



mysore petro chemicals limited

4th September, 2020

SECT/306

BSE Limited

Corporate Relationship Department
1st Floor, P J Towers
Dalal Street
Mumbai - 400 001

Script Code: 506734

Dear Sirs,

Sub: Annual Report – Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith an annual report of the Company for the year 2019-20 along with notice of Annual General Meeting.

Kindly take the same on your record.

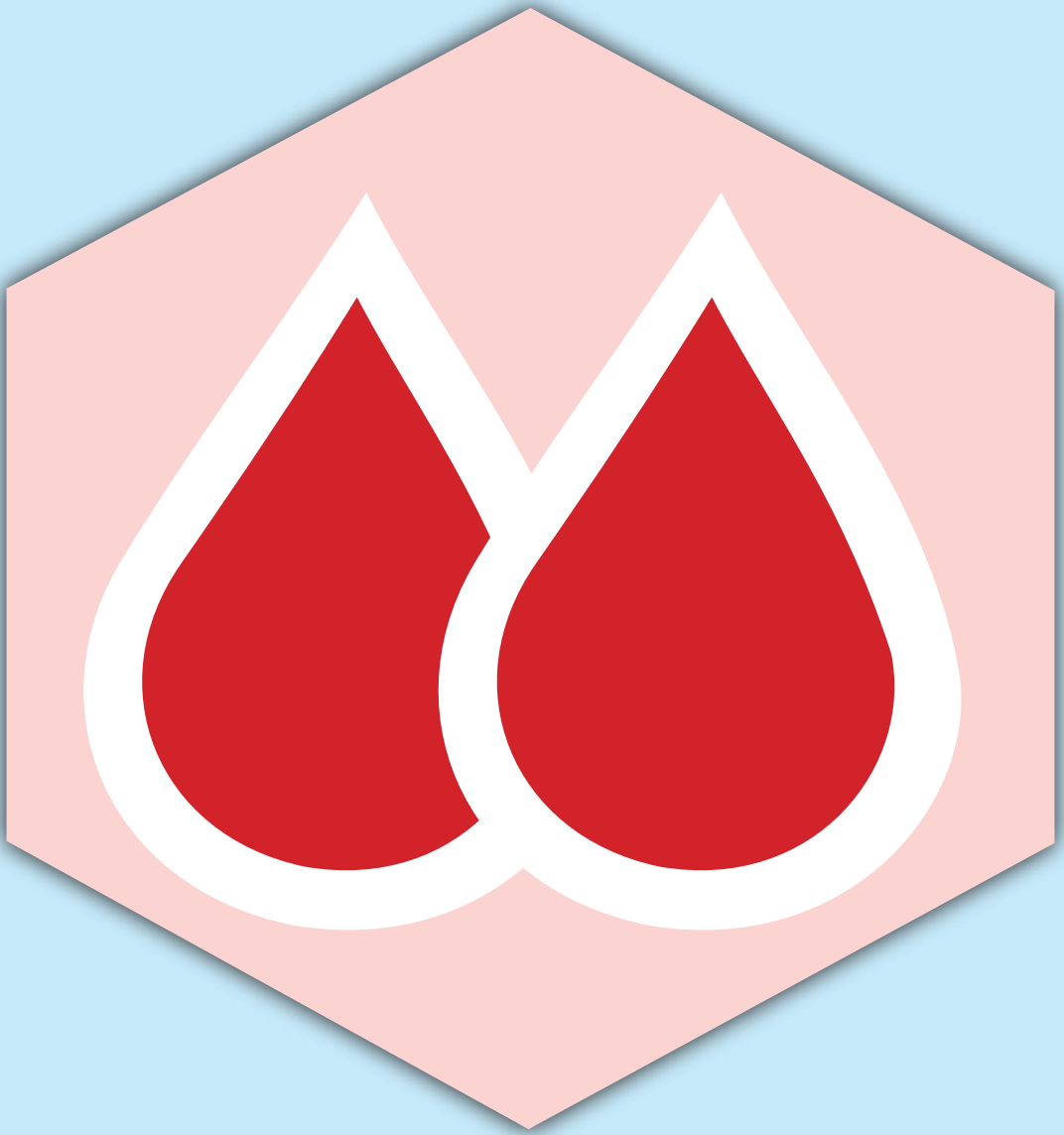
Thanking you,

Yours faithfully,

For Mysore Petro Chemicals Limited

Sejal Makwana
Company Secretary

Encl: As above



Mysore Petro Chemicals Limited

50th Annual Report 2019-2020

BOARD OF DIRECTORS

Shri M M Dhanuka – *Chairman & Managing Director*

Shri Nikunj Dhanuka

Shri Anil Kochar

Shri S N Maheshwari

Shri Shrikant Somani

Smt. Uma Acharya

CHIEF FINANCIAL OFFICER

Shri Nilesh Panchal

COMPANY SECRETARY

Smt. Pragati Nathani (upto 6th November, 2019)

Ms. Sejal Makwana (w.e.f. 14th November, 2019)

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 : <http://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 50th Annual General Meeting

Tuesday, 29th September, 2020
at 2.00 pm through Video
Conference (VC)/Other Audio
Visual Means (AOVM) facility

CONTENTS

Page

Notice 2

Directors' Report 10

Report on Corporate Governance..... 18

Standalone Financial Statement

Independent Auditors' Report..... 28

Balance Sheet 36

Statement of Profit & Loss..... 37

Notes to Financial Statements..... 40

Consolidated Financial Statement

Independent Auditors' Report..... 65

Balance Sheet 74

Statement of Profit & Loss..... 75

Notes to Financial Statements..... 78

NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of **Mysore Petro Chemicals Limited** (CIN: L24221KA1969PLC001799) will be held on **Tuesday, 29th September, 2020 at 2:00 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, 2020 and the Report of the Board of Directors and the Auditors' Report thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri M M Dhanuka (DIN 00193456) who retires by rotation and being eligible offers himself for re-appointment.

