56.30	–
Bank balances other than Cash and Cash Equivalents	–	34.90	–
Other financial assets	–	131.00	–
Total	826.92	410.56	7,237.36

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

₹ in lakhs

Particulars	Cost	Amortised Cost	Fair value through Profit and Loss Value
Financial Liabilities			
Trade Payable	—	65.38	—
Other financial Liabilities	—	186.71	—
Total	—	252.09	—
As at 31st March, 2021			
Financial Assets			
Trade Receivable	—	485.56	—
Investment	826.92	20.00	3,583.22
Cash and Cash Equivalents	—	144.46	—
Bank balances other than Cash and Cash Equivalents	—	34.11	—
Other financial assets	—	2,676.00	—
Total	826.92	3,360.13	3,583.22
Financial Liabilities			
Trade Payable	—	116.66	—
Other financial Liabilities	—	166.63	—
Total	—	283.29	—

Note - 31 : 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 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.

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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 Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Company is not exposed to foreign currency risk.

Note - 32 :

The operations at Phthalic Anhydride Plant at Raichur, Karnataka was closed since July 2013. The Workmen's union of the unit have raised certain additional demands and the matter has been referred to Industrial Tribunal, Hubballi, Karnataka by the Labour Department, Government of Karnataka which is pending. As the matter is subjudice, no provision has been made in this regard.

Note - 33 : 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 decision 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 - 34 :

The World Health Organization announced a global health emergency because of a new strain of corona virus ("Covid-19") and classified its outbreak as a pandemic on 11th March, 2020. On 24th March, 2020, the Indian government announced a strict 21-days lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on 24th March, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it's resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an assessment of the impact of Covid-19 on the Company's operations, financial performance and position as at and for the year ended 31st March, 2022 and has concluded that no there is no impact which is required to be recognised in the standalone financial statements. Accordingly, no adjustments have been made to the financial statements.

Note - 35 : Ind AS 116 - Leases:

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 36 : Fair value measurement

₹ in lakhs

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets measured at fair value through profit and loss				
As at 31st March, 2022				
Investment in Equity Shares	444.67	290.16	–	154.51
Investment in Debentures	2,380.72	–	2,380.72	–
Investment in Alternate Investment Fund	2,047.23	–	2,047.23	–
Investment in Preference shares	531.84	–	531.84	–
Investment in Mutual Funds	1,832.90	–	1,832.90	–
As at 31st March, 2021				
Investment in Equity Shares	388.75	234.24	–	154.51
Investment in Debentures	826.89	–	826.89	–
Investment in Alternate Investment Fund	1,264.41	–	1,264.41	–
Investment in Preference shares	1,103.17	–	1,103.17	–

Valuation technique used to determine fair value:

- (i) Level 2 investments are fair valued using net asset value on the basis of the statement received from investee party.
- (ii) The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

37 The Company has made the aggregate investment of GBP 770,000 (equivalent of ₹ 694.69 lakhs) in Blue Lotus International Limited ('Blue Lotus'), entity controlled by relative of the key management personnel, by way of purchase of shares constituting 15.27% of the equity capital of Blue Lotus. Due to prevailing economic condition and the Covid-19 that has caused severe disruption to the Blue Lotus business, the Company has received the letter from Blue Lotus on 16th September, 2020, which was issued by the Insolvency Practitioner and addressed to all the shareholder of Blue Lotus providing therein the circumstances that led to decision for liquidation of Blue Lotus. Basis the same, the Company has recorded the Impairment of Investments of ₹ 694.69 lakhs towards investment in equity shares of Blue Lotus International Limited and disclosed the same under Exceptional Item for the year ended 31st March, 2021.

38 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on 28th September, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13th November, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 39 : Trade Receivables

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment as on 31 March 2022					TOTAL	
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years		More than 3 years
(i) Undisputed Trade Receivables - considered good	168.21	0.03	0.01	—	0.01	0.10	168.36
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
(iv) Disputed Trade Receivables - considered good	—	—	—	—	—	—	—
(v) Disputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
Total	168.21	0.03	0.01	—	0.01	0.10	168.36

Particulars	Outstanding for following periods from due date of payment as on 31 March 2021					TOTAL	
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years		More than 3 years
(i) Undisputed Trade Receivables - considered good	440.29	43.50	0.12	1.55	0.10	—	485.56
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
(iv) Disputed Trade Receivables - considered good	—	—	—	—	—	—	—
(v) Disputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
Total	440.29	43.50	0.12	1.55	0.10	—	485.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 40 : Trade Payables

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment as on 31 st March 2022				TOTAL
	Not Due	Less than 6 months	1-2 years	2-3 years	
(i) MSME	-	-	-	-	-
(ii) Others	12.16	0.65	-	1.76	65.38
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	12.16	0.65	-	1.76	65.38

Particulars	Outstanding for following periods from due date of payment as on 31 st March 2021				TOTAL
	Not Due	Less than 6 months	1-2 years	2-3 years	
(i) MSME	-	-	-	-	-
(ii) Others	29.14	1.56	0.20	1.81	83.06
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	29.14	1.56	0.20	1.81	83.06

Note - 41 : Financial Ratio

Particulars	Numerator	Denominator	31 st March, 2022	31 st March, 2021	% Variance	Reason for variance >25%
Current Ratio	Current assets	Current liabilities	7.26	8.24	(11.86)	-
Debt- Equity Ratio	Borrowings+Interest Accrued	Total Equity	-	-	-	-
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	37.45	(0.23)	(16,429.74)	Better Profit & Lower Interest Cost & Investment written off during previous year
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	9.55%	(1.15%)	(933.38)	Higher Profit

Particulars	Numerator	Denominator	31 st March, 2022	31 st March, 2021	% Variance	Reason for variance >25%
Inventory Turnover Ratio	Cost of goods sold or sales	"Average Inventory Average inventory is (Opening + Closing balance /2)"	—	—	—	—
Trade Receivable Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	6.39	8.18	(21.87)	—
Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	21.85	12.97	68.42	Lower purchases on credit
Net Capital Turnover Ratio	Net Sales	Working Capital	1.11	0.89	23.83	—
Net Profit Ratio	Net profit	Net Sales	41.87%	(4.47%)	(1,037.07)	Higher Profit
Return on Capital employed	Earning before interest and taxes	Capital Employed	0.11	—	5,394.71	Higher Profit
Return on investment	$\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t)]\}$	17.67%	11.82%	49.49	Better Yield during the year

Note - 42 : Revenue from Operations

(a) Unsatisfied long term contracts:

There are no unsatisfied long term contracts / performance obligation that have impact on financial statements.

