



mysore petro chemicals limited

51st Annual Report 2020-2021

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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

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.
Bharat Tin Works Building
1st Floor, Opp. Vasant Oasis, Makwana Road
Marol, Andheri (East), Mumbai - 400 059.
Tel.: 022-6263 8200/222/223 • Fax : 022-6263 8299
E-mail : investor@bigshareonline.com
Website: www.bigshareonline.com

AGM

51st Annual General Meeting

Thursday, 5th August, 2021
at 3.00 pm through Video
Conference (VC)/Other Audio
Visual Means (OAVM)

ATTENTION

Shareholders who have not yet claimed any dividend from the FY 2013-14 are requested to claim dividend on or before 1st September, 2021 failing which both the dividend and shares will be transferred to IEPF Authority. For more details, kindly refer Directors' Report.

NOTICE

NOTICE is hereby given that the 51st Annual General Meeting of the members of **Mysore Petro Chemicals Limited** (CIN: L24221KA1969PLC001799) will be held on **Thursday, 5th August, 2021 at 3:00 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, 2021 and the Report of the Board of Directors and the Auditors' thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri Nikunj Dhanuka (DIN 00193499) who retires by rotation and being eligible offers himself for re-appointment.

AS SPECIAL BUSINESS

4. **Re-appointment of Shri M M Dhanuka as 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 accordance with the provisions of Sections 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) from time to time 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 Company be and is hereby accorded to the re-appointment of Shri M M Dhanuka (DIN 00193456) as Managing Director for a period of three years with effect from 14th August, 2021 on the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice and contained in the agreement entered into and approved by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary such terms of appointment and remuneration subject to the recommendation of the Nomination and Remuneration Committee and within the limits specified in Schedule V to the Act and as may be agreed by Shri M M Dhanuka.

RESOLVED FURTHER THAT any one Director or Company Secretary of the Company be and are hereby severally authorized to do all necessary acts, deeds and things, as may be necessary to give effect to the resolution."

By Order of the Board
For Mysore Petro Chemicals Limited

Sejal Makwana
Company Secretary

Mumbai
8th June, 2021

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

Notes:

1. In view of the massive outbreak of the Covid-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2021 dated 13th January, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue 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 ensuing 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 thereat 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, authorising 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 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 ("Act").
7. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), in respect of the Directors seeking re-appointment at the Annual General Meeting, forms integral part of the notice.
8. The Explanatory Statement pursuant to Section 102 of the Act, which sets out details relating to Special Business at the meeting, is annexed hereto.
9. In accordance with the aforesaid Circulars, the Notice of AGM alongwith Annual Report for the financial year 2020-21 has been sent only through electronic mode to the Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice of AGM and Annual Report has been uploaded on the website of the Company at www.mysorepetro.com/annual-report/. The Notice of AGM and Annual Report can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com.
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 Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI Listing Regulations and

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the aforesaid Circulars, the Company is pleased to offer voting by electronic means to the members to cast their votes electronically on all resolution set forth in this Notice. The detailed instructions for e-voting and attending AGM through VC/OAVM are given at page no. 5 of this notice.

12. Members are requested to immediately intimate change of address, Bank details if any, to the Company/Registrar & Share Transfer Agents (RTA).
13. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 30th July, 2021 to Monday, 2nd August, 2021 (both days inclusive) for the purpose of Annual General Meeting (AGM) and payment of dividend, if declared.
14. 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 Tuesday, 10th August, 2021 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 29th July, 2021;
 - b) To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 29th July, 2021.
15. 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.
16. 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, 1961 ("the IT 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 2020-21 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 IT Act. Members may also submit any other document as prescribed under the IT 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 IT 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 IT 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 24th July, 2021 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 24th July, 2021 will not be considered by the Company.

17. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the RTA of the Company, in the prescribed Form SH-13 for this purpose.
18. 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 claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF authority.

The attention of the members are drawn in respect of the dividend declared for the financial year 2013-14. Members who have not yet encashed their dividend are requested to approach the Company/ RTA for any assistance in this regard. Members may note that the dividend for the financial year 2013-14 is liable to be transferred to the IEPF Authority on 6th September, 2021. Hence, those members who fail to claim their dividend before 1st September, 2021, the Company will proceed to transfer the unclaimed dividend and also the underlying shares on those unclaimed dividend to the Demat Account of the IEPF Authority ('IEPF Account') as required under the IEPF Rules.

A statement of unclaimed dividend declared at the last AGM held on 29th September, 2020 as at 31st March, 2021 is available on the Company's website www.mysorepetro.com/investor-information/.

19. Members whose bank details are not registered with the Company are requested to immediately 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. Members may note that payment of dividend without bank details is prohibited.
20. The members whose shares have been transferred to the IEPF Authority may claim the shares by making an online application to IEPF Authority by web-based IEPF 5 form at www.mca.gov.in. Members are advised to claim any unencashed dividends before it becomes due for transfer to IEPF.
21. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company / RTA for assistance in this regard.
22. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available, electronically, for inspection by the members during the AGM. Members seeking to inspect such documents can send an e-mail to udhuri@igpetro.com.
23. 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 31st July, 2021 at udhuri@igpetro.com.
24. Since the AGM will be held through VC / OAVM, the Route Map of the venue of the Meeting is not annexed in this Notice.

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.

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The remote e-voting period begins on Monday, 2nd August, 2021 (9:00 am) and ends on Wednesday, 4th August, 2021 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of i.e. 29th July, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

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 remote e-voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<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;"> </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;"> </div>
Individual shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. 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. 2. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. 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.

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 224 430
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 e-voting and joining virtual meeting 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: 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 Shareholder/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.
4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at www.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.

Your user ID details are given below:

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

5. 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 General 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.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail 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), AADHAR (self-attested scanned copy of Aadhar Card) by email to udhuri@igpetro.com.

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), AADHAR (self-attested scanned copy of Aadhar 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.

2. 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.

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3. 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 required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

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. Member 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 General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General 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. Shareholders 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 22 44 30

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 22 44 30 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. 29th July, 2021.
5. Any person holding shares in physical form and non-individual shareholders, 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. 29th July, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll-free no.: 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding shares in demat mode who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 29th July, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as e-voting during the AGM through remote e-voting.

A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.
7. 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.
8. The Results alongwith the report of the Scrutinizer shall be placed on the website of the Company www.mysorepetro.com/corporate-governance/ and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange i.e. BSE Limited.

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

Item No.: 4

The Members of the Company at the 48th Annual General Meeting held on 14th August, 2018 had re-appointed Shri M M Dhanuka as Managing Director of the Company for a period of three years effective from 14th August, 2018 by way of a Special Resolution pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 ("the Act").

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

Shri M M Dhanuka being age of above 70 years, in terms of Section 196(3)(a) of the Act, his appointment is subject to the approval of the Members by way of a special resolution at the AGM.

Accordingly, pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 8th June, 2021 appointed Shri M M Dhanuka as the Managing Director for a period of three years

Mysore Petro Chemicals Limited

with effect from 14th August, 2021, subject to the approval of Members on the remuneration, terms & conditions as set out below:

- I. Remuneration – ₹ 11,00,000/- per month in the scale of ₹ 11,00,000/- - ₹ 11,82,500/- - ₹ 12,71,188/- .
- II. Personal Pay - Equivalent to two month's remuneration per annum.
- III. Perquisites - In addition to the aforesaid remuneration & personal pay, he shall be entitled to the following perquisites which are classified in three categories:

Category A

a) Housing

House Rent Allowance of ₹ 60,000/- per month.

b) Medical re-imbursement

Expenses incurred by him and his family subject to a ceiling of ₹ 5,00,000/- per annum.

c) Leave

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

d) Club fees

Subject to a maximum of two clubs.

e) Insurance

Cost of insurance in respect of mediclaim policy for self and family and personal accident insurance shall be borne by the Company.

f) Other perquisites

Subject to the overall ceiling on remuneration, he may be given any other allowances, benefits, perquisites and facilities as the Board of Directors of the Company (which term includes any Committee thereof) may from time to time decide.

Category B

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

Category C

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

- IV. Term of Appointment –The term of appointment shall expire on 13th August, 2024 and he shall be liable to retire by rotation.

Minimum Remuneration

Where, in any financial year during his tenure, the Company has no profits or its profits are inadequate, the above remuneration, bonus, perquisites, other allowances and commission, if applicable, shall be paid as the minimum remuneration pursuant to the provisions under Section II of Part II of Schedule V to the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Directors recommends the Special Resolution for approval of the members.

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

Statement of information under Part II, Section II(B)(IV) of the Schedule V to the Companies Act, 2013

I. General Information:

Nature of Industry	Organic and inorganic chemicals		
Date or expected date of Commercial Production	N.A.		
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.		
Financial performance: -	(₹ in lakhs)		
Particulars	For the year ended		
	31 st March, 2021	31 st March, 2020	31 st March, 2019
Total Income	3,272.26	2,075.09	4,133.58
Depreciation	60.15	63.44	68.00
Net Profit /(Loss)	(102.06)	405.87	392.93
Paid up Capital	658.76	658.76	658.76
Reserves & Surplus	8,133.18	8,364.35	8,114.87

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

II. Information about the Appointee

Background details	Given in the body of this statement
Past Remuneration	FY 2020-21 – ₹ 159.94 lakhs FY 2019-20 – ₹ 162.96 lakhs FY 2018-19 – ₹ 125.78 lakhs
Recognition and Awards	Nil
Job profile and his suitability	The appointee will be Managing Director of the Company and will be responsible for the management of the whole affairs of the Company. Keeping in view his experience, knowledge and tenure with the Company, it would be in the best interest of the Company to appoint him.
Remuneration proposed	As mentioned above
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company.

Mysore Petro Chemicals Limited

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

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

III. Other information:

1. Reasons for loss or inadequate profits: Due to exceptional loss on account of impairment of investment made by the Company.
2. Steps taken or proposed to be taken for improvement: The Company is exploring new markets.
3. Expected increase in productivity and profits in measurable terms: Not applicable.