By Order of the Board
For Mysore Petro Chemicals Limited

Mumbai
29th June, 2020

Sejal Makwana
Company Secretary

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, physical attendance of the Members at the annual general meeting (AGM) venue is not required and AGM 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 15 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 (the Act).
7. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), in respect of the Director seeking re-appointment at the Annual General Meeting, forms part of the Notice.
8. In accordance with the aforesaid Circulars, the Notice of AGM alongwith Annual Report for the financial year 2019-20 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. 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.
9. Members whose email addresses are not registered can register the same with the Company's Registrar and Share Transfer / their Depository Participants, in respect of shares held in physical / electronic mode respectively.
10. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, and the aforesaid Circulars the Company pleased to offer voting by electronic means to the members to cast their votes electronically on all resolutions set forth in this notice. The detailed instructions for e-voting and attending the AGM through VC/OAVM are forms part of the Notice.
11. Members are requested to immediately intimate change of address, Bank details if any, to the Company/Registrar & Share Transfer Agents (RTA).
12. The Register of Members and Share Transfer Books of the Company will remain closed on Wednesday, 23rd September, 2020 and Thursday, 24th September, 2020 for the purpose of Annual General Meeting (AGM) and payment of dividend, if declared.
13. If dividend as recommended by the Board of Directors is approved at the AGM, payment will be made subject to deduction of tax at source on or after 5th October, 2020 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 22nd September, 2020;
 - b) To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 22nd September, 2020.
14. Members holding securities in demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form should send a request updating their bank details, to the Company's RTA. In compliance with the aforesaid Circulars and upon normalization of the postal services, the Company shall dispatch by post the dividend warrants to those members who have not registered their bank mandate with Company.

Mysore Petro Chemicals Limited

15. Pursuant to the changes introduced by the Finance Act, 2020, dividend income will be taxable in the hands of the members w.e.f. 1st April, 2020 and the company is required to deduct tax at source (TDS) from dividend paid to members at the prescribed rates:

For Resident Members, taxes shall be deducted at source under Section 194 of the Income Tax Act, 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 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 Wednesday, 16th September, 2020 in order to enable the Company to determine and deduct appropriate TDS/withholding tax.

Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/deduction shall be considered post 16th September, 2020.

16. 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.
17. During the year, there was no amount which was liable to be transferred to the Investor Education and Protection Fund (IEPF) in terms of Sections 124 of the Companies Act, 2013. A statement of unclaimed dividend declared at the last AGM held on 29th August, 2019 is available on the Company's website www.mysorepetro.com.

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

18. 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 should note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any un-encashed dividends before it becomes due for transfer to IEPF.
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. As per Regulation 40 of the SEBI Listing Regulations, 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 or Company's Registrar and Transfer Agents - M/s. Bigshare Services Private Limited for assistance in this regard.
21. 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 25th September, 2020 at udhuri@igpetro.com.
22. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

The instructions for members voting electronically are as under:

In compliance with provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services provided by NSDL.

The remote e-voting period commences on Saturday, 26th September, 2020 (9:00 am) and ends on Monday, 28th September, 2020 (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. 22nd September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

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

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

Details on Step 1 is mentioned below:

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

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

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

Mysore Petro Chemicals Limited

4. Your user ID details are given below

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is :
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 1 2 * * * * * * * * * * * * * * * then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your User ID details are given below :

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - 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'.
 - If your email ID is not registered, please follow steps mentioned below.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- 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.
- "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- 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.
- 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.

Details on Step 2 is given below:

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

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

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail id 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.

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 the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- 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.

Mysore Petro Chemicals Limited

- e. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at udhuri@igpetro.com. The same will be replied by the company suitably.
- f. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Shri Pratik Bhatt at 022-24994738 or Shri Amit Vishal at 022-24994360 or Smt. Pallavi Mhatre at 022-24994545.

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.: 1800-222-990 or send a request at evoting@nsdl.co.in.

4. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 22nd September, 2020.
5. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/RTA.

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

6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as e-voting during the AGM through remote e-voting.
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 along with the report of the Scrutinizer shall be placed on the website of the Company www.mysorepetro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

By Order of the Board
For Mysore Petro Chemicals Limited

Mumbai
29th June, 2020

Sejal Makwana
Company Secretary

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

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT

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

Name	M M Dhanuka
Directors Identification Number	00193456
Date of Birth	17-04-1948
Date of Appointment	14 th August, 2018
Qualifications	B.E.
Expertise	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
Chairmanship / Membership of Committees in other Public Companies	<u>I G Petrochemicals Limited</u> Audit Committee – Member Stakeholders Relationship Committee – Member
Number of Shares held	60,900
Relationship between directors inter-se	Nil

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Fiftieth Annual Report together with the Audited Statements of Accounts and the Auditors Report of your Company for the financial year ended 31st March, 2020.