(b) Reconciliation of revenue recognised with contract price:

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Revenue from contract with customer with contracted price		
Gross revenue	2,089.98	2,284.06
Adjustment for:		
Less : Incentives offered to customers	—	—
Revenue from contract with customers	2,089.98	2,284.06

(c) Trade receivable and contract balances

The following table provides information about receivables and current liabilities from contracts with customers :

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Receivables, which are included in trade receivables	168.36	485.56
Advance from customers	3.94	3.95
Incentives payable to customers	—	—

Note - 43 : Other Statutory Information:

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search of survey or any other relevant provisions of the Income Tax Act, 1961) .
- 44** The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current years classification.

As per our attached report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

Mumbai

26th May, 2022

For and on behalf of the Board of Directors

Mysore Petro Chemicals Limited

M M Dhanuka

Managing Director

DIN 00193456

Nilesh Panchal

Chief Financial Officer

Uma Acharya

Director

DIN 07165976

Labdhi Shah

Company Secretary

CONSOLIDATED
FINANCIAL
STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Members of
Mysore Petro Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mysore Petro Chemicals Limited (hereinafter referred to as the "Company") and its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of report of other auditor on separate financial statements and on the other financial information of an associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company and its associate as at 31st March, 2022, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31st March, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Valuation of investments</p> <p>Refer Note 1 (m), 4 and 7 of standalone financial statements</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▪ Tested the design and operating effectiveness of the key controls over the accuracy of the key inputs and assumptions considered by the Company with respect to the valuation of Investments.

Mysore Petro Chemicals Limited

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>The Company has investments (current and non-current) balance of ₹ 8,084.28 lakhs out of total assets of ₹ 10,167.32 lakhs as at 31st March, 2022. The Company has invested surplus funds available in equity instruments, preference shares, debt and mutual funds/alternate investment funds.</p> <p>The units in mutual funds/alternate investment funds are valued based on net asset value per unit of the respective fund. The fair value of unquoted equity, preference shares and debentures are determined using valuation approach / methodology. The valuation approach / methodology adopted by the management involve significant judgment as regards the methods and inputs used.</p> <p>Given the value of transaction executed by the Company for its treasury operations throughout the year and considering factors for fair valuation, we determined valuation of investments as a key audit matter of our audit.</p>	<ul style="list-style-type: none"> ▪ Obtained understanding of the investee business and the market in which it operates. ▪ Compared the number of units and names of equity instruments, preference shares, debt and mutual funds to the statements and confirmations provided by the experts and traced the NAV/market value from statement issued by the experts. ▪ Obtained and reviewed valuation report by the valuation expert, and assessed the expert's competence, capability and objectivity. ▪ Assessed the appropriateness, accuracy and adequacy of the related presentation and disclosures in accordance with the applicable accounting standards.

The Key Audit Matters in relation to the associate reported by its auditors in its audit report have been re-produced as below:

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Capitalisation of Property, Plant and Equipment</p> <p>During the year ended 31st March, 2022, the Holding Company has incurred significant capital expenditure. Out of the total additions to Property, Plant and Equipment of ₹ 8,250.08 Lakhs, significant part of the capitalisation pertain to DEP plant. The plant has been successfully commissioned and capitalized during the year.</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment, specifically in relation to determination of trial run period and costs associated with trial runs for it to be ready for intended use.</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> ▪ Performing walk through of the capitalisation process and testing the design and operating effectiveness of the controls in the process. ▪ Assessing the nature of additions made to property, plant and equipment and capital work-in-progress on a test check basis and carry out testing to ensure that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16, including any such costs incurred specifically for trial run. ▪ Assessing that the borrowing cost capitalized (including foreign exchange to the extent it is considered as an adjustment to interest cost) is in accordance with the accounting policy of the Company.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	As a result, the aforesaid matter was determined to be a key audit matter	<ul style="list-style-type: none"> ▪ Reviewing the project completion certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Director's Report and Report on Corporate Governance, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Director's Report and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors 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 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associate are responsible for assessing the ability of the Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associate are responsible for overseeing the financial reporting process of the Company and of its associate.

Mysore Petro Chemicals Limited

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

The consolidated financial statements include the Company's share of net profit of ₹ 3,499.38 lakhs for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated 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 the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its associate company incorporated in India, none of the directors of the Company and its associate company incorporated in India are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associate – Refer Note 27 to the consolidated financial statements.

- ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts. Provision has been made by the associate company, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate company incorporated in India.
- iv.
 - (1) The respective Managements of the Company and its associate, which is a company incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditor of such associate respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associate to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (2) The respective Managements of the Company and its associate, which is a company incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditor of its associate respectively that, to the best of their knowledge and belief, no funds have been received by the Company or its associate from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company or its associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the associate which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. On the basis of our verification and on consideration of the report of the statutory auditor of associate that are Indian company under the Act, we report that:
 1. the final dividend paid by the Company and its associate during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 2. The Board of Directors of the Company and its associate have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 27 to the consolidated financial statements).
2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company and its associate to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

Mysore Petro Chemicals Limited

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Company and on consideration of CARO reports by statutory auditors of an associate included in the consolidated financial statements of the Company to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.: 105047W

Ankush Agrawal

Partner

Membership No.: 159694

UDIN 22159694AJQXYU3268

Place: Mumbai

Date: 26th May, 2022

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended 31st March, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.: 105047W

Ankush Agrawal

Partner
Membership No.: 159694
UDIN 22159694AJQXYU3268

Place: Mumbai

Date: 26th May, 2022

ANNEXURE B 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 of even date to the Members of Mysore Petro Chemicals Limited on the Consolidated Financial Statements for the year ended 31st March, 2022]

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Mysore Petro Chemicals Limited (hereinafter referred to as "the Company") and its associate company, which is a company incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company and its associate company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to consolidated financial statements 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").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in 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 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 with reference to consolidated financial statements of the company and its associate company, which is a company 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Company and its associate company, which is a company incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to its associate company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.: 105047W