By Order of the Board
For Mysore Petro Chemicals Limited

Sejal Makwana
Company Secretary

Mumbai
8th June, 2021

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

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT

(As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name	Shri Nikunj Dhanuka	Shri M M Dhanuka
Directors Identification Number	00193499	00193456
Date of Birth	26 th May, 1967	17 th April, 1948
Date of Appointment	28 th September, 1996	14 th September, 1982
Qualifications	B. Com	B.E.
Expertise	Possess diverse experience and extensive knowledge on the functioning of chemical industries, finance & banking.	He has extensive knowledge on the functioning of Chemical Industries and is in charge of the overall affairs of the Company.
Directorship held in Listed Companies	I G Petrochemicals Limited	I G Petrochemicals Limited
Chairmanship / Membership of Committees in other Public Companies	Nil	I G Petrochemicals Limited Audit Committee – Member Stakeholders Relationship Committee – Member
Number of Shares held	180	60,900
Relationship between directors inter-se	Nil	Nil

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Fifty-First Annual Report together with the Audited Statements of Accounts and the Auditors Report of your Company for the financial year ended 31st March, 2021.

1. Financial Result

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

(₹ in lakhs)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Total Revenue	3,272.26	2,075.09
Profit before interest, depreciation and taxes	773.14	529.13
Depreciation	60.15	63.44
Finance Cost	34.09	6.32
Profit before exceptional item and tax	678.90	459.37
Exceptional item	(694.69)	-
Provision for taxation	86.27	53.50
Profit/(Loss) after tax	(102.06)	405.87
Balance brought forward from previous year	7,624.02	7,376.88
Profit available for appropriation	(102.06)	405.87
EPS before exceptional item	9.00	6.16
EPS after exceptional item	(1.55)	6.16

2. Operational review

The Company is engaged in the trading of petrochemicals products. During the financial year 2020-21, total revenue amounted to ₹ 3,272.26 lakhs as compared to ₹ 2,075.09 lakhs in the previous year and the profit before exceptional item and tax is rose to ₹ 678.90 lakhs as compared to ₹ 459.37 lakhs in 2019-20. During the year, due to loss incurred by the Company on account of impairment of investment made by the Company, the net profit/(loss) after tax for FY 2020-21 stood at a loss of ₹ 102.06 lakhs as against profit of ₹ 405.87 lakhs for the corresponding previous year.

3. Dividend

Your Directors are pleased to recommend dividend of ₹ 2/- (20%) per equity share of ₹ 10/- each. The total outgo on account of dividend for the current year amounts to ₹ 131.67 lakhs (previous year ₹ 131.67 lakhs).

4. Transfer to Reserves

Due to loss incurred by the Company, no amount is proposed to be transferred to reserves.

5. Share Capital

The paid-up equity share capital of the Company as at 31st March, 2021 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.

Mysore Petro Chemicals Limited

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 are given in the notes to the Financial Statements.

8. Corporate Social Responsibility (CSR)

The provision of CSR was not applicable to the Company during the financial year 2020-21 as prescribed under Section 135 of the Companies Act, 2013.

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 economic unavailability.

Presently, the Company is engaged in the trading of Orthoxylene, Phthalic Anhydride, Maleic Anhydride, Benzoic Acid and other petrochemical products.

Considering the ongoing Covid-19 pandemic, the Company has not been able to identify any new business opportunities. It is deemed necessary that the Company continues to carry on with its existing trading activities till such time it is able to explore newer markets. Due to nature of the present activities, the information related to segment wise performance, industry structure and developments, etc. are not applicable. There are no material developments 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	2020-21	2019-20	% change	Reason
Debtor Turnover	78 days	20 days	278.96	On account of Credit extended to few selected customers due to Covid-19
Interest Coverage Ratio	20.91	73.69	-71.62	On account of higher interest expense
Current Ratio	8.24 times	5.33 times	54.48	On account of increase in trade receivables
Net Profit Margin	-3.12%	19.50%	-116.00	On account of exceptional loss incurred by the Company due to impairment of investment
Return on Net Worth	-1.16%	4.50%	-125.81	On account of exceptional loss incurred by the Company due to impairment of investment

10. Director 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 Nikunj Dhanuka (DIN: 00193499) retires by rotation and being eligible has offered himself for re-appointment.

On the recommendation of the Nomination & Remuneration Committee and in accordance with the provisions of the Act read with Rules framed thereunder, the Board of Directors appointed Shri M M Dhanuka (DIN: 00193456) as Managing Director of the Company for a period of 3 years with effect from 14th August, 2021; subject to the approval of the Members.

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, 2021 are: Shri M M Dhanuka, Managing Director & CEO, Shri Nilesh Panchal, Chief Financial Officer and Ms. Sejal Makwana, Company Secretary.

b. Number of Meeting of the Board

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

c. 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.

d. Remuneration Policy

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

The information relation 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 – 23:1
- ii. The Percentage increase in the remuneration of Managing Director, Chief Financial Officer and Company Secretary for the Financial Year- Nil
- iii. The percentage increase in the median remuneration of the employee in the financial year – Nil
- iv. Number of permanent employees on the payrolls of the Company - 5
- v. Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year was Nil whereas the increase in the managerial remuneration was Nil.

Since no increment was given in the financial year 2020-21, the data pertaining to the percentage increase in the remuneration of KMP, median remuneration of employees and average percentage increase in salaries of employees other than the managerial personnel are not applicable.

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

The information under the Rule 5(2) of the said Rules will be provided to the members upon request in terms of the first proviso to Section 136 of the Act.

11. Directors' Responsibility Statement

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

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2021, 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, 2021 and of the loss 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 Regulations 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. Statutory Auditor

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 to be held in a year 2022.

14. Secretarial Audit

The Secretarial Audit Report for the year 2020-21 provided by M/s MMJB & Associates LLP, Practicing Company Secretaries is annexed herewith as "Annexure-A".

15. Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo

The information on conservation of energy, technology absorption is not applicable to the Company. During the year under review, the foreign exchange outgo was Nil (previous year ₹ 506.31 lakhs).

16. Report on Corporate Governance

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

17. 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, 2021 is uploaded on the Company's website www.mysorepetro.com/corporate-announcement/

18. 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 2017-18 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.mca.gov.in. Members are advised to claim any unencashed dividends.

It may be noted that the unclaimed dividend for FY 2013-14 declared on 1st August, 2014 along with underlying shares, are due to be transferred to the IEPF on 6th September, 2021. Members who have not encashed the dividend warrant(s) from FY 2013-14, onwards may forward their claims to the Company / RTA before 1st September, 2021, to avoid any transfer of dividend or shares to the IEPF Authority. Communication is being sent to the members who have not yet claimed dividend for the year 2013-14, requesting them to claim the same as well as unpaid dividend, if any, for the subsequent years.

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 <http://www.iepf.gov.in/IEPF/services.html>

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.

19. Contribution to the Exchequer

The Company has contributed ₹ 556.29 lakhs to the exchequer on account of income tax, GST, etc.

20. 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.

21. Prevention of Sexual Harassment

The Company is an equal opportunity provider and has zero tolerance in any form or manner towards the sexual harassment of women at work place. 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.

No complaints pertaining to sexual harassment of women employees were received during the year.

22. 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.

23. 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

Place: Mumbai

Date: 8th June, 2021

Form No. MR-3 Secretarial Audit Report

For the Financial Year Ended 31st March, 2021

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 (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, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. **(Foreign Direct Investment and External Commercial Borrowings Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 **('SEBI Act')**: -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(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 **(Not applicable to the Company during the Audit Period)**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period) and**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period).**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

- Petroleum Act, 1934
- Petroleum Rules, 2002
- Chemicals Weapons Convention Act, 2000

We further report that the Board of Directors of the Company is duly constituted as required under the Act. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

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

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

For MMJB & Associates LLP
Company Secretaries

Deepti Kulkarni
Designated Partner
ACS No. 34733
CP No. 22502

Place: Mumbai
Date: 8th June, 2021

UDIN: A034733C000432020
Peer Review Number: L2020MH006700

*This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

'ANNEXURE 1'

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

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

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

For MMJB & Associates LLP
Company Secretaries

Deepti Kulkarni
Designated Partner
ACS No. 34733
CP No. 22502

Place: Mumbai
Date: 8th June, 2021

UDIN: A034733C000432020
Peer Review Number: L2020MH006700

REPORT ON CORPORATE GOVERNANCE

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

Company's Philosophy on Code of Governance

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, integrity, transparency, and fairness in all its transactions in the widest sense and meets its stakeholder's aspirations and social expectations. The philosophy of the Company's corporate governance ensures transparency in its affairs and the functioning of the Management and the Board and accountability towards its stakeholders. The Company is committed to conducting business the right way, which means taking decisions and acting in a way that is ethical and in compliance with the applicable legal requirements. It endeavours to continuously improve its Corporate Governance performance with a view to earn trust and respect of all its 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").

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 five times during the year i.e. on 29th June, 2020, 31st August, 2020, 18th September, 2020, 11th November, 2020 and 12th February, 2021.

During the year, all meetings of the Board were held through Video Conference as permitted pursuant to Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014. The AGM was held on 29th September, 2020 through Video Conferencing / Other Audio-Visual Means.

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 AGM held on 29 th September, 2020	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	5	No	1	0	2	60,900
Shri Nikunj Dhanuka	Non-Executive	5	Yes	1	0	0	180
Shri S N Maheshwari	Non-Executive	5	Yes	1	0	0	700
Shri Anil Kochar	Non-Executive & Independent	5	Yes	2	2	0	100

Mysore Petro Chemicals Limited

Shri Shrikant Somani	Non-Executive & Independent	4	No	1	0	0	100
Smt. Uma Acharya	Non-Executive & Independent	5	Yes	2	2	1	100

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

The Company has sold its Maleic Anhydride business in the year 2017. Presently, the Company is engaged in trading business of Orthoxylene (OX), Phthalic Anhydride (PA), Maleic Anhydride (MA), Benzoic Acid (BA) and other petrochemical products.

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

The Board of Directors of the Company have the privilege 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	Skills/Expertise
Shri M M Dhanuka	I G Petrochemicals Ltd.	Non-Executive	Chemical Industries, sales, marketing, commercial, board governance, production and technical
Shri Nikunj Dhanuka	I G Petrochemicals Ltd.	Executive	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 Pen and Plastics Ltd.	Non-Executive & Independent	Audit, accounts, taxation and legal
Shri Shrikant Somani	-	-	Industry knowledge and experience, strategic planning, leadership and operational experience.
Smt. Uma Acharya	Everest Kanto Cylinder Limited	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 financial, 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 Companies Act, 2013. 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 29th June, 2020, 31st August, 2020, 11th November, 2020 and 12th February, 2021.