1. Financial Results

(₹ in lakhs)

Particulars	2019-20	2018-19
Total Revenue	2,075.09	4,133.58
Profit before interest, depreciation and taxes	529.13	539.08
Depreciation	63.44	68.00
Finance Cost	6.32	4.41
Profit before tax	459.37	466.67
Provision for taxation	53.50	73.74
Profit after tax	405.87	392.93
Balance brought forward	247.13	234.19
Balance available for appropriation	7,769.23	7,519.75
Appropriation:		
Proposed dividend for the financial year	131.67	131.67
Corporate dividend tax	-	27.07
Surplus retained in profit and loss account	7,647.95	7,398.47
Earning per share	6.16	5.97

2. Overview of Company's Financial Performance

The Company is engaged in the trading of petrochemicals products. During the financial year 2019-20, total revenue amounted to ₹ 2,075.09 lakhs as compared to ₹ 4,133.58 lakhs in the previous year and the Profit after tax rose to ₹ 405.87 lakhs as compared to profit of ₹ 392.93 lakhs in 2018-19.

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 ₹ 158.74 lakhs which includes ₹ 27.07 lakhs dividend distribution tax).

4. Management Discussion and Analysis

The Company has sold its Maleic Anhydride business to I G Petrochemicals Ltd. 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 (OX), Phthalic Anhydride (PA), Maleic Anhydride (MA), Benzoic Acid (BA) and other petrochemical products. The Company is in the process of evaluating and exploring new market of business.

5. Share Capital

The paid-up equity share capital of the Company as at 31st March, 2020 was ₹ 658.76 lakhs. During the year under review, the Company has not issued any shares.

6. Deposits

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

7. Particulars of Loans, Investments and Guarantee

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

8. Corporate Social Responsibility (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013 ("the Act") and the rules framed thereunder, for the financial year 2019-20 the Company was not required to spend any amount on CSR.

9. 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 M M Dhanuka (DIN: 00193456) retires by rotation and being eligible has offered himself for re-appointment.

b. Change in Key Managerial Personnel

Ms. Pragati Nathani resigned as Company Secretary of the Company with effect from 6th November, 2019 and Ms. Sejal Makwana is appointed as Company Secretary of the Company with effect from 14th November, 2019.

c. Number of Meeting of the Board

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

d. Performance Evaluation

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

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

e. Remuneration Policy

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

The information relating 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:

Mysore Petro Chemicals Limited

- 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-

Shri M M Dhanuka, Managing Director & CEO –5%

Shri Nilesh Panchal, Chief Financial Officer - 5%

Smt. Pragati Nathani, Company Secretary – N.A.*

*Since resigned during the year.

- iii. The percentage increase in the median remuneration of the employee in the financial year - 5%

- 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 - 9%

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 the Section 136 of the Act.

10. 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, 2020, 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, 2020 and of the profit of the Company for that year;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing/detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. Particulars of Contracts and Arrangements with Related Parties

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

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

12. 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.

13. Secretarial Audit

The Secretarial Audit Report for the financial year 2019-20 provided by M/s. Makarand M Joshi and Co., Practicing Company Secretaries is annexed herewith as "Annexure-A".

14. 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 ₹ 506.31 lakhs (previous year ₹ 192.39 lakhs).

15. 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 M/s. Martinho Ferrao & Associates, Practicing Company Secretaries regarding compliance of conditions of Corporate Governance forms part of this Annual Report.

16. Annual Return

The Annual Return of the Company in form MGT-7 for the year 2019-20 is available on the website of the Company and can be accessed at www.mysorepetro.com.

17. Transfer to Reserves

The undistributed profits amounting to ₹ 247.13 lakhs is proposed to be retained in the Statement of Profit & Loss.

18. Transfer of shares to IEPF

In compliance with the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, the 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 web base Form IEPF-5 at www.mca.gov.in. Member should also note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any un-encashed dividends.

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

19. Contribution to the Exchequer

The Company has contributed ₹ 288.61 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 website www.mysorepetro.com. 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, financial institutions, employees and other stakeholders for their continued support.

For and on behalf of the Board

Mumbai
29th June, 2020

M M Dhanuka
Chairman & Managing Director
DIN – 00193456

FORM NO. MR.3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2020

[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,
Bangalore - 560 001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 (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, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment; **(Foreign Direct Investment and External Commercial Borrowings 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)**

Mysore Petro Chemicals Limited

- (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) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015. (hereinafter called 'Listing Regulations')

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 laws applicable specifically to the Company

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

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

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

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

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

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

For Makarand M. Joshi & Co.

Kumudini Bhalerao

Partner

FCS No. 6667

CP No. 6690

UDIN: F006667B000397101

Peer Review No: P2009MH007000

Place: Mumbai

Date: 29th June, 2020

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

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

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

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

For Makarand M. Joshi & Co.

Kumudini Bhalerao

Partner

FCS No. 6667

CP No. 6690

UDIN: F006667B000397101

Peer Review No: P2009MH007000

Place: Mumbai

Date: 29th June, 2020

REPORT ON CORPORATE GOVERNANCE

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

Company's Philosophy on Code of Governance

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

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

Board of Directors

Composition and 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").

The 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, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The roles and functions of these committees are defined in accordance with the regulatory framework.

Board Meetings and Attendance

The Board met four times during the year i.e. on 29th May, 2019, 12th August, 2019, 14th November, 2019 and 8th February, 2020.

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 5 th August, 2019	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	Managing Director & CEO	4	No	1	0	2	60,900
Shri Nikunj Dhanuka	Non-Executive	2	No	1	0	0	0
Shri S N Maheshwari	Non-Executive	4	Yes	0	0	0	700
Shri Anil Kochar	Non-Executive & Independent	4	No	2	2	0	100
Shri Shrikant Somani	Non-Executive & Independent	4	No	0	0	0	100
Smt. Uma Acharya	Non-Executive & Independent	4	Yes	3	0	2	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 Director	Directorship held in	Category	Skills/Expertise
Shri M M Dhanuka	I G Petrochemicals Ltd.	Non-Executive, Chairman	Chemical Industries, sales, marketing, commercial, board governance, production and technical
Shri Nikunj Dhanuka	I G Petrochemicals Ltd.	Executive Director	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 parties transactions, reviewing the adequacy and evaluation of internal financial controls, etc.