Ankush Agrawal

Partner

Membership No.: 159694

UDIN 22159694AJQXYU3268

Place: Mumbai

Date: 26th May, 2022

Mysore Petro Chemicals Limited

Consolidated Balance Sheet as at 31st March, 2022

₹ in lakhs

Particulars	Notes	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	152.64	188.33
Investment Properties	3	1,424.00	1,319.07
Investment accounted for using the equity method		14,075.50	10,890.37
Financial Assets			
Investments	4	5,424.46	3,044.58
Other Financial Assets	5	72.64	994.04
Other Non-Current Assets	6	77.43	69.52
Total Non-Current Assets		21,226.67	16,505.91
Current Assets			
Financial Assets			
Investments	7	1,832.90	558.64
Trade Receivables	8	168.36	485.56
Cash and Cash Equivalents	9	56.30	144.46
Bank balances other than Cash and Cash Equivalents	10	34.90	34.11
Other Financial Assets	11	58.36	1,681.96
Other Current Assets	12	38.41	2.87
Total Current Assets		2,189.23	2,907.60
Total Assets		23,415.90	19,413.51
EQUITY AND LIABILITIES			
Equity			
Share Capital	13	658.76	658.76
Other Equity	14	18,798.29	15,667.16
Equity attributable to owners of the Company		19,457.05	16,325.92
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	15	186.71	166.63
Provisions	16	12.53	9.98
Deferred Tax Liabilities (Net)	25	3,458.02	2,557.95
Total Non-Current Liabilities		3,657.26	2,734.56
Current Liabilities			
Financial Liabilities			
Trade Payables	17		
Total outstanding dues of micro enterprises and small enterprises		–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises		65.38	116.66
Provisions	18	129.20	124.12
Other Current Liabilities	19	107.01	112.25
Total Current Liabilities		301.59	353.03
Total Equity and Liabilities		23,415.90	19,413.51
Significant Accounting Policies	1		
Notes on Financial Statements	2-45		

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W
Ankush Agrawal
Partner
Membership No. 159694
Mumbai
26th May, 2022

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

M M Dhanuka
Managing Director
DIN 00193456

Uma Acharya
Director
DIN 07165976

Nilesh Panchal
Chief Financial Officer

Labdhi Shah
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

₹ in lakhs

Particulars	Notes	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
INCOME			
Revenue from Operations	20	2,089.98	2,284.06
Other Income	21	1,120.02	906.70
Total Income		3,210.00	3,190.76
EXPENSES			
Purchase of Traded Goods		1,988.76	2,154.92
Employee Benefits Expense	22	238.93	222.34
Finance cost	23	25.64	34.09
Depreciation Expense	2 & 3	59.44	60.15
Other Expenses	24	137.68	121.86
Total Expenses		2,450.45	2,593.36
Profit before share profit of Associate and exceptional Items & Tax		759.55	597.40
Share of Profit of Associate		3,499.38	2,488.67
Exceptional Item			
Investment written off (Refer Note 38)		—	(694.69)
Profit before Tax		4,258.93	2,391.38
Tax Expense	25		
Current Tax		89.66	102.42
Deferred Tax		900.07	2,513.32
Total Tax Expense		989.73	2,615.74
Profit after Tax		3,269.20	(224.36)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of Defined Benefit Plan		2.96	3.42
Share of other comprehensive income of associate		(8.62)	8.63
Income tax effect		(0.74)	(0.86)
Total Other Comprehensive Income (Net of Tax)		(6.40)	11.19
Total Comprehensive Income for the Year		3,262.80	(213.17)
Earning Per share	26		
Face value ₹ 10 per Equity Share (Previous year ₹ 10 each)			
Basic and Diluted earnings per share			
Before exceptional Items		49.66	7.14
After exceptional Items		49.66	(3.41)
Significant Accounting Policies	1		
Notes on Financial Statements	2-45		

As per our attached report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

Mumbai

26th May, 2022

For and on behalf of the Board of Directors

Mysore Petro Chemicals Limited**M M Dhanuka**

Managing Director

DIN 00193456

Nilesh Panchal

Chief Financial Officer

Uma Acharya

Director

DIN 07165976

Labdhi Shah

Company Secretary

Mysore Petro Chemicals Limited

Consolidated Statement of Change in Equity for the year ended 31st March, 2022

(A) Equity Share Capital

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Equity Share Capital		
Opening Balance	658.76	658.76
Changes in Equity Share Capital	—	—
Closing Balance	658.76	658.76

(B) Other Equity

₹ in lakhs

Particulars	Reserves and Surplus				Total Other Equity
	Securities Premium	General Reserve	Amalgamation Reserve	Retained Earning	
As at 1st April, 2020	398.89	280.01	37.50	15,295.60	16,012.00
Loss for the Year	—	—	—	(224.36)	(224.36)
Other Comprehensive Income (net of tax)	—	—	—	11.19	11.19
Dividend	—	—	—	(131.67)	(131.67)
As at 31st March, 2021	398.89	280.01	37.50	14,950.76	15,667.16
Profit for the Year	—	—	—	3,269.20	3,269.20
Other Comprehensive Income (net of tax)	—	—	—	(6.40)	(6.40)
Dividend	—	—	—	(131.67)	(131.67)
Balance as at 31st March, 2022	398.89	280.01	37.50	18,081.89	18,798.29

The nature of reserves are as follows:

- (i) **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.
- (ii) **General Reserve** : General Reserve is used from time to time to transfer profit from retained earnings for Appropriation purposes.
- (iii) **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.
- (iv) **Retained Earnings**: The amount can be utilised by the Company to distribute as dividend to its equity shareholders.

As per our attached report of even date

For **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W
Ankush Agrawal
Partner
Membership No. 159694
Mumbai
26th May, 2022

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

M M Dhanuka
Managing Director
DIN 00193456
Nilesh Panchal
Chief Financial Officer

Uma Acharya
Director
DIN 07165976
Labdhi Shah
Company Secretary

Consolidated Statement of Cash Flow for the year ended 31st March, 2022

₹ in lakhs

Particulars	Year Ended	
	31 st March, 2022	31 st March, 2021
A. OPERATING ACTIVITIES		
Profit/ (Loss) before tax	4,258.93	2,391.38
Depreciation Expenses	59.44	60.15
Investment written off	-	694.69
(Profit)/ Loss on Sale of Investment	(66.40)	-
(Profit)/ Loss on Fair Value of Investment	(508.56)	(267.39)
Share of profit from Associates	(3,193.75)	(2,407.17)
Interest Expense	25.64	34.09
Interest Income	(227.34)	(357.78)
Dividend Income	(367.75)	(118.63)
OPERATING PROFIT /(LOSS) BEFORE WORKING CAPITAL CHANGES	(19.79)	29.34
Working Capital Adjustments:		
Decrease in Trade Payables and other payables	(51.49)	(69.84)
Increase /(Decrease) in Trade Receivables	317.21	(412.76)
Increase in Loans and Advances	(400.22)	(15.73)
Total	(134.50)	(498.33)
CASH GENERATED FROM OPERATIONS	(154.29)	(468.99)
Direct Taxes Paid (Net of refunds)	(13.04)	(28.20)
NET CASH USED IN OPERATING ACTIVITIES	(167.33)	(497.19)
B. INVESTING ACTIVITIES :		
Purchase of Property,Plant and Equipment and Investment Property	(128.68)	(0.65)
Payment received towards slum sale of earlier years	2,549.01	1,040.72
Purchase of Investments	(3,079.18)	(957.32)
Investments in Fixed Deposits and Banks	(0.79)	(3.96)
Interest Received	502.74	374.87
Dividend Received	367.75	118.63
NET CASH FLOW FROM INVESTING ACTIVITIES	210.85	572.29
C. FINANCING ACTIVITIES		
Dividend Paid on equity shares	(131.68)	(128.64)
NET CASH USED IN FINANCING ACTIVITIES	(131.68)	(128.64)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(88.16)	(53.54)
Add: Cash and Cash Equivalents at the beginning of the year	144.46	198.00
Cash and Cash Equivalents at the end of the year (Refer Note No. 9)	56.30	144.46

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act 2013.