The Composition of the Audit Committee and the details of 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	4
Shri Shrikant Somani	Member	Non-Executive & Independent	4	4

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

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

NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted, in terms of the provisions of Section 178 of the Act and SEBI Listing Regulation, Nomination and Remuneration Committee. Terms of reference of the Committee relates to appointment of directors, key managerial personnel, senior management level employees, recommending to the Board the remuneration and other related benefits of the Executive Directors and Senior Management employees, determining the term of the Directors, recommending to the Board and the Members the appointment of directors, formulating criteria for evaluation of Independent Directors, etc.

All members of the Committee are non-executive with majority of them being independent. During the year, two meetings were held on 29th June, 2020 and 11th November, 2020 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.

Mysore Petro Chemicals Limited

Performance evaluation criteria of independent directors

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

The criteria for the evaluation were designed from the point of discharge of the key responsibilities, attendance at the meetings, directors' contribution, board functioning, etc.

All the Directors carried out the performance evaluation. The Independent Directors evaluated the performance of non-independent directors, the Board as a whole and Chairman.

The performance evaluation of independent directors was done by the entire Board members in which the Independent Directors who were being evaluated did not participate.

Remuneration of Directors

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

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

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

(₹ in lakhs)

Name	Sitting fees
Shri Nikunj Dhanuka	2.00
Shri S N Maheshwari	1.70
Shri Anil Kochar	2.15
Shri Shirkant Somani	1.90
Smt. Uma Acharya	1.50

Details of Remuneration of Managing Director:

(₹ in lakhs)

Particulars	M M Dhanuka
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	116.04
Perquisites	43.90
Total	159.94

The payment of remuneration to Managing Director is as per his terms of appointment agreed to between the Company and the Managing Director individually 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 or the Company paying three months remuneration in lieu thereof.

Stakeholders' Relationship Committee

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

The investor grievances are being attended by M/s. Bigshare Services Pvt. Ltd., Registrar and 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.

The Committee met once during the year on 12th February, 2021 and all the members of the Committee were present at the meeting.

The details of composition 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			
Shri Nikunj Dhanuka	Member	Non-Executive	0	0	0
Shri S N Maheshwari	Member	Non-Executive			

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

General Body Meeting

a. Annual General Meeting

Financial Year	Date	Time	Venue	Special Resolution
2017-18	14 th August, 2018	12.30 p.m.		<ol style="list-style-type: none"> Approval for re-appointment of Shri M M Dhanuka as Managing Director and CEO. Approval for increase in the limits under Section 186 of the Act to ₹ 100,00,00,000
2018-19	29 th August, 2019	12.30 p.m.	Hotel Ajantha, Rohini Hall, 22-A, M G Road, Bengaluru - 560 001.	<ol style="list-style-type: none"> Re-appointment of Shri Anil Kochar as an Independent Director Re-appointment of Shri Shrikant Somani as an Independent Director Re-appointment of Smt. Uma Acharya as an Independent Director
2019-20	29 th September, 2020	2:00 p.m.	The AGM was held through VC/OAVM	NIL

- During the year, no Special Resolution was passed through postal ballot.
- No special resolution is proposed to be conducted through postal ballot at this AGM.

Mysore Petro Chemicals Limited

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/quarterly-financial-results/.

General Information to Shareholders

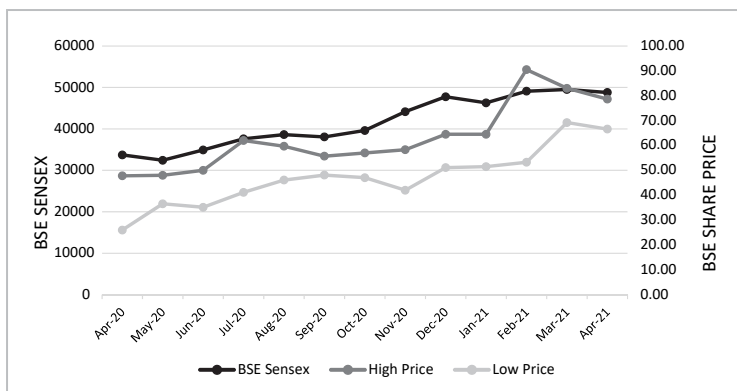
Day, Date and Time of Annual General Meeting	Thursday, 5 th August, 2021 at 3:00 pm through VC / OAVM pursuant to the MCA Circular dated 13 th January, 2021 read with 5 th May, 2020 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
Financial year	1 st April to 31 st March
Dividend Payment Date	On or after 10 th August, 2021
Listing on stock exchange and scrip code	BSE Ltd. - 506734 The listing fees for the year 2021-22 have been paid to the Stock Exchange
ISIN Code	INE741A01011
Date of Book Closure	30 th July, 2021 to 2 nd August, 2021 (both days inclusive)
Registrar and Share Transfer Agents	M/s Bigshare Services Pvt. Ltd., 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) - Mumbai – 400 059 Tel: 022-62638200 • Fax: 022-62638299 E-mail: investor@bigshareonline.com
Share Transfer System	By the Registrar & Share Transfer Agents
Dematerialization of shares and liquidity	97.11% of the shares are held in dematerialized form as at 31 st March, 2021
Address for correspondence	401-404, Raheja Centre, 214, Nariman Point, Mumbai - 400 021 Phone: +91-22-40586100 E-mail- mpcl@mysorepetro.com

MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2021 (MONTH-WISE)

Months	Bombay Stock Exchange (BSE)	
	High (₹)	Low (₹)
April	47.80	26.00
May	48.00	36.55
June	50.00	35.15
July	62.00	41.15
August	59.70	46.10

September	55.70	48.10
October	57.00	47.05
November	58.30	42.00
December	64.50	51.10
January	64.50	51.50
February	90.50	53.25
March	83.00	69.20

PERFORMANCE OF MPCL SHARE PRICE IN COMPARISON WITH BSE SENSEX



DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2021

Shareholding	No. of Shareholders	% of total	No. of Shares	% of total
1-500	5,551	94.15	5,41,548	8.23
501-1000	182	3.09	1,42,109	2.16
1001-2000	75	1.27	1,11,317	1.69
2001-3000	31	0.52	80,639	1.22
3001-4000	8	0.13	29,288	0.44
4001-5000	11	0.19	49,842	0.76
5001-10000	17	0.29	1,30,824	1.99
10001-Above	21	0.36	54,97,921	83.51
Total	5,896	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(s) 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 exchanges 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 material subsidiary.

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

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

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

- 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	– ₹ 0.13 lakhs
Total	– ₹ 5.13 lakhs

- l. The details of the related party transactions as per Indian Accounting Standards (Ind AS) - 24 are given in the notes to the Standalone Financial Statements of the Company
- m. 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.
- 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.

Mysore Petro Chemicals Limited

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mysore Petro Chemicals Limited having CIN L24221KA1969PLC001799 and having registered office at D-4, Jyothi Complex, 134/1, Infantry Road, Bengaluru - 560 001, Karnataka (hereinafter referred to as 'the Company'), produced before us by the Company in electronic mode, 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. No physical verification of any document / record was possible due to the current nationwide lockdown owing to the outbreak of Covid-19 pandemic.

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 ending on 31st March 2021 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 Directors	DIN	Date of appointment in Company
1.	Madan Mohan Dhanuka	00193456	14 th September, 1982
2.	Nikunj Dhanuka	00193499	28 th September, 1996
3.	Satyanarayan Bankatlal Maheshwari	00193540	19 th November, 2001
4.	Anil Kochar	00943161	12 th July, 2008
5.	Shrikant Shreeniwos Somani	00085039	22 nd May, 2009
6.	Uma Achyut Acharya	07165976	25 th May, 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 Martinho Ferrao & Associates
Company Secretaries

Martinho Ferrao

Proprietor

F.C.S. No. 6221

C.P. No. 5676

UDIN: F006221C000431833

Date: 8th June, 2021

Place: Mumbai

DECLARATION ON CODE OF CONDUCT

I hereby confirm and declare that all the Directors and Senior Management personnel of the Company as defined in the Code of Conduct of the Company have submitted annual declarations for the year ended 31st March, 2021 confirming their compliance of the same.

Mumbai, 8th June, 2021

M M Dhanuka
Managing Director & CEO

CERTIFICATE ON CORPORATE GOVERNANCE

To 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, 2021 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 2021.

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

F.C.S. No. 6221

C.P. No. 5676

UDIN: F006221C000431778

Date: 8th June, 2021

Place: Mumbai

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, 2021, 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, 2021, and loss, 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.

Emphasis of Matter

We draw attention to the Note 34 of the standalone financial statements which states that 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, 2021 and has concluded that there is no material impact which is required to be recognised in the standalone financial statements. Accordingly, no adjustments have been made to the standalone financial statements.

Our opinion is not modified in respect of this matter.

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 of the current period. 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.

We have determined that there are no key audit matters to communicate in our report.

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.

Our opinion on the standalone financial statements does not cover the other information and we do 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 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, 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.

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 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 is 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, 2016 ("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.

Mysore Petro Chemicals Limited

- (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, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 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.
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: 21159694AAAACN7481

Place: Mumbai
Date : 8th June, 2021

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 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 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 financial statements, including the disclosures, and whether the 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 of the current period 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: 21159694AAAAACN7481

Place: Mumbai

Date : 8th June, 2021

Mysore Petro Chemicals Limited

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MYSORE PETRO CHEMICALS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021

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

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- (b) Fixed assets (Property, Plant and Equipment) have been physically verified by the management 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 are held in the name of the Company.
- ii. The Company did not have any inventory as at the year ended 31st March, 2021. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- 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 provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there has been a significant delays in payment of profession tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) 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 dispute, are as follows:

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

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

UDIN: 21159694AAAAACN7481

Place: Mumbai

Date : 8th June, 2021

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]

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

We have audited the internal financial controls with reference to standalone financial statements of Mysore Petro Chemicals Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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"). 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 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 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.