Mysore Petro Chemicals Limited

The Audit Committee members met four times during the year i.e. on 29th May, 2019, 12th August, 2019, 14th November, 2019 and 8th February, 2020.

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

Name of the Director	Position	Category	Number of Meeting	
			Held	Attended
Shri Anil Kochar	Chairman	Non-Executive & Independent	4	4
Shri Nikunj Dhanuka	Member	Non-Executive	4	2
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.

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 May, 2019 and 14th November, 2019 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 Director	Position	Category
Shri Shrikant Somani	Chairman	Non-Executive & Independent
Shri Anil Kochar	Member	Non-Executive & Independent
Shri S N Maheshwari	Member	Non-Executive

The Company Secretary acts as the Secretary of the Committee.

Performance evaluation criteria of independent directors

The Companies Act, 2013 and the SEBI Listing Regulations mandates evaluation of performance of Independent Directors, Non-Independent Directors and Chairman. 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 are given below:- (₹ in lakhs)

Name	Sitting fees
Shri Nikunj Dhanuka	0.80
Shri S N Maheshwari	1.45
Shri Anil Kochar	1.90
Shri Shirkant Somani	1.90
Smt. Uma Acharya	1.35

Remuneration of Shri M M Dhanuka, Managing Director	(₹ in lakhs)
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	116.04
Perquisites	46.92
Total	162.96

The payment of remuneration to Managing Director are as per their terms of appointment agreed to between the Company and the said 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 of such termination 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.

Members of the committee met once during the year on 8th February, 2020 and Smt. Uma Acharya and Shri S N Maheshwari were present at the meeting.

Mysore Petro Chemicals Limited

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

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

The Company Secretary 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
2016-17	7 th September, 2017	12.30 p.m.	Hotel Woodlands 5, Raja Rammohan Roy Road, Bengaluru - 560 025	-
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 Rupees One hundred crores
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

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

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

Means of Communication

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

General Information to Shareholders

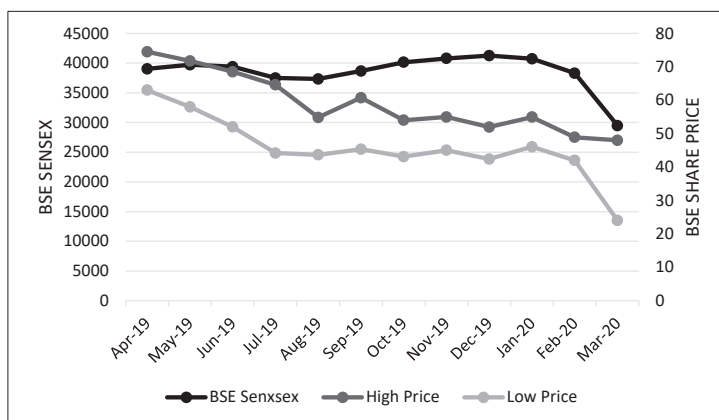
Day, Date and Time of Annual General Meeting	Tuesday, 29 th September, 2020 at 2:00 pm through VC / OAVM pursuant to the MCA Circular dated 5 th May, 2020 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
Financial year	1 st April to 31 st March
Dividend Payment Date	On or after 5 th October, 2020
Listing on stock exchange and stock exchange code	BSE Ltd. The listing fees for the year 2020-21 have been paid to the Stock Exchange
Scrip code	506734
Date of Book Closure	23 rd September, 2020 and 24 th September, 2020
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
Dematerialisation of shares and liquidity	98.07% of the shares are held in dematerialised form as at 31 st March, 2020
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, 2020 (MONTH-WISE)

Months	Bombay Stock Exchange (BSE)	
	High (₹)	Low (₹)
April	74.50	63.00
May	71.75	58.00
June	68.50	52.00
July	64.60	44.20
August	54.85	43.65
September	60.75	45.35
October	54.00	43.10
November	55.00	45.00
December	51.95	42.40
January	54.95	46.05
February	48.90	42.00
March	48.00	24.00

Mysore Petro Chemicals Limited

PERFORMANCE OF MPCL SHARE PRICE IN COMPARISON WITH BSE SENSEX



DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2020

Shareholding	No. of Shareholders	% of total	No. of Shares	% of total
1-500	5,655	94.19	5,62,918	8.55
501-1000	194	3.23	1,51,424	2.30
1001-2000	74	1.23	1,09,927	1.67
2001-3000	26	0.43	65,399	0.99
3001-4000	12	0.20	43,878	0.67
4001-5000	7	0.12	31,969	0.49
5001-10000	16	0.27	1,24,260	1.89
10001-Above	20	0.33	54,93,713	83.45
Total	6,004	100.00	65,83,488	100.00

OTHER DISCLOSURES

- 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.
- 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 exchange or SEBI or any other statutory authority during the last three years.
- Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has 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 behaviour, actual or suspected or misconduct without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization and direct access to the Chairman of the Audit Committee.

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 www.mysorepetro.com

- 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 – ₹ 2.50 lakhs

Reimbursement of Expenses – ₹ 0.17 lakhs

Total – ₹ 2.67 lakhs

- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

- m. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof shall be disclosed – Nil

- n. 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

- o. Disclosure with respect to demat suspense account /unclaimed suspense account – Not applicable

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (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,
Bangalore, Karnataka 560001

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, Bangalore -560001, 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 ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

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

For Martinho Ferrao & Associates
Company Secretaries

Martinho Ferrao

Proprietor

F.C.S. No. 6221

C.P. No. 5676

UDIN: F006221B000359079

Date: 19th June, 2020

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, 2020 confirming their compliance of the same.