As per our attached report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

Mumbai

26th May, 2022

For and on behalf of the Board of Directors

Mysore Petro Chemicals Limited

M M Dhanuka

Managing Director

DIN 00193456

Nilesh Panchal

Chief Financial Officer

Uma Acharya

Director

DIN 07165976

Labdhi Shah

Company Secretary

Mysore Petro Chemicals Limited

Note 1:

Significant Accounting Policies

a. General Information:

Mysore Petro Chemicals Limited ("the Company") CIN NO L24221KA1969PLC001799 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 are listed on BSE and the security no. is 506734.

b. Basis of preparation:

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 statements.

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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in lakhs or decimal thereof unless otherwise specified.

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

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.

Judgment, estimates and assumptions are required in particular for:

(i) Recognition and measurement of defined benefit obligations

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

(ii) Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

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

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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.

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 Act.

Freehold land is not depreciated.

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.

i. Intangible assets and goodwill policy of the associate:

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Computer software : 4 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Indefinite life intangibles mainly consist of brands/trademarks. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquiree's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any.

These assets are not amortised but are tested for impairment annually.

j. 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 Act. 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 Group 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.

k. 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.

l. 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.

m. 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.

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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 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 financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month 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.

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n. 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.

o. Revenue Recognition:

Ind AS 115 "Revenue from contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition .

- A) Identify the contracts with a customer .
- B) Identify the performance obligations.
- C) Determine the transaction price;
- D) Allocate the transaction price to the performance obligations,
- E) Recognise revenue when or as an entity satisfies performance obligation.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and allowances, trade discounts and volume rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Service Contract

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest Income

Interest income is recognized on accrual basis.

Dividend Income

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

Insurance Claims

Insurance claim receivable is accounted for when amount of claim is finalized by insurance company.

Export Incentive

Income from export incentives such as duty drawback and MEIS are recognized on accrual basis.

p. Retirement and Other Employee Benefits:

a) Defined Contribution Plan

The Group contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

b) Gratuity (Unfunded Defined Benefit Scheme)

The Group provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the OCI for the period in which they occur.

c) Compensated absences (Defined Benefit Scheme)

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.

q. 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').

r. 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 recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

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.

s. 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

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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.

t. Leases:

The Group has adopted Ind AS 116-Leases effective 1st April, 2019 using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

Group as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease.

The Group assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (low-value leases). For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by the Group, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Group measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Group's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Group measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows

from operating activities.

Group as a Lessor

In arrangements where the Group is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Group applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

u. 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.

v. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 2 : Property, Plant and Equipment

Particulars	Freehold Land	Roads and Drains	Buildings	Railway Siding	Furniture and Office Equipment	Vehicles	₹ in lakhs
							Total
Gross Carrying Amount							
As at 1st April, 2020	14.77	20.76	144.76	5.13	192.58	145.34	523.34
Additions	–	–	–	–	0.65	–	0.65
Disposal	–	–	–	–	–	–	–
As at 31st March, 2021	14.77	20.76	144.76	5.13	193.23	145.34	523.99
Additions	–	–	–	–	0.39	–	0.39
Disposal	–	–	–	–	–	–	–
As at 31st March, 2022	14.77	20.76	144.76	5.13	193.62	145.34	524.38
Accumulated Depreciation							
As at 1st April, 2020	–	20.76	88.70	5.13	84.07	99.87	298.53
Depreciation for the year	–	–	2.23	–	15.18	19.72	37.13
Disposal	–	–	–	–	–	–	–
As at 31st March, 2021	–	20.76	90.93	5.13	99.25	119.59	335.66
Depreciation for the year	–	–	2.23	–	15.37	18.48	36.08
Disposal	–	–	–	–	–	–	–
As at 31st March, 2022	–	20.76	93.16	5.13	114.62	138.07	371.74
Net Carrying Amount							
As at 31 st March, 2021	14.77	–	53.83	–	93.98	25.75	188.33
As at 31st March, 2022	14.77	–	51.60	–	79.00	7.27	152.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 3 : Investment Properties

Particulars	₹ in lakhs
Buildings	
Gross Carrying Amount	
Cost as at 1 st April, 2020	1,454.82
Additions	-
Disposals	-
As at 31st March, 2021	1,454.82
Additions	128.29
Disposals	-
As at 31st March, 2022	1,583.11
Depreciation and Impairment	
As at 1 st April, 2020	112.73
Depreciation charge for the year	23.02
Disposals	-
As at 31st March, 2021	135.75
Depreciation charge for the year	23.36
Disposals	-
As at 31st March, 2022	159.11
Net Carrying Amount	
As at 31 st March, 2021	1,319.07
As at 31st March, 2022	1,424.00

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Rental Income	255.60	244.40
Profit from Investment properties before Depreciation and Impairment	255.60	244.40
Depreciation and Impairment	23.36	23.02
Profit from Investment Properties	232.24	221.38

Note:

The fair value of investment properties as on 31st March, 2022 is ₹ 3,967 lakhs (Previous year - ₹ 3,639 lakhs).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 4 : Non Current Investments