Opinion

In our opinion, the Company has, in all material respects, 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, 2021, 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.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

UDIN: 21159694AAAAACN7481

Place: Mumbai

Date : 8th June, 2021

Mysore Petro Chemicals Limited

Standalone Balance Sheet as at 31st March, 2021

₹ in lakhs

Particulars	Notes	As at	
		31 st March, 2021	31 st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	202.68	239.59
Investment Properties	3	1,304.72	1,327.31
Financial Assets			
Investments	4	3,871.50	3,900.12
Other Financial Assets	5	994.04	1,999.44
Other Non-Current Assets	6	69.52	87.73
Total Non-Current Assets		6,442.46	7,554.19
Current Assets			
Financial Assets			
Investments	7	558.64	-
Trade Receivables	8	485.56	72.80
Cash and Cash Equivalents	9	144.46	198.00
Bank balances other than Cash and Cash Equivalents	10	34.11	30.14
Other Financial Assets	11	1,681.96	1,774.90
Other Current Assets	12	2.87	3.48
Total Current Assets		2,907.60	2,079.32
Total Assets		9,350.06	9,633.51
EQUITY AND LIABILITIES			
Equity			
Share Capital	13	658.76	658.76
Other Equity	14	8,133.18	8,364.35
Equity attributable to owners of the Company		8,791.94	9,023.11
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	15	166.63	166.63
Provisions	16	9.98	9.14
Deferred Tax Liabilities (Net)	25	28.48	44.63
Total Non-Current Liabilities		205.09	220.40
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		188.82	215.55
Provisions	18	124.12	124.17
Other Current Liabilities	19	40.09	50.28
Total Current Liabilities		353.03	390.00
Total Equity and Liabilities		9,350.06	9,633.51
Significant Accounting Policies	1		
Notes on Financial Statements	2-39		

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
8th June, 2021

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

M M Dhanuka
Managing Director
DIN: 00193456

Nilesh Panchal
Chief Financial Officer

Shrikant Somani
Director
DIN: 00085039

Sejal Makwana
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

Particulars	Notes	₹ in lakhs	
		For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
INCOME			
Revenue from Operations	20	2,284.06	1,297.74
Other Income	21	988.20	783.93
Total Income		3,272.26	2,081.67
EXPENSES			
Purchase of Traded Goods		2,154.92	1,219.78
Employee Benefits Expense	22	222.34	212.76
Finance cost	23	34.09	6.32
Depreciation Expense	2 & 3	60.15	63.44
Other Expenses	24	121.86	120.00
Total Expenses		2,593.36	1,622.29
Profit before Exceptional Item and Tax		678.90	459.37
Exceptional Item			
Investment written off (Refer Note 37)		(694.69)	-
Profit/(Loss) before Tax		(15.79)	459.37
Tax Expense	25		
Current Tax		102.42	33.87
Deferred Tax		(16.15)	19.63
Total Tax Expense		86.27	53.50
Profit/(Loss) after Tax		(102.06)	405.87
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of Defined Benefit Plan		3.42	3.24
Income tax effect		(0.86)	(0.90)
Total Other Comprehensive Income (Net of Tax)		2.56	2.34
Total Comprehensive Income for the Year		(99.50)	408.21
Earning Per share	26		
Face value ₹ 10 per Equity Share (Previous year ₹ 10 each)			
Basic and Diluted earnings per share			
Before exceptional Items		9.00	6.16
After exceptional Items		(1.55)	6.16
Significant Accounting Policies	1		
Notes on Financial Statements	2-39		

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
8th June, 2021

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

M M Dhanuka
Managing Director
DIN: 00193456

Shrikant Somani
Director
DIN: 00085039

Nilesh Panchal
Chief Financial Officer

Sejal Makwana
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2021

(A) Equity Share Capital:

₹ in lakhs

Particulars	As at	
	31 st March, 2021	31 st March, 2020
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, 2019	398.89	280.01	37.50	7,398.47	8,114.87
Profit for the Year	-	-	-	405.87	405.87
Other Comprehensive Income (net of tax)	-	-	-	2.34	2.34
Dividend (Including Dividend Distribution Tax)	-	-	-	(158.73)	(158.73)
As at 31st March, 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)
Balance as at 31st March, 2021	398.89	280.01	37.50	7,416.78	8,133.18

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
8th June, 2021

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

M M Dhanuka
Managing Director
DIN: 00193456

Nilesh Panchal
Chief Financial Officer

Shrikant Somani
Director
DIN: 00085039

Sejal Makwana
Company Secretary

Standalone Statement of Cash Flow for the year ended 31st March, 2021

₹ in lakhs

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
A. OPERATING ACTIVITIES		
Profit/ (Loss) before tax	(15.79)	459.37
Depreciation Expenses	60.15	63.44
Investment written off	694.69	-
Profit on Sale of Investment	-	31.26
(Profit)/ Loss on Fair Value of Investment	(267.39)	6.58
Interest Expense	34.09	6.32
Interest Income	(357.78)	(379.72)
Dividend Income	(118.63)	(250.17)
OPERATING PROFIT /(LOSS) BEFORE WORKING CAPITAL CHANGES	29.34	(62.92)
Working Capital Adjustments:		
Decrease in Trade Payables and other payables	(69.84)	(12.25)
Increase in Trade Receivables	(412.76)	(34.15)
Increase in Loans and Advances	(15.73)	(77.57)
	(498.33)	(123.97)
CASH GENERATED FROM OPERATIONS	(468.99)	(186.89)
Direct Taxes Paid (Net of refunds)	(28.20)	(15.02)
NET CASH USED IN OPERATING ACTIVITIES	(497.19)	(201.91)
B. INVESTING ACTIVITIES :		
Purchase of Property, Plant and Equipment	(0.65)	-
Part payment received towards slum sale of earlier years	1,040.72	440.69
Purchase of Investments	(957.32)	(793.59)
Investments in Fixed Deposits and Banks	(3.96)	(3.47)
Interest Received	374.87	317.67
Dividend Received	118.63	250.17
NET CASH FLOW FROM INVESTING ACTIVITIES	572.29	211.47
C. FINANCING ACTIVITIES :		
Dividend Paid on equity shares (Including Dividend Distribution Tax)	(128.64)	(156.02)
NET CASH USED IN FINANCING ACTIVITIES	(128.64)	(156.02)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(53.54)	(146.46)
Add: Cash and Cash Equivalents at the beginning of the year	198.00	344.46
Cash and Cash Equivalents at the end of the year (Refer Note No. 9)	144.46	198.00

Notes:

- 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
8th June, 2021

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

M M Dhanuka
Managing Director
DIN: 00193456

Shrikant Somani
Director
DIN: 00085039

Nilesh Panchal
Chief Financial Officer

Sejal Makwana
Company Secretary

Note - 1:

Significant Accounting Policies

a. General Information:

Mysore Petro Chemicals Limited ("the Company") CIN No. 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 Security 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.

Mysore Petro Chemicals Limited

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

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

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

g. Property, Plant and Equipment:

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

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

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

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

Though the Company measures investment property using cost based measurement, the fair value of investment

property is disclosed in the notes. Fair values are determined based on estimates.

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

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

i. Inventories:

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

j. Cash and Cash Equivalents:

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

k. Financial Instruments:

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

Financial Asset

Initial recognition and measurement

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

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

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Debt instruments at FVTOCI

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

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

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

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 Asset:

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

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

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.

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.

Mysore Petro Chemicals Limited

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.

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 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, 2021

Note - 2 : Property, Plant and Equipment

₹ in lakhs

Particulars	Freehold Land	Roads and Drains	Buildings	Railway Siding	Furniture and Office Equipment	Vehicles	Total
Gross Carrying Amount							
As at 1 st April, 2019	14.77	20.76	172.24	5.13	192.58	145.34	550.82
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2020	14.77	20.76	172.24	5.13	192.58	145.34	550.82
Additions	-	-	-	-	0.65	-	0.65
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2021	14.77	20.76	172.24	5.13	193.23	145.34	551.47
Accumulated Depreciation							
As at 1 st April, 2019	-	20.76	98.71	5.13	68.93	76.86	270.39
Depreciation for the year	-	-	2.69	-	15.14	23.01	40.84
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2020	-	20.76	101.40	5.13	84.07	99.87	311.23
Depreciation for the year	-	-	2.66	-	15.18	19.72	37.56
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2021	-	20.76	104.06	5.13	99.25	119.59	348.79
Net Carrying Amount							
As at 31 st March, 2020	14.77	-	70.84	-	108.51	45.47	239.59
As at 31 st March, 2021	14.77	-	68.18	-	93.98	25.75	202.68

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 3 : Investment Properties

Particulars	₹ in lakhs
BUILDINGS	
Gross Carrying Amount	
Cost as at 1st April, 2019	1,427.34
Additions	-
Disposals	-
As at 31st March, 2020	1,427.34
Additions	-
Disposals	-
As at 31st March, 2021	1,427.34
Depreciation and Impairment	
As at 1st April, 2019	77.43
Depreciation charge for the year	22.60
Disposals	-
As at 31st March, 2020	100.03
Depreciation charge for the year	22.59
Disposals	-
As at 31st March, 2021	122.62
Net Carrying Amount	
As at 31 st March, 2020	1,327.31
As at 31st March, 2021	1,304.72

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Rental Income	244.40	122.78
Profit from Investment properties before Depreciation and Impairment	244.40	122.78
Depreciation and Impairment	22.59	22.60
Profit from Investment Properties	221.81	100.18

Note: The fair value of investment properties is ₹ 3,188 lakhs (Previous year - ₹ 2,460 lakhs)

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 4 : Non Current Investments