Mumbai, 29th June, 2020

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,
Bangalore, Karnataka - 560001

We have examined the compliance of the conditions of Corporate Governance MYSORE PETRO CHEMICALS LIMITED ('the Company') for the year ended on 31st March, 2020 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, 2020.

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
Membership No. 6221
COP. 5676
UDIN: F006221B000395711

Place: Mumbai
Date: 29th June, 2020

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, 2020, 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, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to 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, 2020 and has concluded that there is no impact which is required to be recognized 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 26 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

Anita Somani
Partner
Membership No.: 124118
UDIN: 20124118AAAADJ6068

Place: Mumbai

Date: 29th June, 2020

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 Financial Statements

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements 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

Anita Somani

Partner

Membership No.: 124118
UDIN: 20124118AAAADJ6068

Place: Mumbai
Date: 29th June, 2020

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, 2020

[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, 2020. 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, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and any other statutory dues applicable to it.
- (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 income-tax, goods and service tax, sales tax, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Rs. 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

Anita Somani

Partner

Membership No.: 124118

UDIN: 20124118AAAADJ6068

Place: Mumbai

Date: 29th June, 2020

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, 2020 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, 2020, 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

Anita Somani

Partner

Membership No.: 124118

UDIN: 20124118AAAADJ6068

Place: Mumbai

Date: 29th June, 2020

Mysore Petro Chemicals Limited

Standalone Balance Sheet as at 31st March, 2020

		₹ in lakhs	
Particulars	Note	As at 31 st March, 2020	As at 31 st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	239.59	280.43
Investment Properties	3	1,327.31	1,349.91
Financial Assets			
Investments	4	3,900.12	3,144.37
Other Financial Assets	5	1,999.44	2,445.28
Other Non-Current Assets	6	87.73	58.00
Total Non-Current Assets		7,554.19	7,277.99
Current Assets			
Financial Assets			
Trade Receivables	7	72.80	38.65
Cash and Cash Equivalents	8	198.00	344.46
Bank balances other than Cash and Cash Equivalents	9	30.14	26.67
Other Financial Assets	10	1,774.90	1,679.05
Other Current Assets	11	3.48	4.04
Total Current Assets		2,079.32	2,092.87
Total Assets		9,633.51	9,370.86
EQUITY AND LIABILITIES			
Equity			
Share Capital	12	658.76	658.76
Other Equity	13	8,364.35	8,114.87
Equity attributable to owners of the Company		9,023.11	8,773.63
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	14	166.63	82.97
Provisions	15	9.14	7.20
Deferred Tax Liabilities (Net)	24	44.63	25.00
Total Non-Current Liabilities		220.40	115.17
Current Liabilities			
Financial Liabilities			
Trade Payables	16	-	-
Due to Micro and Small Enterprises		-	-
Due to Others		215.55	303.86
Provisions	17	124.17	130.15
Other Current Liabilities	18	50.28	48.05
Total Current Liabilities		390.00	482.06
Total Equity and Liabilities		9,633.51	9,370.86
Significant Accounting Policies	1		
Notes on Financial Statements	2-37		

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W
Anita Somani
Partner
Membership No.: 124118
Mumbai
29th June, 2020

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, 2020

		₹ in lakhs	
Particulars	Note	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
INCOME			
Revenue from Operations	19	1,297.74	3,257.68
Other Income	20	777.35	875.90
Total Income		2,075.09	4,133.58
EXPENSES			
Purchase of Stock-in-Trade		1,219.78	3,191.29
Employee Benefits Expense	21	212.76	206.58
Finance cost	22	6.32	4.41
Depreciation Expense	2 & 3	63.44	68.00
Other Expenses	23	113.42	196.63
Total Expenses		1,615.72	3,666.91
Profit before Tax		459.37	466.67
Tax Expense	24		
Current Tax		33.87	97.72
Deferred Tax		19.63	(23.98)
Total Tax Expense		53.50	73.74
Profit after Tax		405.87	392.93
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to statement of profit and loss			
Remeasurement of Defined Benefit Plan		3.24	6.01
Income tax effect		(0.90)	(1.68)
(ii) Items that will be reclassified to statement of profit and loss		-	-
Total Other Comprehensive Income (Net of Tax)		2.34	4.33
Total Comprehensive Income for the Year		408.21	397.26
Earning Per share	25		
Face value ₹ 10 per Equity Share (Previous year ₹ 10 each)			
Basic and Diluted			
Before exceptional Items		6.16	5.97
After exceptional Items		6.16	5.97
Significant Accounting Policies	1		
Notes on Financial Statements	2-37		

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W
Anita Somani
Partner
Membership No.: 124118
Mumbai
29th June, 2020

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

Statement of Changes in Equity for the year ended 31st March, 2020

(A) Equity Share Capital:

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
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, 2018	398.89	280.01	37.50	7,159.94	7,876.34
Profit for the Year	-	-	-	392.93	392.93
Other Comprehensive Income (net of tax)	-	-	-	4.33	4.33
Dividend (Including Dividend Distribution Tax)	-	-	-	(158.73)	(158.73)
As at 31st March, 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)
Balance as at 31st March, 2020	398.89	280.01	37.50	7,647.95	8,364.35

The nature of reserves are as follows:

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

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W
Anita Somani
Partner
Membership No.: 124118
Mumbai
29th June, 2020