Particulars	Numbers	As at 31 st March, 2022	₹ in lakhs	
			Numbers	As at 31 st March, 2021
(A) Unquoted				
i. In Equity Instrument [At Fair Value]				
Equitylevers World Private Limited (Fully paid-up of ₹ 10 each)	6,173	154.26	6,173	154.26
Blue Lotus International Limited (Fully Paid up of GBP 1 each)	—	—	20	694.69
Investment Written Off		—		(694.69)
ii. In Equity Instrument [At Fair Value]				
The Saraswat Co. Op. Bank Limited (Fully paid-up of ₹ 10 each)	2,500	0.25	2,500	0.25
Maruti Suzuki India Limited (Fully paid-up of ₹ 10 each)	—	—	3,415	234.24
Powergrid Infrastructure Investment Trust (Fully paid-up of ₹ 100 each)	216,700	290.16	—	—
iii. In Debentures (At Amortised Cost)				
DBS Bank India Limited (Fully paid-up) [₹ 10,00,000 each]	2	20.00	2	20.00
iv. In Debentures [At Fair Value]				
IIFL Wealth Finance Limited [₹ 10,00,000 each]	50	500.00	—	—
L&T IDF Market Inked [₹ 10,00,000 each]	25	292.68	25	268.25
Embassy Property Developments Private Limited [₹ 9,80,000 each]	50	541.35	—	—
Aventus Finance Private Limited [₹ 10,00,000 each]	50	532.09	—	—
Motilal Oswal Finance Services Limited [₹ 10,00,000 each]	50	514.60	—	—
v. In Alternate Investment Fund - (Fully Paid up) [At Fair Value]				
Edelweiss Infrastructure Yield Plus (₹ 10,000 each)	5,375	744.81	5,375	628.51
Edelweiss Infrastructure - EISAF II Onshore Fund (₹ 10,000 each)	4,105	507.93	3,550	420.90
TVS Shriram Growth fund (₹ 1000 each)	21,500	371.04	21,500	215.00
BPEA Credit India Fund III scheme F (₹ 100 each)	75,000	75.34	—	—
Kotak Pre IPO Opportunities Fund (₹ 1,000 each)	32,475	348.11	—	—
vi. In Preference Shares [At fair value]				
7.50% Tata Capital Limited (Fully Paid up of ₹ 1,000 each)	49,500	531.84	49,500	535.02
10% Tata Motors Finance Limited (Fully Paid up of ₹ 100 each)	—	—	250,000	568.15
Total		5,424.46		3,044.58
Aggregate amount of quoted Investments		290.16		234.24
Aggregate amount of market value of quoted Investment		290.16		234.24
Aggregate amount of unquoted Investments		5,134.30		2,810.34

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 5 : Other Non-Current Financial Assets

	₹ in lakhs	
Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Receivable from Related Party (Refer Note 28)	–	919.00
Security deposits	72.64	72.64
Loans to Employees	–	2.40
Total	72.64	994.04

Note - 6 : Non-Current Assets

Income Tax (Net of Provision for Tax)	77.43	69.52
Total	77.43	69.52

Note - 7 : Current Investment

In Debentures [At Fair Value]

IIFL Wealth Finance Limited -No. of Debentures Nil (Previous year 500) [₹ 1,00,000 each]	–	558.64
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In Mutual Fund [At Fair Value]

ICICI Prudential Floating Interest Fund-Growth -491491 (Previous year Nil) [₹ 100 each]	1,657.97	–
IIFL Special Opportunities Fund Series X -1749913 (Previous year Nil) [₹ 10 each]	174.93	–
Total	1,832.90	558.64

Note - 8 : Trade Receivables

(Refer Note 40)

(a) Considered good - Secured	–	–
(b) Considered good - Unsecured	168.36	485.56
(c) Significant Increase in Credit risk	–	–
(d) Credit Impaired	–	–
Total	168.36	485.56

Note - 9 : Cash and Cash Equivalents

Cash on hand	0.46	1.42
Balance with Banks	55.84	143.04
Total	56.30	144.46

Note - 10 : Bank Balances other than Cash and Cash Equivalents

Fixed deposits	15.45	14.65
Unclaimed Dividend Account	19.45	19.46
Total	34.90	34.11

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 11 : Other Current Financial Assets

(Unsecured, Considered Good)

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Receivable from Related Party (Refer Note 28)	—	1,630.01
Security deposit -others	30.57	30.57
Loans to Employees	4.20	2.40
Interest Receivable and others	23.59	18.98
Total	58.36	1,681.96

(Key Management Personnel is receivable of ₹ 1.80 lakhs (Previous year Nil))

Note - 12 : Other Current Assets

(Unsecured, Considered Good)

Advances given	37.98	1.69
Prepaid Expenses	0.43	1.18
Total	38.41	2.87

Note - 13 : Share Capital

A Authorised

5,00,000 (Previous year - 5,00,000) Redeemable Cumulative preference shares of ₹ 100 each	500.00	500.00
1,00,00,000 (Previous year - 1,00,00,000) Equity shares of ₹ 10 each	1,000.00	1,000.00
Total	1,500.00	1,500.00

B Issued

65,90,938 (Previous year - 65,90,938) Equity Shares of ₹ 10 each	659.09	659.09
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C Subscribed and Paid up

65,83,488 (Previous year- 65,83,488) Equity Shares of ₹ 10 each	658.35	658.35
Add: Amount paid up on 7,450 (Previous year- 7,450) Shares forfeited	0.41	0.41

Total	658.76	658.76
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D Reconciliation of shares outstanding at the year end

Equity shares at the beginning of the year	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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

F The details of Shares held by Promoters

Name of Promoters	% Changing 31 st March, 2022	As at 31 st March, 2022		As at 31 st March, 2021	
		Numbers	% Held	Numbers	% Held
Gembel Trade Enterprises Limited	-	7,69,020	11.68%	7,69,020	11.68%
Savita Investment Company Limited	-	13,09,503	19.89%	13,09,503	19.89%
Shekhavati Investment Corporation Limited	-	6,56,094	9.97%	6,56,094	9.97%
Vincent (India) Limited	-	8,46,365	12.86%	8,46,365	12.86%
Kamrup Enterprises Limited	-	8,01,499	12.17%	8,01,499	12.17%
Biharji Construction (India) Limited	-	2,94,510	4.47%	2,94,510	4.47%
Kalimpong Produce Co Limited	-	4,800	0.07%	4,800	0.07%
Shogun Vinimay (P) Limited	-	4,633	0.07%	4,633	0.07%
Madan Mohan Dhanuka	-	60,900	0.93%	60,900	0.93%
Nikunj Dhanuka	-	180	0.00%	180	0.00%
Amishi Dhanuka	-	2,050	0.03%	2,050	0.03%
Umang Dhanuka	-	46,626	0.71%	46,626	0.71%
Mayank Dhanuka	-	9,125	0.14%	9,125	0.14%
	-	48,05,305	72.99%	48,05,305	72.99%

There are no other Shareholders holding more than 5%.