₹ in lakhs

Particulars	Numbers	As at 31 st March, 2021	₹ in lakhs	
			Numbers	As at 31 st March, 2020
(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	150.00
Blue Lotus International Limited (Fully Paid up of GBP 1 each)	20	694.69	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	-	-
iii. In Debentures (At Amortised Cost)				
The Lakshmi Vilas Bank Limited (Fully paid-up)[₹ 10,00,000 each]	2	20.00	2	20.00
iv. In Debentures [At Fair Value]				
IIFL Wealth Finance Limited [₹ 1,00,000 each]	-	-	500	503.49
L&T IDF Market Inked [₹ 10,00,000 each]	25	268.25	-	-
v. In Alternate Investment Fund - (Fully Paid up) [at Fair Value]				
Edelweiss Infrastructure Yield Plus (₹ 10,000 each)	5,375	628.51	3,750	375.00
Edelweiss Infrastructure - EISAF II Onshore Fund (₹ 10,000 each)	3,549.947	420.90	1,109.95	138.13
TVS Shriram Growth fund (₹ 1,000 each)	21,500	215.00	16,500	165.00
vi. In Preference Shares [At fair value]				
7.50% Tata Capital Limited (Fully Paid up of ₹ 1,000 each)	49,500	535.02	49,500	501.55
10% Tata Motors Finance Limited (Fully Paid up of ₹ 100 each)	2,50,000	568.15	2,50,000	525.09
(B) Quoted (Associate entity)				
In Equity Instrument (Fully Paid - up of ₹ 10 each) - [At Cost]				
I G Petrochemicals Limited	40,75,000	826.92	40,75,000	826.92
Total		3,871.50		3,900.12
Aggregate amount of quoted Investments		1,061.16		826.92
Aggregate amount of market value of quoted Investment		17,112.89		3,879.40
Aggregate amount of unquoted Investments		2,810.34		3,073.20

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**Note - 5 : Other Non-Current Financial Assets**

Particulars	₹ in lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Receivable from Related Party (Refer Note 28)	919.00	1,922.00
Deposits	72.64	72.64
Loans to Employees	2.40	4.80
Total	994.04	1,999.44

Note - 6 : Other Non-Current Assets

Income Tax (Net of Provision for Tax)	69.52	87.73
Total	69.52	87.73

Note - 7 : Current Investment

In Debentures [At Fair Value]		
IIFL Wealth Finance Limited (No. of Debentures 500) [₹ 1,00,000 each]	558.64	-
Total	558.64	-

Note - 8 : Trade Receivables

Unsecured, Considered Good	485.56	72.80
Total	485.56	72.80

Note - 9 : Cash and Cash Equivalents

Cash on hand	1.42	1.95
Balance with Banks	143.04	22.72
Deposit with Original Maturity of less than 3 Months	-	173.33
Total	144.46	198.00

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

Fixed deposits held as Margin Money	13.87	13.03
Fixed deposits	0.78	0.68
Unclaimed Dividend Account	19.46	16.43
Total	34.11	30.14

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 11 : Other Current Financial Assets

(Unsecured, Considered Good)

₹ in lakhs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Receivable from Related Party (Refer Note 28)	1,630.01	1,667.73
Loans to Employees	2.40	66.00
Deposit - others	30.57	30.57
Others	18.98	10.60
Total	1,681.96	1,774.90

Note - 12 : Other Current Assets

(Unsecured, Considered Good)

Advances to Suppliers	1.69	1.82
Prepaid Expenses	1.18	1.66
Total	2.87	3.48

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	6,583,488	6,583,488
Add: Shares issued during the year	-	-
Equity shares at the end of the year	6,583,488	6,583,488

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 STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

F The Details of Shareholders holding more than 5% Shares in the company

Name of the Shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	Numbers	% Held	Numbers	% Held
Gembel Trade Enterprises Limited	7,69,020	11.68	7,78,325	11.82
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

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, 2021	As at 31 st March, 2020
(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	7,624.02	7,376.88
Add : Profit/(Loss) for the year	(102.06)	405.87
Less: Appropriations		
Equity dividend	131.67	131.66
Tax on dividend	-	27.07
	7,390.29	7,624.02
(v) Other Comprehensive Income (OCI)		
Balance at the beginning of the year	23.93	21.59
Add : Movement during the year	2.56	2.34
	26.49	23.93
Total	8,133.18	8,364.35

Note - 15 : Other Non-Current Financial Liabilities

Deposits from Related Party (Refer Note 28)	69.02	69.02
Deposits - Others	97.61	97.61
Total	166.63	166.63

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 16 : Non-Current Provisions

₹ in lakhs

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Provision for Leave Obligation	2.82	2.62
Provision for Gratuity	7.16	6.52
Total	9.98	9.14

Note - 17 : Trade Payables

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	188.82	215.55
Total	188.82	215.55

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	47.36	47.45
Provision for Gratuity	76.76	76.72
Total	124.12	124.17

Note - 19 : Other Current Liabilities

Advance from Customers	3.95	18.62
Unpaid Dividend	19.46	16.43
Statutory Dues	16.68	15.23
Total	40.09	50.28

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**Note - 20 : Revenue from Operation**

₹ in lakhs

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Sale of Products		
Traded Goods	2,275.06	1,297.74
Other Operational Revenues	9.00	-
Total	2,284.06	1,297.74

Note - 21 : Other Income

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Interest Income on		
Bank Deposits	2.57	3.57
Others	355.21	376.15
Dividend Income	118.63	250.17
Profit on Fair value of Investment	267.39	-
Profit on Sale of Investment	-	31.26
Rent Received	244.40	122.78
Total	988.20	783.93

Note - 22 : Employee Benefits Expense

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Salaries, Wages and Bonus	190.46	190.14
Contribution to Provident and Other Funds	27.01	17.13
Gratuity expenses	4.10	4.70
Staff welfare expenses	0.77	0.79
Total	222.34	212.76

Note - 23 : Finance Cost

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Interest Expense on		
Others	33.99	5.68
Bank Charges	0.10	0.64
Total	34.09	6.32

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 24 : Other Expenses

₹ in lakhs

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Insurance Premium	1.39	1.69
Freight Outwards	50.85	21.99
Rent Paid	0.06	0.06
Rates and Taxes	11.83	12.49
Travelling and Conveyance	3.16	7.40
Communication cost	1.56	0.92
Legal and Professional fees	18.62	31.45
Entertainment Expenses	-	0.05
Service Charges	4.79	6.44
Directors Sitting Fees	9.25	7.40
Payment to Auditors (Refer Note (i) below)	5.13	2.67
Loss on Fair value of Investment	-	6.58
Miscellaneous Expenses	15.22	20.86
Total	121.86	120.00
Note (i):		
Payments to Auditors		
Audit Fees	5.00	2.50
Reimbursement of Expenses	0.13	0.17
Total	5.13	2.67

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 25 : Tax Expense

₹ in lakhs

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
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	102.42	32.90
Tax for earlier years	-	0.97
Total	102.42	33.87
Deferred Tax Benefit:		
Origination and reversal of temporary differences	(16.15)	19.63
Total	(16.15)	19.63
Income tax expense reported in the Statement of Profit or Loss	86.27	53.50
(ii) Income Tax (expense)/benefit recognised in OCI section		
Deferred Tax benefit on remeasurements of defined benefit plans	(0.86)	(0.90)
Income tax charged to OCI	(0.86)	(0.90)
B Reconciliation of tax expenses / (benefits) and the accounting profit multiplied by India's tax rates:		
Accounting Profit/ (Loss) before tax	(15.79)	459.37
Income tax expenses calculated at corporate tax rate	(3.97)	127.80
Tax effect of adjustment to reconcile expected income tax expense to reported		
Effect of:		
Exempt Income	-	(69.60)
Income taxed at different rate	95.37	(5.37)
Tax for earlier years	-	0.97
Other non-deductible expenses	(5.13)	(0.30)
Total	86.27	53.50

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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, 2021	As at 31 st March, 2020
On Account of Depreciation	62.98	65.96
Employees Separation and Retirement Expense	(33.75)	(37.09)
Others	(0.75)	15.76
Net Deferred Tax Liabilities	28.48	44.63

₹ in lakhs

Particulars	Profit and Loss	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Depreciation	(2.98)	4.19
Employees Separation and Retirement Expense	3.34	1.13
Investment	(16.51)	14.31
Deferred tax benefit	(16.15)	19.63

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

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Weighted average No. of Shares for calculating Basic and Diluted EPS	65,83,488	65,83,488
Profit/ (Loss) before Exceptional Item (net of tax) [₹ in lakhs]	592.63	405.87
Profit/ (Loss) after Exceptional Item (net of tax) [₹ in lakhs]	(102.06)	405.87
Basic and Diluted before Exceptional Item- in ₹	9.00	6.16
Basic and Diluted after Exceptional Item- in ₹	(1.55)	6.16

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 27 : Commitments and contingencies

₹ in lakhs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
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, 2021	As at 31 st March, 2020
Cancellable operating lease	78.21	78.50
Non-Cancellable operating lease	166.19	44.28
Total	244.40	122.78

₹ in lakhs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Within one year	154.18	143.42
After one year but not more than five years	453.56	607.74
More than five years	-	-
Total	607.74	751.16

D Proposed Dividend

The Board of directors at its meeting held on 8th June, 2021 have recommended a final dividend ₹ 2/- (Rupees two only) per equity share of face value of ₹ 10/- each for the financial year ended 31st March, 2021. This amount to ₹ 131.67 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, 2021

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 & CEO

Shri Nikunj Dhanuka - Director

Shri Anil Kochar - Director

Shri Shrikant Somani - Director

Smt. Uma Acharya - Director

Shri S N Maheshwari - Director

Shri 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:

(i) Transaction with related parties:

₹ in lakhs

Nature of Transaction	Relationship	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Purchase (including Taxes)	As referred in (A) (i) above	2,544.66	1,433.24
Interest Income	As referred in (A) (i) above	302.72	346.93
Rent Income (Including Taxes)	As referred in (A) (i) above	88.85	88.85
Loans given / (received back) (net)	As referred in (A) (ii) above	-	60.00
Director Sitting Fees	As referred in (A) (ii) above	9.25	7.40
Remuneration	As referred in (A) (ii) above	187.07	190.67
Investment in shares	As referred in (A) (iii) above	-	694.69
Investment Written Off	As referred in (A) (iii) above	694.69	-
Dividend Income	As referred in (A) (i) above	81.50	163.00

(ii) Outstanding balances with related parties:

₹ in lakhs

Particulars	Relationship	As at 31 st March, 2021	As at 31 st March, 2020
Other Financial Liabilities (Current+Non current)	As referred in (A) (i) above	69.02	69.02
Other Financial Assets (Current+Non current)	As referred in (A) (ii) above	-	63.60
Other Financial Assets (Current+Non current)	As referred in (A) (i) above	2,549.01	3,589.73

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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.