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, 2020

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
A. OPERATING ACTIVITIES		
Profit before tax	459.37	466.67
Depreciation Expenses	63.44	68.00
Profit on Sale of Property, Plant and Equipment	-	(70.16)
Profit on Fair value of Investment	-	(79.05)
Profit on Sale of Investment	31.26	-
Loss on Fair Value of Investment	6.58	75.00
Interest Expense	6.32	4.41
Interest Income	(379.72)	(436.98)
Dividend Income	(250.17)	(200.17)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(62.92)	(172.28)
Working Capital Adjustments:		
Increase / (Decrease) in Trade Payables and other payables	(12.25)	153.51
Increase in Trade Receivables	(34.15)	(38.65)
Increase in Loans and Advances	(77.57)	(33.54)
	(123.97)	81.32
CASH GENERATED FROM OPERATIONS	(186.89)	(90.97)
Direct Taxes Paid (Net of refunds)	(15.02)	(65.26)
NET CASH USED IN OPERATING ACTIVITIES	(201.91)	(156.23)
B. INVESTING ACTIVITIES :		
Sale of Property, Plant and Equipment	-	255.00
Part payment received towards slum sale of earlier years	440.69	1,385.67
Sale of Investments	-	203.77
Purchase of Investments	(793.59)	(1,593.65)
Investments in Fixed Deposits and Banks	(3.47)	(9.01)
Interest Received	317.67	187.53
Dividend Received	250.17	200.17
NET CASH FLOW FROM INVESTING ACTIVITIES	211.47	629.48
C. FINANCING ACTIVITIES :		
Dividend Paid on equity shares (Including Dividend Distribution Tax)	(156.02)	(155.13)
Repayment of borrowings	-	(32.08)
NET CASH USED IN FINANCING ACTIVITIES	(156.02)	(187.21)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(146.46)	286.04
Add: Cash and Cash Equivalents at the beginning of the year	344.46	58.42
Cash and Cash Equivalents at the end of the year (Refer Note No. 8)	198.00	344.46

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

Anita Somani

Partner

Membership No.: 124118

Mumbai

29th June, 2020

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

Note - 1 :

Significant Accounting Policies

a. General Information:

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

d. Use of estimates and judgements:

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

e. Operating Cycle:

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

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

f. Fair Value Measurement

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

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

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

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

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

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

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

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

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

g. Property, Plant and Equipment:

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

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

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

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.

Mysore Petro Chemicals Limited

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 financials 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.

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:

The Company recognize revenue when (or as) the Company satisfies the performance obligation by transferring promised goods or services to a customer. For sale of goods, the Company recognizes revenue when it transfers control of goods to the customer. Control is passed on to the customer when goods are dispatched from Company's premises. For sale of services, the Company recognizes revenue as or when the performance obligation in relation the service is satisfied by the Company based on terms of the agreement with customers. Revenue is reported net of taxes and duties as applicable.

Interest Income is recognized on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

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

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 (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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 2 : Property, Plant and Equipment

Particulars	Freehold Land	Roads and Drains	Buildings	Plant and Equipments	Railway Siding	Furniture and Office Equipment	Vehicles	Total
₹ in lakhs								
Gross Carrying Amount								
As at 1st April, 2018	14.77	20.76	172.24	1,955.67	5.13	192.58	145.34	2,506.49
Additions	-	-	-	-	-	-	-	-
Disposal	-	-	-	(1,955.67)	-	-	-	(1,955.67)
As at 31st March, 2019	14.77	20.76	172.24	-	5.13	192.58	145.34	550.82
Additions	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
As at 31st March, 2020	14.77	20.76	172.24	-	5.13	192.58	145.34	550.82
Accumulated Depreciation								
As at 1st April, 2018	-	20.76	96.02	1,766.38	5.13	53.67	53.85	1,995.81
Depreciation for the year	-	-	2.69	4.45	-	15.26	23.01	45.41
Disposal	-	-	-	(1,770.83)	-	-	-	(1,770.83)
As at 31st March, 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 31st March, 2020	-	20.76	101.40	-	5.13	84.07	99.87	311.23
Net Carrying Amount								
As at 31 st March, 2019	14.77	-	73.53	-	-	123.65	68.48	280.43
As at 31st March, 2020	14.77	-	70.84	-	-	108.51	45.47	239.59

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 3 : Investment Properties

Particulars	₹ in lakhs
Gross Carrying Amount	
Cost as at 1st April, 2018	1,427.34
Additions	-
Disposals	-
As at 31st March, 2019	1,427.34
Additions	-
Disposals	-
As at 31st March, 2020	1,427.34
Depreciation and Impairment	
As at 1st April, 2018	54.84
Depreciation charge for the year	22.59
Disposals	-
As at 31st March, 2019	77.43
Depreciation charge for the year	22.60
Disposals	-
As at 31st March, 2020	100.03
Net Carrying Amount	
As at 31 st March, 2019	1,349.91
As at 31st March, 2020	1,327.31

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Rental Income	122.78	82.00
Less : Direct Operating expenses for properties that generate Rental Income	-	-
Profit from Investment properties before Depreciation and Impairment	122.78	82.00
Depreciation and Impairment	22.60	22.59
Profit from Investment Properties	100.18	59.41

Note: The fair value of investment properties is ₹ 2,460 lakhs (Previous year - ₹ 1,930 lakhs)

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 4 : Non Current Investments