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

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) Securities Premium Reserve	398.89	398.89
(ii) General Reserve	280.01	280.01
(iii) Amalgamation Reserve	37.50	37.50
(iv) Retained earnings		
Balance at the beginning of the year	14,921.80	15,277.83
Add: Profit/(Loss) for the year	3,269.20	(224.36)
Less: Appropriations		
Equity dividend	131.67	131.67
Total	18,059.33	14,921.80
(v) Other Comprehensive Income (OCI)		
Balance at the beginning of the year	28.96	17.77
Add : Movement during the year	(6.40)	11.19
	22.56	28.96
Total	18,798.29	15,667.41

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 15 : Other Non-Current Financial Liabilities

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Deposits from Related Party (Refer Note 28)	89.10	69.02
Deposits - Others	97.61	97.61
Total	186.71	166.63

Note - 16 : Non-Current Provisions

Provision for Leave Obligation	4.03	2.82
Provision for Gratuity	8.50	7.16
Total	12.53	9.98

Note - 17 : Trade Payables

(Refer Note 41)

(i) MSME	–	–
(ii) Others	65.38	116.66
(iii) Disputed dues - MSME	–	–
(iv) Disputed dues - Others	–	–
Total	65.38	116.66

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.

Note - 18 : Short Term Provisions

Provision for Leave Obligation	52.34	47.36
Provision for Gratuity	76.86	76.76
Total	129.20	124.12

Note - 19 : Other Current Liabilities

Advance from Customers	3.94	3.95
Unpaid Dividend	19.45	19.46
Statutory Dues	17.04	16.68
Other Liabilities	66.58	72.16
Total	107.01	112.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 20 : Revenue from Operation

(Refer Note 43)

		₹ in lakhs
Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Sale of Products		
Traded Goods	2,089.98	2,275.06
Other Operational Revenues	-	9.00
Total	2,089.98	2,284.06

Note: Entire Revenue is within India.

Note - 21 : Other Income

Interest Income on		
Bank Deposits	7.79	2.57
Investments	108.68	52.50
Others	110.87	302.71
Dividend Income	62.12	37.13
Profit on Fair value of Investment	508.56	267.39
Profit on Sale of Investment	66.40	-
Rental income on Investment properties	255.60	244.40
Total	1,120.02	906.70

Note - 22 : Employee Benefits Expense

Salaries, Wages and Bonus	215.02	190.46
Contribution to Provident and Other Funds	18.62	27.01
Gratuity expenses	4.40	4.10
Staff welfare expenses	0.89	0.77
Total	238.93	222.34

Note - 23 : Finance Cost

Unwinding interest impact of deposits	25.32	33.99
Bank Charges	0.32	0.10
Total	25.64	34.09

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 24 : Other Expenses

Particulars	₹ in lakhs	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Insurance Premium	1.18	1.39
Freight Outwards	44.85	50.85
Rent Paid	0.06	0.06
Rates and Taxes	9.02	11.83
Travelling and Conveyance	13.01	3.16
Communication cost	0.82	1.56
Legal and Professional fees	31.62	18.62
Service Charges	5.37	4.79
Donations	6.91	—
Directors Sitting Fees	7.95	9.25
Payment to Auditors (Refer Note (i) below)	5.05	5.13
Miscellaneous Expenses	11.84	15.22
Total	137.68	121.86

Note (i):

Payments to Auditors

Audit Fees	5.00	5.00
Reimbursement of Expenses	0.05	0.13
Total	5.05	5.13

Note - 25 : 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	113.26	102.42
Tax for earlier years	(23.60)	—
Total	89.66	102.42
Deferred Tax Benefit:		
Origination and reversal of temporary differences	900.07	2,513.32
Total	900.07	2,513.32
Income tax expense reported in the Statement of Profit or Loss	989.73	2,615.74
(ii) Income Tax (expense)/benefit recognised in OCI section		
Deferred Tax benefit on remeasurements of defined benefit plans	(0.74)	(0.86)
Income tax charged to OCI	(0.74)	(0.86)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 25 : Tax Expense (Contd.)

₹ in lakhs

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
B Reconciliation of tax expenses / (benefits) and the accounting profit multiplied by India's tax rates:		
Accounting Profit before tax	1,065.18	(15.79)
Income tax expenses calculated at corporate tax rate	268.08	(3.97)
Tax effect of adjustment to reconcile expected income tax expense to reported		
Effect of:		
Items not deductible for tax	1.74	—
Income taxed at different rate	(22.30)	95.37
Tax for earlier years	(23.60)	—
Tax on undistributed profit of associate	799.69	2,529.47
Other non-deductible expenses	(33.88)	(5.13)
Total	989.73	2,615.74

C The major components of Deferred Tax Liabilities / (Assets) on account of temporary differences are as follows:

Deferred tax relates to the following:

₹ in lakhs

Particulars	Balance Sheet	
	As at 31 st March, 2022	As at 31 st March, 2021
On Account of Depreciation	66.13	62.98
Employees Separation and Retirement Expense	(35.67)	(33.75)
On undistributed profit of associate	3,329.16	2,529.47
Investment	101.87	2.08
Others	(3.47)	(2.83)
Net Deferred Tax Liabilities	3,458.02	2,557.95

₹ in lakhs

Particulars	Profit and Loss	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Depreciation	3.15	(2.98)
Employees Separation and Retirement Expense	(1.92)	3.34
On undistributed profit of associate	799.69	2,529.47
Investment	99.79	(16.51)
Others	(0.64)	—
Deferred tax benefit	900.07	2,513.32

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 26 : Basic and Diluted Earnings Per Share (EPS)

Particulars	₹ in lakhs	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Weighted average No. of Shares for calculating Basic and Diluted EPS	65,83,488	65,83,488
Profit before Exceptional Item (net of tax) [₹ in lakhs]	3,269.20	470.33
Profit after Exceptional Item (net of tax) [₹ in lakhs]	3,269.20	(224.36)
Basic and Diluted before Exceptional Item- in ₹	49.66	7.14
Basic and Diluted after Exceptional Item- in ₹	49.66	(3.41)

Note - 27 : Commitments and contingencies

Particulars	₹ in lakhs	
	As at 31 st March, 2022	As at 31 st March, 2021
A Claims against the Company not acknowledged as debt		
Disputed taxation matter	23.98	23.98
B Share of associate's contingent liability	1,351.19	1,315.49

C The workmen's union have raised certain demands and the matter have been referred to Industrial Tribunal, Hubballi, Karnataka by the Labour Department, Government of Karnataka and the matter is pending. As the matter is subjudiced no provision have been made. Future cash out flow of the same are determinable on receipt of judgement / decision.

D Leases

Operating lease commitments – Company as lessor

The Company has entered into cancellable and non-cancellable operating leases on its commercial premises. These leases have terms of one to five years.