₹ in lakhs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(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)	27.01	17.13
(B) Defined benefit plans		
a) Gratuity payable to employees		
b) Compensated absences for Employees		
i) Actuarial assumptions		
Discount rate (per annum)	6.57%	6.55%
Rate of increase in Salary	4.00%	4.00%
Expected average remaining working lives of employees (years)	7.79 years	7.81 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	83.24	87.11
Interest cost	2.98	3.48
Past service cost	-	-
Current service cost	1.12	1.23
Curtailments	-	-
Settlements	-	-
Benefits paid	-	(5.33)
Actuarial (gain)/ loss on obligations	(3.42)	(3.24)
Present value of obligation at the end of the year*	83.92	83.24
*Included in provision for employee benefits (Refer note 16 and 18)		

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in lakhs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	1.12	1.23
Past service cost	-	-
Interest cost	2.98	3.48
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	-	-
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Statement Profit and Loss (Refer note 22)	4.10	4.70
iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	83.92	83.24
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	83.92	83.24
*Included in provision for employee benefits (Refer note 16 and 18)		
v) A quantitative sensitivity analysis for significant assumption as at 31st March, 2021 is as shown below:		
Impact on defined benefit obligation		
1% increase in discount rate	(0.54)	(0.54)
1% decrease in discount rate	0.62	0.61
1% increase in rate of salary	0.43	0.42
1% decrease in rate of salary	(0.46)	(0.45)
vi) Maturity profile of defined benefit obligation		
Year		
April 2020- March 2021	-	79.20
April 2021- March 2022	79.24	-
April 2022- March 2023	0.51	0.51
April 2023- March 2024	0.55	0.55
April 2024- March 2025	0.54	0.54
April 2025- March 2026	0.54	-
April 2026 onwards	5.40	5.02

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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, 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	-	188.82	-
Other financial Liabilities	-	166.63	-
Total	-	355.45	-
As at 31st March, 2020			
Financial Assets			
Trade Receivable	-	72.80	-
Investment	826.92	20.00	3,053.20
Cash and Cash Equivalents	-	198.00	-
Bank balances other than Cash and Cash Equivalents	-	30.14	-
Other financial assets	-	3,774.34	-
Total	826.92	4,095.28	3,053.20
Financial Liabilities			
Trade Payable	-	215.55	-
Other financial Liabilities	-	166.63	-
Total	-	382.18	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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 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, 2021 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 adopted Ind AS 116 - Leases, using the 'Modified Retrospective Approach with effect from 1st April, 2019. The application of Ind AS 116 does not have any impact on the retained earnings as on 1st April, 2019, being the initial date of application. Further, the application of Ind AS 116 does not have any material impact on standalone financial statement for the year ended 31st March, 2021.

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 36 : Fair value measurement

₹ in lakhs

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial Assets measured at fair value through profit and loss				
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	-
As at 31st March, 2020				
Investment in Equity Shares	844.94	-	-	844.94
Investment in Debentures	503.49	-	503.49	-
Investment in Alternate Investment Fund	678.13	-	678.13	-
Investment in Preference shares	1,026.64	-	1,026.64	-

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.

Note - 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 write off of investments of ₹ 694.69 lakhs towards investment in equity shares of Blue Lotus International Limited and disclosed the same under Exceptional Item.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 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 13rd 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 - 39 :

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
8th June, 2021

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

M M Dhanuka

Managing Director
DIN: 00193456

Nilesh Panchal

Chief Financial Officer

Shrikant Somani

Director
DIN: 00085039

Sejal Makwana

Company Secretary

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, 2021, 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 reports of other auditors on separate financial statements and on the other financial information of 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, 2021, 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.

Emphasis of Matter

We draw attention to the Note 34 of the Consolidated Financial Statements which states that the management of the Company and its associate has made an assessment of the impact of Covid-19 on their operations, financial performance and position as at and for the year ended 31st March, 2021 and has concluded that there is no material impact which is required to be recognized in the Consolidated Financial Statements. Accordingly, no adjustments have been made to the Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.

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 of the current period. 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.

We have determined that there are no key audit matters to communicate in our report in relation to the Company. However,

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

S r. 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, 2021, the Company has incurred significant capital expenditure. Out of the total additions to Property, Plant and Equipment of Rs. 26,444.21 lacs, significant part of the Capitalisation pertain to PA4 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>As a result, the aforesaid matter was determined to be a key audit matter.</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 capitalised (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. • 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.

Our opinion on the consolidated financial statements does not cover the other information and we do 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 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, 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.

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 Associates in accordance

Mysore Petro Chemicals Limited

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 companies included in 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 companies included in 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 associates are responsible for overseeing the financial reporting process of the Company and of its associates.

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 also include the Company's share of net profit of Rs. 2,488.67 lakhs for the year ended 31st March, 2021, 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 auditors whose reports 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 the 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 reports of the other auditors.

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 reports of the other auditors.

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 reports of the other auditors.
 - 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, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate Company incorporated in India, none of the directors of the Company and its associate incorporated in India are disqualified as on 31st March, 2021 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 and its associate have made provision in the Consolidated Financial Statements, as required under the applicable law or accounting standards, 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.
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.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

UDIN: 21159694AAAAC01057

Place: Mumbai

Date : 8th June, 2021

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 auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company 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 of the current period 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: 21159694AAAACO1057

Place: Mumbai

Date : 8th June, 2021

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, 2021]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2021, 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, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company and its associate, 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 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 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 reports 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, 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.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company and its associate, which is a company incorporated in India, have, in all material respects, 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, 2021, based on the internal control with reference to consolidated financial statements criteria established by the Company and its associate considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports 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 associate, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Ankush Agrawal

Partner

Membership No. 159694

UDIN: 21159694AAAAC01057

Place: Mumbai

Date : 8th June, 2021

Mysore Petro Chemicals Limited

Consolidated Balance Sheet as at 31st March, 2021

₹ in lakhs

Particulars	Notes	As at	
		31 st March, 2021	31 st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	202.68	239.59
Investment Properties	3	1,304.72	1,327.31
Investments accounted for using the equity method		10,890.37	8,474.57
Financial Assets			
Investments	4	3,044.58	3,073.20
Other Financial Assets	5	994.04	1,999.44
Other Non-Current Assets	6	69.52	87.73
Total Non-Current Assets		16,505.91	15,201.84
Current Assets			
Financial Assets			
Investments	7	558.64	-
Trade Receivables	8	485.56	72.80
Cash and Cash Equivalents	9	144.46	198.00
Bank balances other than Cash and Cash Equivalents	10	34.11	30.14
Other Financial Assets	11	1,681.96	1,774.90
Other Current Assets	12	2.87	3.48
Total Current Assets		2,907.60	2,079.32
Total Assets		19,413.51	17,281.16
EQUITY AND LIABILITIES			
Equity			
Share Capital	13	658.76	658.76
Other Equity	14	15,667.16	16,012.00
Equity attributable to owners of the Company		16,325.92	16,670.76
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	15	166.63	166.63
Provisions	16	9.98	9.14
Deferred Tax Liabilities (Net)	25	2,557.95	44.63
Total Non-Current Liabilities		2,734.56	220.40
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		188.82	215.55
Provisions	18	124.12	124.17
Other Current Liabilities	19	40.09	50.28
Total Current Liabilities		353.03	390.00
Total Equity and Liabilities		19,413.51	17,281.16
Significant Accounting Policies	1		
Notes on Financial Statements	2-40		

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
8th June, 2021

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

M M Dhanuka
Managing Director
DIN: 00193456

Nilesh Panchal
Chief Financial Officer

Shrikant Somani
Director
DIN: 00085039

Sejal Makwana
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

Particulars	Notes	₹ in lakhs	
		For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
INCOME			
Revenue from Operations	20	2,284.06	1,297.74
Other Income	21	906.70	620.93
Total Income		3,190.76	1,918.67
EXPENSES			
Purchase of Traded Goods		2,154.92	1,219.78
Employee Benefits Expense	22	222.34	212.76
Finance cost	23	34.09	6.32
Depreciation Expense	2 & 3	60.15	63.44
Other Expenses	24	121.86	120.00
Total Expenses		2,593.36	1,622.29
Profit before share profit of Associate and exceptional Items & Tax		597.40	296.37
Share of Profit of Associate		2,488.67	242.73
Exceptional Item			
Investment written off (Refer Note 38)		(694.69)	-
Profit before Tax		2,391.38	539.10
Tax Expense	25		
Current Tax		102.42	33.87
Deferred Tax		2,513.32	19.63
Total Tax Expense		2,615.74	53.50
Profit/(Loss) after Tax		(224.36)	485.60
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of Defined Benefit Plan		3.42	3.24
Share of other comprehensive income of associate		8.63	(6.16)
Income tax effect		(0.86)	(0.90)
Total Other Comprehensive Income (Net of Tax)		11.19	(3.82)
Total Comprehensive Income for the Year		(213.17)	481.78
Earning Per share	26		
Face value ₹ 10 per Equity Share (Previous year ₹ 10 each)			
Basic and Diluted earnings per share			
Before exceptional Items		7.14	7.38
After exceptional Items		(3.41)	7.38
Significant Accounting Policies	1		
Notes on Financial Statements	2-40		

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
8th June, 2021

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

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

Shrikant Somani
Director
DIN: 00085039
Sejal Makwana
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

(A) Equity Share Capital:

₹ in lakhs

Particulars	As at	As at
	31 st March, 2021	31 st March, 2020
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, 2019	398.89	280.01	37.50	14,972.55	15,688.95
Profit for the Year	-	-	-	485.60	485.60
Other Comprehensive Income (net of tax)	-	-	-	(3.82)	(3.82)
Dividend (Including Dividend Distribution Tax)	-	-	-	(158.73)	(158.73)
As at 31st March, 2020	398.89	280.01	37.50	15,295.60	16,012.00
Profit for the Year	-	-	-	(224.36)	(224.36)
Other Comprehensive Income (net of tax)	-	-	-	11.19	11.19
Dividend	-	-	-	(131.67)	(131.67)
Balance as at 31st March, 2021	398.89	280.01	37.50	14,950.76	15,667.16