₹ in lakhs

Particulars	Numbers	As at 31 st March, 2020	Numbers	As at 31 st March, 2019
(A) Unquoted				
i. In Equity Instrument [At Fair Value] [Refer Note i. below]				
Equitylevers World Private Limited (Fully paid-up of ₹ 10 each)	6,173	150.00	6,173	150.00
Blue Lotus International Limited (Fully Paid up of GBP 1 each)	20	694.69	5	188.36
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
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	500	517.49
v. In Alternate Investment Fund - (Fully Paid up) [at Fair Value]				
Edelweiss Infrastructure Yield Plus (₹ 1,000 each)	37,500	375.00	20,000	200.00
Edelweiss Infrastructure - EISAF II Onshore Fund (₹ 10,000 each)	1,109.95	138.13	1,275	134.07
TVS Shriram Growth fund (₹ 1,000 each)	16,500	165.00	5,000	50.00
vi. In Preference Shares [At fair value]				
7.50% Tata Capital Limited (Fully Paid up of ₹ 1,000 each)	49,500	501.55	49,500	524.73
10% Tata Motors Finance Limited (Fully Paid up of ₹ 100 each)	2,50,000	525.09	2,50,000	532.55
(B) Quoted (Associate entity)				
i. In Equity Instrument (Fully Paid - up of ₹ 10 each) - [At Cost]				
I G Petrochemicals Limited	40,75,000	826.92	40,75,000	826.92
Total		3,900.12		3,144.37
Aggregate amount of quoted Investments		826.92		826.92
Aggregate amount of market value of quoted Investment		3,879.40		12,176.10
Aggregate amount of unquoted Investments		3,073.20		2,317.45
Aggregate amount of impairment in the value of Investments		-		-

Note (i):

Considering the fact that both these companies are in early stage of expanding its operations, management believes it would be difficult to reliably measure the fair value and therefore cost is used as an estimate of fair value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 5 : Other Non-Current Financial Assets

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Receivable from Related Party (Refer Note 27)	1,922.00	2,369.00
Deposits	72.64	72.64
Loans to Employees	4.80	3.64
Total	1,999.44	2,445.28

Note - 6 : Other Non-Current Assets

Income Tax (Net of Provision for Tax)	87.73	58.00
Total	87.73	58.00

Note - 7 : Trade Receivables

Unsecured, Considered Good	72.80	38.65
Total	72.80	38.65

Note - 8 : Cash and Cash Equivalents

Cash on hand	1.95	0.94
Balance with Banks	22.72	343.52
Deposit with Original Maturity of less than 3 Months	173.33	-
Total	198.00	344.46

Note - 9 : Bank Balances other than Cash and Cash Equivalents

Fixed deposits held as Margin Money	13.03	12.27
Fixed deposits	0.68	0.68
Unclaimed Dividend Account	16.43	13.72
Total	30.14	26.67

Note - 10 : Other Current Financial Assets

(Unsecured, Considered Good)

Receivable from Related Party (Refer Note 27)	1,667.73	1,599.38
Loans to Employees (Refer Note 27)	66.00	3.75
Deposit - others	30.57	30.57
Others	10.60	45.35
Total	1,774.90	1,679.05

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 11 : Other Current Assets

(Unsecured, Considered Good)

₹ in lakhs

Particulars	As at	As at
	31 st March, 2020	31 st March, 2019
Advances to Suppliers	1.82	1.82
Prepaid Expenses	1.66	2.22
Total	3.48	4.04

Note - 12 : 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.

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

Name of the Shareholder	As at 31 st March, 2020		As at 31 st March, 2019	
	Numbers	% Held	Numbers	% Held
Gembel Trade Enterprises Limited	7,78,325	11.82	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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**Note - 13 : Other Equity**

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(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	7,376.88	7,142.68
Add : Profit for the year	405.87	392.93
Less: Appropriations		
Equity dividend	131.66	131.66
Tax on dividend	27.07	27.07
	7,624.02	7,376.88
(v) Other Comprehensive Income (OCI)		
Balance at the beginning of the year	21.59	17.26
Add : Movement during the year	2.34	4.33
	23.93	21.59
Total	8,364.35	8,114.87

Note - 14 : Other Non-Current Financial Liabilities

Deposits from Related Party (Refer Note 27)	69.02	69.02
Deposits - Others	97.61	13.95
Total	166.63	82.97

Note - 15 : Non-Current Provisions

Provision for Leave Obligation	2.62	1.94
Provision for Gratuity	6.52	5.26
Total	9.14	7.20

Note - 16 : Trade Payables

Dues of Micro and Small Enterprises	-	-
Dues to Others	215.55	303.86
Total	215.55	303.86

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.

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 17 : Short Term Provisions

Particulars	₹ in lakhs	
	As at 31 st March, 2020	As at 31 st March, 2019
Provision for Leave Obligation	47.45	48.30
Provision for Gratuity	76.72	81.85
Total	124.17	130.15

Note - 18 : Other Current Liabilities

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Advance from Customers	18.62	0.54
Unpaid Dividend	16.43	13.72
Balance due to government authorities	15.23	33.77
Other Liabilities	-	0.02
Total	50.28	48.05

Note - 19 : Revenue from Operation

Particulars	₹ in lakhs	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Sale of Products		
Traded Goods	1,297.74	3,257.68
Total	1,297.74	3,257.68

Note - 20 : Other Income

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Interest Income on		
Bank Deposits	3.57	1.91
Others	376.15	435.07
Dividend Income	250.17	200.17
Profit (Loss) on Fair value of Investment	(6.58)	79.05
Profit on Sale of Property, Plant and Equipment	-	70.16
Profit on Sale of Investment	31.26	-
Rent Received	122.78	82.00
Miscellaneous Income	-	7.54
Total	777.35	875.90

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**Note - 21 : Employee Benefits Expense**