Rental income recognised by the Company during the year

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Cancellable operating lease	78.65	78.21
Non-Cancellable operating lease	176.95	166.19
Total	255.60	244.40
Within one year	164.93	154.18
After one year but not more than five years	288.63	453.56
More than five years	–	–
Total	453.56	607.74

D Proposed Dividend

The Board of directors at its meeting held on 26th May, 2022 have recommended a final dividend ₹ 2.50/- (Rupees two and paise fifty only) per equity share of face value of ₹ 10/- each for the financial year ended 31st March, 2022. This amount to ₹ 164.59 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 STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 28 : Related Party Disclosure

(A) List of related parties (as identified by management)

(i) Associate

I G Petrochemicals Limited

(ii) Key Management Personnel

Shri. M. M. Dhanuka - Managing Director

Mr. Nikunj Dhanuka - Director

Mr. Anil Kochar - Director

Mr. Shrikant Somani - Director

Smt. Uma Acharya - Director

Mr. S N Maheshwari - Director

Mr. Nilesh Panchal - Chief Financial Officer

Ms. Sejal Makwana - Company Secretary

(iii) Entity controlled by the close member of the key management personnel's family

Blue Lotus International Limited (Investment written off)

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

Transaction with related parties:

₹ in lakhs

Nature of Transaction	Relationship	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Purchase (including Taxes)	As referred in (A) (i) above	2,346.83	2,544.66
Interest Income	As referred in (A) (i) above	106.43	302.72
Rent Income (Including Taxes)	As referred in (A) (i) above	88.85	88.85
Director Sitting Fees	As referred in (A) (ii) above	7.95	9.25
Remuneration	As referred in (A) (ii) above	204.34	187.07
Investment Written Off	As referred in (A) (iii) above	-	694.69
Dividend Income	As referred in (A) (i) above	305.63	81.50

Outstanding balances with related parties:

₹ in lakhs

Particulars	Relationship	As at 31 st March, 2022	As at 31 st March, 2021
Other Financial Liabilities (Current+Non current)	As referred in (A) (i) above	89.10	69.02
Other Financial Assets (Current+Non current)	As referred in (A) (ii) above	1.80	-
Other Financial Assets (Current+Non current)	As referred in (A) (i) above	-	2,549.01

Note - 29 : Defined benefit obligation

I Gratuity

The Company has a unfunded gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age.

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(A) Defined Contribution Plans		
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss	-	-
Employers' Contribution to Provident Fund, Family Pension Scheme and Employee Deposit Linked Insurance (Refer note 22)	18.62	27.01
(B) Defined benefit plans		
a) Gratuity payable to employees	-	-
b) Compensated absences for Employees	-	-
i) Actuarial assumptions		
Discount rate (per annum)	6.90%	6.57%
Rate of increase in Salary	4.00%	4.00%
Expected average remaining working lives of employees (years)	7.62 years	7.79 years
Attrition rate	5.00%	5.00%
ii) Changes in the present value of defined benefit obligation		
	Employee's gratuity fund	
Present value of obligation at the beginning of the year	83.92	83.24
Interest cost	3.04	2.98
Past service cost	-	-
Current service cost	1.36	1.12
Curtailments	-	-
Settlements	-	-
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	(2.96)	(3.42)
Present value of obligation at the end of the year*	85.36	83.92
*Included in provision for employee benefits (Refer note 16 and 18)		
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	1.36	1.12
Past service cost	-	-
Interest cost	3.04	2.98
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	-	-
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Statement Profit and Loss (Refer note 22)	4.40	4.10
iv) Assets and liabilities recognized in the Balance Sheet		
Present value of unfunded obligation as at the end of the year	85.36	83.92
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	85.36	83.92
*Included in provision for employee benefits (Refer note 16 and 18)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

₹ in lakhs

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
v) A quantitative sensitivity analysis for significant assumption as at 31st March, 2022 is as shown below:		
Impact on defined benefit obligation		
Discount rate		
1% increase	(0.54)	(0.54)
1% decrease	0.63	0.62
Rate of increase in salary		
1% increase	0.43	0.43
1% decrease	(0.46)	(0.46)
vi) Maturity profile of defined benefit obligation		
Year		
Apr 2021- Mar 2022	—	79.24
Apr 2022- Mar 2023	79.46	0.51
Apr 2023- Mar 2024	0.68	0.55
Apr 2024- Mar 2025	0.67	0.54
Apr 2025- Mar 2026	0.67	0.54
Apr 2026 onwards	7.09	5.40

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

Note - 30 : Category wise classification of Financial Instruments

₹ in lakhs

Particulars	Amortised Cost	Fair value through Profit and Loss Value
As at 31st March, 2022		
Financial Assets		
Trade Receivable	168.36	—
Investment	20.00	7,237.36
Cash and Cash Equivalents	56.30	—
Bank balances other than Cash and Cash Equivalents	34.90	—
Other financial assets	131.00	—
Total	410.56	7,237.36
Financial Liabilities		
Trade Payable	65.38	—
Other financial Liabilities	186.71	—
Total	252.09	—

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

₹ in lakhs

Particulars	Amortised Cost	Fair value through Profit and Loss Value
As at 31st March, 2021		
Financial Assets		
Trade Receivable	485.56	—
Investment	20.00	3,583.22
Cash and Cash Equivalents	144.46	—
Bank balances other than Cash and Cash Equivalents	34.11	—
Other financial assets	2,676.00	—
Total	3,360.13	3,583.22
Financial Liabilities		
Trade Payable	116.66	—
Other financial Liabilities	166.63	—
Total	283.29	—

Note - 31 : 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 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 categories 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Company is not exposed to foreign currency risk.

Note - 32 :

The operations at Phthalic Anhydride Plant at Raichur, Karnataka was closed since July 2013. The Workmen's union of the unit have raised certain additional demands and the matter has been referred to Industrial Tribunal, Hubballi, Karnataka by the Labour Department, Government of Karnataka which is pending. As the matter is subjudice, no provision has been made in this regard.

Note - 33 : 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 decision 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 - 34 :

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("Covid-19") and classified its outbreak as a pandemic on 11th March, 2020. On 24th March, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on 24th March, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it's resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an assessment of the impact of Covid-19 on the Company's operations, financial performance and position as at and for the year ended 31st March, 2022 and has concluded that there is no impact which is required to be recognised in the Consolidated financial statements. Accordingly, no adjustments have been made to the financial statements.