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
8th June, 2021

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

M M Dhanuka
Managing Director
DIN: 00193456

Nilesh Panchal
Chief Financial Officer

Shrikant Somani
Director
DIN: 00085039

Sejal Makwana
Company Secretary

Consolidated Statement of Cash Flow for the year ended 31st March, 2021

₹ in lakhs

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
A. OPERATING ACTIVITIES:		
Profit before tax	2,391.38	539.10
Depreciation Expenses	60.15	63.44
Investment written off	694.69	-
Profit on Sale of Investment	-	31.26
(Profit)/ Loss on Fair Value of Investment	(267.39)	6.58
Share of profit from Associates	(2,407.17)	(79.73)
Interest Expense	34.09	6.32
Interest Income	(357.78)	(379.72)
Dividend Income	(118.63)	(250.17)
OPERATING PROFIT /(LOSS) BEFORE WORKING CAPITAL CHANGES	29.34	(62.92)
Working Capital Adjustments:		
(Decrease) in Trade Payables and other payables	(69.84)	(12.25)
Increase in Trade Receivables	(412.76)	(34.15)
Increase in Loans and Advances	(15.73)	(77.57)
	(498.33)	(123.97)
CASH GENERATED FROM OPERATIONS	(468.99)	(186.89)
Direct Taxes Paid (Net of refunds)	(28.20)	(15.02)
NET CASH USED IN OPERATING ACTIVITIES	(497.19)	(201.91)
B. INVESTING ACTIVITIES :		
Purchase of Property, Plant and Equipment	(0.65)	-
Part payment received towards slump sale of earlier years	1,040.72	440.69
Purchase of Investments	(957.32)	(793.59)
Investments in Fixed Deposits and Banks	(3.96)	(3.47)
Interest Received	374.87	317.67
Dividend Received	118.63	250.17
NET CASH FLOW FROM INVESTING ACTIVITIES	572.29	211.47
C. FINANCING ACTIVITIES :		
Dividend Paid on equity shares (Including Dividend Distribution Tax)	(128.64)	(156.02)
NET CASH USED IN FINANCING ACTIVITIES	(128.64)	(156.02)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(53.54)	(146.46)
Add: Cash and Cash Equivalents at the beginning of the year	198.00	344.46
Cash and Cash Equivalents at the end of the year (Refer Note No. 9)	144.46	198.00

Notes:

- 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

8th June, 2021

For and on behalf of the Board of Directors of

Mysore Petro Chemicals Limited**M M Dhanuka**

Managing Director

DIN: 00193456

Nilesh Panchal

Chief Financial Officer

Shrikant Somani

Director

DIN: 00085039

Sejal Makwana

Company Secretary

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 code 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.

Mysore Petro Chemicals Limited

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

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

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

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

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

h. Property, Plant and Equipment:

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

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

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

Freehold land is not depreciated.

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

Though the 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.

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 financials 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.

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 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.

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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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 2 : Property, Plant and Equipment

₹ in lakhs

Particulars	Freehold Land	Roads and Drains	Buildings	Railway Siding	Furniture and Office Equipment	Vehicles	Total
Gross Carrying Amount							
As at 1 st April, 2019	14.77	20.76	172.24	5.13	192.58	145.34	550.82
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2020	14.77	20.76	172.24	5.13	192.58	145.34	550.82
Additions	-	-	-	-	0.65	-	0.65
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2021	14.77	20.76	172.24	5.13	193.23	145.34	551.47
Accumulated Depreciation							
As at 1 st April, 2019	-	20.76	98.71	5.13	68.93	76.86	270.39
Depreciation for the year	-	-	2.69	-	15.14	23.01	40.84
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2020	-	20.76	101.40	5.13	84.07	99.87	311.23
Depreciation for the year	-	-	2.66	-	15.18	19.72	37.56
Disposal	-	-	-	-	-	-	-
As at 31 st March, 2021	-	20.76	104.06	5.13	99.25	119.59	348.79
Net Carrying Amount							
As at 31 st March, 2020	14.77	-	70.84	-	108.51	45.47	239.59
As at 31 st March, 2021	14.77	-	68.18	-	93.98	25.75	202.68

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 3 : Investment Properties

Particulars	₹ in lakhs
BUILDINGS	
Gross Carrying Amount	
Cost as at 1st April, 2019	1,427.34
Additions	-
Disposals	-
As at 31st March, 2020	1,427.34
Additions	-
Disposals	-
As at 31st March, 2021	1,427.34
Depreciation and Impairment	
As at 1st April, 2019	77.43
Depreciation charge for the year	22.60
Disposals	-
As at 31st March, 2020	100.03
Depreciation charge for the year	22.59
Disposals	-
As at 31st March, 2021	122.62
Net Carrying Amount	
As at 31 st March, 2020	1,327.31
As at 31st March, 2021	1,304.72

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Rental Income	244.40	122.78
Profit from Investment properties before Depreciation and Impairment	244.40	122.78
Depreciation and Impairment	22.59	22.60
Profit from Investment Properties	221.81	100.18

Note: The fair value of investment properties is ₹ 3,188 lakhs (Previous year - ₹ 2,460 lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 4 : Non Current Investments

		₹ in lakhs			
Particulars	Numbers	As at 31 st March, 2021	Numbers	As at	
				31 st March, 2020	
(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	150.00	
Blue Lotus International Limited (Fully Paid up of GBP 1 each)	20	694.69	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	-	-	
iii. In Debentures (At Amortised Cost)					
The Lakshmi Vilas Bank Limited (Fully paid-up)[₹ 10,00,000 each]	2	20.00	2	20.00	
iv. In Debentures [At fair Value]					
IIFL Wealth Finance Limited [₹ 1,00,000 each]	-	-	500	503.49	
L&T IDFC Market Inked [₹ 10,00,000 each]	25	268.25	-	-	
v. In Alternate Investment Fund - (Fully Paid up) [at Fair Value]					
Edelweiss Infrastructure Yield Plus (₹ 10,000 each)	5,375	628.51	3,750	375.00	
Edelweiss Infrastructure - EISAF II Onshore Fund (₹ 10,000 each)	3,549.947	420.90	1,109.95	138.13	
TVS Shriram Growth fund (₹ 1,000 each)	21,500	215.00	16,500	165.00	
vi. In Preference Shares [At fair value]					
7.50% Tata Capital Limited (Fully Paid up of ₹ 1,000 each)	49,500	535.02	49,500	501.55	
10% Tata Motors Finance Limited (Fully Paid up of ₹ 100 each)	2,50,000	568.15	2,50,000	525.09	
Total		3,044.58		3,073.20	
Aggregate amount of quoted Investments		234.24		-	
Aggregate amount of market value of quoted Investment		234.24		-	
Aggregate amount of unquoted Investments		2,810.34		3,073.20	

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 5 : Other Non-Current Financial Assets

₹ in lakhs

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Receivable from Related Party (Refer Note 28)	919.00	1,922.00
Deposits	72.64	72.64
Loans to Employees	2.40	4.80
Total	994.04	1,999.44

Note - 6 : Other Non-Current Assets

Income Tax (Net of Provision for Tax)	69.52	87.73
Total	69.52	87.73

Note - 7 : Current Investment

In Debentures [At Fair Value]		
IIFL Wealth Finance Limited (No. of Debentures 500) [₹ 1,00,000 each]	558.64	-
Total	558.64	-

Note - 8 : Trade Receivables

Unsecured, Considered Good	485.56	72.80
Total	485.56	72.80

Note - 9 : Cash and Cash Equivalents

Cash on hand	1.42	1.95
Balance with Banks	143.04	22.72
Deposit with Original Maturity of less than 3 Months	-	173.33
Total	144.46	198.00

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

Fixed deposits held as Margin Money	13.87	13.03
Fixed deposits	0.78	0.68
Unclaimed Dividend Account	19.46	16.43
Total	34.11	30.14

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**Note - 11 : Other Current Financial Assets**

(Unsecured, Considered Good)

₹ in lakhs

Particulars	₹ in lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Receivable from Related Party (Refer Note 28)	1,630.01	1,667.73
Loans to Employees	2.40	66.00
Deposit - others	30.57	30.57
Others	18.98	10.60
Total	1,681.96	1,774.90

Note - 12 : Other Current Assets

(Unsecured, Considered Good)

Advances to Suppliers	1.69	1.82
Prepaid Expenses	1.18	1.66
Total	2.87	3.48

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

F The Details of Shareholders holding more than 5% Shares in the company

Name of the Shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	Numbers	% Held	Numbers	% Held
Gembel Trade Enterprises Limited	7,69,020	11.68	7,78,325	11.82
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

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, 2021	As at 31 st March, 2020
(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	15,277.83	14,950.96
Add : Profit for the year	(224.36)	485.60
Less: Appropriations		
Equity dividend	131.67	131.66
Tax on dividend	-	27.07
	14,921.80	15,277.83
(v) Other Comprehensive Income (OCI)		
Balance at the beginning of the year	17.77	21.59
Add : Movement during the year	11.19	(3.82)
	28.96	17.77
Total	15,667.16	16,012.00

Note - 15 : Other Non-Current Financial Liabilities

Deposits from Related Party (Refer Note 28)	69.02	69.02
Deposits - Others	97.61	97.61
Total	166.63	166.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**Note - 16 : Non-Current Provisions**

Particulars	₹ in lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Provision for Leave Obligation	2.82	2.62
Provision for Gratuity	7.16	6.52
Total	9.98	9.14

Note - 17 : Trade Payables

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	188.82	215.55
Total	188.82	215.55

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	47.36	47.45
Provision for Gratuity	76.76	76.72
Total	124.12	124.17

Note - 19 : Other Current Liabilities

Advance from Customers	3.95	18.62
Unpaid Dividend	19.46	16.43
Statutory Dues	16.68	15.23
Total	40.09	50.28

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 20 : Revenue from Operation

₹ in lakhs

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Sale of Products		
Traded Goods	2,275.06	1,297.74
Other Operational Revenues	9.00	-
Total	2,284.06	1,297.74

Note - 21 : Other Income

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Interest Income on		
Bank Deposits	2.57	3.57
Others	355.21	376.15
Dividend Income	37.13	87.17
Profit on Fair value of Investment	267.39	-
Profit on Sale of Investment	-	31.26
Rent Received	244.40	122.78
Total	906.70	620.93

Note - 22 : Employee Benefits Expense

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Salaries, Wages and Bonus	190.46	190.14
Contribution to Provident and Other Funds	27.01	17.13
Gratuity expenses	4.10	4.70
Staff welfare expenses	0.77	0.79
Total	222.34	212.76