Note - 35 : Ind AS 116 - Leases:

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Note - 36 : Fair value measurement

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
₹ in lakhs				
Financial Assets measured at fair value through profit and loss				
As at 31st March, 2022				
Investment in Equity Shares	444.67	290.16	-	154.51
Investment in Debentures	2,380.72	-	2,380.72	-
Investment in Alternate Investment Fund	2,047.23	-	2,047.23	-
Investment in Preference shares	531.84	-	531.84	-
Investment in Mutual Funds	1,832.90	-	1,832.90	-

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

₹ in lakhs

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31st March, 2021				
Investment in Equity Shares	388.75	234.24	–	154.51
Investment in Debentures	826.89	–	826.89	–
Investment in Alternate Investment Fund	1,264.41	–	1,264.41	–
Investment in Preference shares	1,103.17	–	1,103.17	–

Valuation technique used to determine fair value:

- Level 2 investments are fair valued using net asset value on the basis of the statement received from investee party.
- The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

Note - 37 : Associate

₹ in lakhs

Particulars	As at	As at
	31 st March, 2022	31 st March, 2021
Investments accounted for using the Equity Method		
The following entity have been included in the consolidated financial statements using the equity method:		
I G Petrochemicals Limited	14,075.50	10,890.37
Deferred Tax on as above	3,329.16	2,529.47
Total Equity Accounted Investments	10,746.34	8,360.90
Summarised financial information of associate:		
Current Assets	71,169.49	43,703.17
Non-Current Assets	93,948.03	88,677.00
Current Liabilities	39,241.30	32,895.49
Non-Current Liabilities	19,664.91	17,284.93
Equity	106,211.31	82,199.75

₹ in lakhs

Particulars	Year Ended	Year Ended
	31 st March, 2022	31 st March, 2021
Revenue	188,973.89	112,694.72
Expenses	153,343.90	87,430.15
Profit before Tax	35,629.99	25,264.57
Tax Expense	9,179.67	6,453.73
Profit for the Year	26,450.32	18,810.84
Group's share of Profit for the Year (Gross)	3,499.38	2,488.67
Dividend received during the Year	305.63	81.50
Group's share of Profit for the Year (Net)	3,193.75	2,407.17
Deferred Tax	3,329.16	2,529.47

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**Note - 38 :**

The Company has made the aggregate investment of GBP 770,000 (equivalent of ₹ 694.69 lakhs) in Blue Lotus International Limited (Blue Lotus), entity controlled by relative of the key management personnel, by way of purchase of shares constituting 15.27% of the equity capital of Blue Lotus. Due to prevailing economic condition and the Covid-19 that has caused severe disruption to the Blue Lotus business, the Company has received the letter from Blue Lotus on 16th September, 2020, which was issued by the Insolvency Practitioner and addressed to all the shareholder of Blue Lotus providing therein the circumstances that led to decision for liquidation of Blue Lotus. Basis the same, the Company has recorded the impairment of Investments of ₹ 694.69 lakhs towards investment in equity shares of Blue Lotus International Limited and disclosed the same under Exceptional Item for the year ended 31st March, 2021.

Note - 39 :

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on 28th September, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13th November, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note - 40 : Trade Receivables

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment as on 31 st March 2022				TOTAL
	Not Due	Less than 6 months	1-2 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	168.21	0.03	0.01	0.01	168.36
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—
(iv) Disputed Trade Receivables - considered good	—	—	—	—	—
(v) Disputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—
Total	168.21	0.03	0.01	0.01	168.36
Particulars	Outstanding for following periods from due date of payment as on 31 st March 2021				TOTAL
	Not Due	Less than 6 months	1-2 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	440.29	43.50	0.12	1.55	485.56
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—
(iv) Disputed Trade Receivables - considered good	—	—	—	—	—
(v) Disputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—
Total	440.29	43.50	0.12	1.55	485.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note - 41 : Trade Payables

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment as on 31 st March 2022					TOTAL
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	12.16	0.65	-	-	1.76	50.81
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	12.16	0.65	-	-	1.76	65.38
Particulars	Outstanding for following periods from due date of payment as on 31 March 2021					TOTAL
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	29.14	1.56	0.20	1.81	83.06	116.66
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	29.14	1.56	0.20	1.81	83.06	116.66

Note - 42 : Financial Ratio

Particulars	Numerator	Denominator	31 st March, 2022	31 st March, 2021	% Variance	Reason for variance >25%
Current Ratio	Current assets	Current liabilities	7.26	8.24	(11.86)	-
Debt- Equity Ratio	Borrowings + Interest Accrued	Total Equity	-	-	-	-
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	130.83	(3.82)	(3,528.07)	Better Profit & Lower Interest Cost & Investment written off during previous year
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	18.27%	-1.36%	(1,443.64)	Higher Profit
Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance /2)	-	-	-	-
Trade Receivable Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	6.39	8.18	(21.87)	-

Particulars	Numerator	Denominator	31 st March, 2022	31 st March, 2021	% Variance	Reason for variance >25%
Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	21.85	12.97	68.42	Lower purchases on credit
Net Capital Turnover Ratio	Net Sales	Working Capital	1.11	0.89	23.83	
Net Profit Ratio	Net profit	Net Sales	156.42%	(9.82%)	(1,692,40)	Higher Profit
Return on Capital employed	Earning before interest and taxes	Capital Employed	0.22	0.15	48.22	Higher Profit
Return on investment	$\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t)]\}$	14.56%	12.38%	17.61	Better Yield during the year

Note - 43 : Revenue from Operations

(a) Unsatisfied long term contracts:

There are no unsatisfied long term contracts / performance obligation that have impact on financial statements.

(b) Reconciliation of revenue recognised with contract price:

Particulars	₹ in lakhs	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Revenue from contract with customer with contracted price		
Gross revenue	2,089.98	2,284.06
Less : Incentives offered to customers	—	—
Revenue from contract with customers	2,089.98	2,284.06

(c) Trade receivable and contract balances

The following table provides information about receivables and current liabilities from contracts with customers :

Particulars	₹ in lakhs	
	As at 31 st March, 2022	As at 31 st March, 2021
Receivables, which are included in trade receivables	168.36	485.56
Advance from customers	3.94	3.95
Incentives payable to customers	—	—

Note - 44 : Other Statutory Information:

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

45 The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current years classification.

As per our attached report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

Mumbai

26th May, 2022

For and on behalf of the Board of Directors

Mysore Petro Chemicals Limited

M M Dhanuka

Managing Director

DIN 00193456

Nilesh Panchal

Chief Financial Officer

Uma Acharya

Director

DIN 07165976

Labdhi Shah

Company Secretary



mysore petro chemicals limited

Corporate Office

401-404, Raheja Centre, Free Press Journal Marg,
214, Nariman Point, Mumbai - 400 021.

Tel.: (91) 22-4058 6100 | **Fax:** (91) 22-2204 0747

E-mail: mpcl@mysorepetro.com | **Website:** www.mysorepetro.com

CIN: L24221KA1969PLC001799

Registered Office

D/4, Jyothi Complex
134/1, Infantry Road,
Bengaluru - 560 001

Tel. : 080-2286 8372

Fax : 080-2286 8778