Note - 23 : Finance Cost

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Interest Expense on		
Others	33.99	5.68
Bank Charges	0.10	0.64
Total	34.09	6.32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**Note - 24 : Other Expenses**

Particulars	₹ in lakhs	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Insurance Premium	1.39	1.69
Freight Outwards	50.85	21.99
Rent Paid	0.06	0.06
Rates and Taxes	11.83	12.49
Travelling and Conveyance	3.16	7.40
Communication cost	1.56	0.92
Legal and Professional fees	18.62	31.45
Entertainment Expenses	-	0.05
Service Charges	4.79	6.44
Directors Sitting Fees	9.25	7.40
Payment to Auditors (Refer Note (i) below)	5.13	2.67
Loss on Fair value of Investment	-	6.58
Miscellaneous Expenses	15.22	20.86
Total	121.86	120.00
Note (i):		
Payments to Auditors		
Audit Fees	5.00	2.50
Reimbursement of Expenses	0.13	0.17
Total	5.13	2.67

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 25 : Tax Expense

₹ in lakhs

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
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	102.42	32.90
Tax for earlier years	-	0.97
Total	102.42	33.87
Deferred Tax Benefit:		
Origination and reversal of temporary differences	2,513.32	19.63
Total	2,513.32	19.63
Income tax expense reported in the Statement of Profit or Loss	2,615.74	53.50
(ii) Income Tax (expense)/benefit recognised in OCI section		
Deferred Tax benefit on remeasurements of defined benefit plans	(0.86)	(0.90)
Income tax charged to OCI	(0.86)	(0.90)
B Reconciliation of tax expenses / (benefits) and the accounting profit multiplied by India's tax rates:		
Accounting Profit before tax	(15.79)	459.37
Income tax expenses calculated at corporate tax rate	(3.97)	127.80
Tax effect of adjustment to reconcile expected income tax expense to reported		
Effect of:		
Exempt Income	-	(69.60)
Income taxed at different rate	95.37	(5.37)
Tax for earlier years	-	0.97
Tax on undistributed profit of associate	2,529.47	-
Other non-deductible expenses	(5.13)	(0.30)
Total	2,615.74	53.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**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, 2021	As at 31 st March, 2020
On Account of Depreciation	62.98	65.96
Employees Separation and Retirement Expense	(33.75)	(37.09)
On undistributed profit of associate	2,529.47	-
Others	(0.75)	15.76
Net Deferred Tax Liabilities	2,557.95	44.63

₹ in lakhs

Particulars	Profit and Loss	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Depreciation	(2.98)	4.19
Employees Separation and Retirement Expense	3.34	1.13
On undistributed profit of associate	2,529.47	-
Investment	(16.51)	14.31
Deferred tax benefit	2,513.32	19.63

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

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Weighted average No. of Shares for calculating Basic and Diluted EPS	65,83,488	65,83,488
Profit/ (Loss) before Exceptional Item (net of tax) [₹ in lakhs]	470.33	485.60
Profit/ (Loss) after Exceptional Item (net of tax) [₹ in lakhs]	(224.36)	485.60
Basic and Diluted before Exceptional Item- in ₹	7.14	7.38
Basic and Diluted after Exceptional Item- in ₹	(3.41)	7.38

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 27 : Commitments and contingencies

₹ in lakhs

Particulars	₹ in lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
A Claims against the Company not acknowledged as debt		
Disputed taxation matter	23.98	23.98
B Share of associate's contingent liability	1,315.49	1,240.77

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

₹ in lakhs

Particulars	₹ in lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Cancellable operating lease	78.21	78.50
Non-Cancellable operating lease	166.19	44.28
Total	244.40	122.78

₹ in lakhs

Particulars	₹ in lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Within one year	154.18	143.42
After one year but not more than five years	453.56	607.74
More than five years	-	-
Total	607.74	751.16

E Proposed Dividend

The Board of directors at its meeting held on 8th June, 2021 have recommended a final dividend ₹ 2/- (Rupees two only) per equity share of face value of ₹ 10/- each for the financial year ended 31st March, 2021. This amount to ₹ 131.67 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, 2021

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 & CEO

Shri Nikunj Dhanuka - Director

Shri Anil Kochar - Director

Shri Shrikant Somani - Director

Smt. Uma Acharya - Director

Shri S N Maheshwari - Director

Shri 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:

(i) Transaction with related parties:

₹ in lakhs

Nature of Transaction	Relationship	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Purchase (including Taxes)	As referred in (A) (i) above	2,544.66	1,433.24
Interest Income	As referred in (A) (i) above	302.72	346.93
Rent Income (Including Taxes)	As referred in (A) (i) above	88.85	88.85
Loans given / (received back) (net)	As referred in (A) (ii) above	-	60.00
Director Sitting Fees	As referred in (A) (ii) above	9.25	7.40
Remuneration	As referred in (A) (ii) above	187.07	190.67
Investment in shares	As referred in (A) (iii) above	-	694.69
Investment Written Off	As referred in (A) (iii) above	694.69	-
Dividend Income	As referred in (A) (i) above	81.50	163.00

(ii) Outstanding balances with related parties:

₹ in lakhs

Particulars	Relationship	As at 31 st March, 2021	As at 31 st March, 2020
Other Financial Liabilities (Current+Non current)	As referred in (A) (i) above	69.02	69.02
Other Financial Assets (Current+Non current)	As referred in (A) (ii) above	-	63.60
Other Financial Assets (Current+Non current)	As referred in (A) (i) above	2,549.01	3,589.73

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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.

₹ in lakhs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(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)	27.01	17.13
(B) Defined benefit plans		
a) Gratuity payable to employees		
b) Compensated absences for Employees		
i) Actuarial assumptions		
Discount rate (per annum)	6.57%	6.55%
Rate of increase in Salary	4.00%	4.00%
Expected average remaining working lives of employees (years)	7.79 years	7.81 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	83.24	87.11
Interest cost	2.98	3.48
Past service cost	-	-
Current service cost	1.12	1.23
Curtailments	-	-
Settlements	-	-
Benefits paid	-	(5.33)
Actuarial (gain)/ loss on obligations	(3.42)	(3.24)
Present value of obligation at the end of the year*	83.92	83.24
*Included in provision for employee benefits (Refer note 16 and 18)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in lakhs

Particulars	As at	
	31 st March, 2021	31 st March, 2020
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	1.12	1.23
Past service cost	-	-
Interest cost	2.98	3.48
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	-	-
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Statement Profit and Loss (Refer note 22)	4.10	4.70
iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	83.92	83.24
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	83.92	83.24
*Included in provision for employee benefits (Refer note 16 and 18)		
v) A quantitative sensitivity analysis for significant assumption as at 31st March, 2021 is as shown below:		
Impact on defined benefit obligation		
1% increase in discount rate	(0.54)	(0.54)
1% decrease in discount rate	0.62	0.61
1% increase in rate of salary	0.43	0.42
1% decrease in rate of salary	(0.46)	(0.45)
vi) Maturity profile of defined benefit obligation		
Year		
April 2020- March 2021	-	79.20
April 2021- March 2022	79.24	-
April 2022- March 2023	0.51	0.51
April 2023- March 2024	0.55	0.55
April 2024- March 2025	0.54	0.54
April 2025- March 2026	0.54	-
April 2026 onwards	5.40	5.02

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

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note - 30 : Category wise classification of Financial Instruments

₹ 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	188.82	-
Other financial Liabilities	166.63	-
Total	355.45	-
As at 31st March, 2020		
Financial Assets		
Trade Receivable	72.80	-
Investment	20.00	3,053.20
Cash and Cash Equivalents	198.00	-
Bank balances other than Cash and Cash Equivalents	30.14	-
Other financial assets	3,774.34	-
Total	4,095.28	3,053.20
Financial Liabilities		
Trade Payable	215.55	-
Other financial Liabilities	166.63	-
Total	382.18	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**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 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.

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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, 2021 and has concluded that no 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 adopted Ind AS 116 - Leases, using the 'Modified Retrospective Approach with effect from 1st April, 2019. The application of Ind AS 116 does not have any impact on the retained earnings as on 1st April, 2019, being the initial date of application. Further, the application of Ind AS 116 does not have any material impact on consolidated financial statement for the year ended 31st March, 2021

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, 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	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in lakhs

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
As at 31st March, 2020				
Investment in Equity Shares	844.94	-	-	844.94
Investment in Debentures	503.49	-	503.49	-
Investment in Alternate Investment Fund	678.13	-	678.13	-
Investment in Preference shares	1,026.64	-	1,026.64	-

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.

Note - 37 : Associate

₹ in lakhs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
	Investments accounted for using the Equity Method	
The following entity have been included in the consolidated financial statements using the equity method:		
I G Petro Chemicals Limited	10,890.37	8,474.57
Deferred Tax on as above	2,529.47	-
Total Equity Accounted Investments	8,360.90	8,474.57
Summarised financial information of associate:		
Current Assets	43,703.17	32,587.41
Non-Current Assets	88,677.00	83,555.75
Current Liabilities	32,895.49	29,444.35
Non-Current Liabilities	17,284.93	23,427.20
Equity	82,199.75	63,271.61

₹ in lakhs

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Revenue	112,694.72	106,481.59
Expenses	87,430.15	103,543.75
Profit before Tax	25,264.57	2,937.84
Tax Expense	6,453.73	1,103.24
Profit for the Year	18,810.84	1,834.60
Group's share of Profit for the Year (Gross)	2,488.67	242.73
Dividend received during the Year	81.50	163.00
Group's share of Profit for the Year (Net)	2,407.17	79.73
Deferred Tax	2,529.47	-

Note - 38 :

The Company has made the aggregate investment of GBP 770,000 (equivalent of Rs. 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 write off of investments of ₹ 694.69 lakhs towards investment in equity shares of Blue Lotus International Limited and disclosed the same under Exceptional Item.

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 13rd 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 :

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
8th June, 2021

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

M M Dhanuka
Managing Director
DIN: 00193456

Nilesh Panchal
Chief Financial Officer

Shrikant Somani
Director
DIN: 00085039

Sejal Makwana
Company Secretary



mysore petro chemicals limited

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