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Salaries, Wages and Bonus	190.14	185.11
Contribution to Provident and Other Funds	17.13	13.04
Gratuity expenses	4.70	7.44
Staff welfare expenses	0.79	0.99
Total	212.76	206.58

Note - 22 : Finance Cost

Interest Expense on		
Others	5.68	4.06
Bank Charges	0.64	0.35
Total	6.32	4.41

Note - 23 : Other Expenses

Repairs and Maintenance - Others	-	0.04
Insurance Premium	1.69	3.51
Selling Expenses	21.99	0.36
Rent Paid	0.06	0.06
Rates and Taxes	12.49	3.96
Travelling and Conveyance	7.40	16.01
Communication cost	0.92	1.81
Legal and Professional fees	31.45	27.29
Entertainment Expenses	0.05	0.36
Service Charges	6.44	20.40
Corporate Social Responsibility Expenses	-	12.52
Directors Sitting Fees	7.40	9.55
Payment to Auditors (Refer Note (i) below)	2.67	2.61
Loss on Fair Value of Investment	-	75.00
Miscellaneous Expenses	20.86	23.15
Total	113.42	196.63

Note (i):**Payments to Auditors**

Audit Fees	2.50	2.50
Reimbursement of Expenses	0.17	0.11
Total	2.67	2.61

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 24 : Tax Expense

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
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	32.90	97.72
Tax for earlier years	0.97	-
Total	33.87	97.72
Deferred Tax Benefit:		
Origination and reversal of temporary differences	19.63	(23.98)
Total	19.63	(23.98)
Income tax expense reported in the Statement of Profit or Loss	53.50	73.74
(ii) Income Tax (expense)/benefit recognised in OCI section		
Deferred Tax benefit on remeasurements of defined benefit plans	(0.90)	(1.68)
Income tax charged to OCI	(0.90)	(1.68)
B Reconciliation of tax expenses / (benefits) and the accounting profit multiplied by India's tax rates:		
Accounting Profit before tax	459.37	466.67
Income tax expenses calculated at corporate tax rate	127.80	129.83
Tax effect of adjustment to reconcile expected income tax expense to reported		
Effect of:		
Exempt Income	(69.60)	(55.69)
Items not deductible for tax	-	3.48
Income taxed at different rate	(5.37)	(11.70)
Tax for earlier years	0.97	-
Change in tax rate and Law	-	7.82
Other non-deductible expenses	(0.30)	-
Total	53.50	73.74

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

Deferred tax relates to the following:

₹ in lakhs

Particulars	Balance Sheet	
	As at 31 st March, 2020	As at 31 st March, 2019
Accelerated Depreciation for Tax Purpose	65.96	61.77
Employees Separation and Retirement Expense	(37.09)	(38.22)
Others	15.76	1.45
Net Deferred Tax Liabilities	44.63	25.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	Profit and Loss	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Depreciation	4.19	(1.20)
Employees Separation and Retirement Expense	1.13	0.54
Investment	14.31	(23.32)
Deferred tax benefit	19.63	(23.98)

Note - 25 : Basic and Diluted Earnings Per Share (EPS)

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Weighted average No. of Shares for calculating Basic and Diluted EPS	65,83,488	65,83,488
Profit after tax (net of tax) [₹ in lakhs]	405.87	392.93
Basic and Diluted - in ₹	6.16	5.97

Note - 26 : Commitments and contingencies

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(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, 2020	As at 31 st March, 2019
Cancellable operating lease	78.50	82.00
Non-Cancellable operating lease	44.28	-
Total	122.78	82.00

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Within one year	143.42	-
After one year but not more than five years	607.74	-
More than five years	-	-
Total	751.16	-

Note - 27 : 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

Smt. Pragathi Nathani - Company Secretary (upto 6th November, 2019)

Ms. Sejal Makwana - Company Secretary (from 14th November, 2019)

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

Blue Lotus International Limited

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

(i) Outstanding balances with related parties:

Particulars	Relationship	As at 31 st March, 2020	As at 31 st March, 2019
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	7.39
Other Financial Assets (Current+Non current)	As referred in (A) (i) above	3,589.73	3,968.38

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**(ii) Transaction with related parties:**

₹ in lakhs

Nature of Transaction	Relationship	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Purchase (including Taxes)	As referred in (A) (i) above	1,433.24	559.68
Interest Income	As referred in (A) (i) above	346.93	426.70
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	7.40	9.55
Remuneration	As referred in (A) (ii) above	190.67	149.60
Investment in shares	As referred in (A) (iii) above	506.33	188.36

Note - 28 : 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, 2020	As at 31 st March, 2019
(A) Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	87.11	100.45
Interest cost defined benefit obligation	3.48	4.38
Current service cost	1.22	3.06
Benefits paid	(5.33)	(14.77)
Actuarial (gains) / losses on obligation	(3.24)	(6.01)
Closing defined benefit obligation	83.24	87.11
(B) Maturity Profile of defined benefit obligation		
Within next 12 months (next annual reporting period)	79.20	84.84
Between 2 and 5 years	1.94	1.68
Between 6 and 10 years	5.02	4.52

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(C) Quantitative sensitivity analysis for significant assumption is as below		
Increase / decrease on present value of defined benefits obligation at		
One percentage point increase in discount rate	(0.54)	(3.23)
One percentage point decrease in discount rate	0.61	3.95
One percentage point increase in rate of salary	0.42	2.88
One percentage point decrease in rate of salary	(0.45)	(2.62)
(D) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:	%	%
Discount rate	6.55	7.43
Expected rate of return on assets	6.55	7.43
Employee turnover	5.00	5.00
Salary Escalation	4.00	4.00
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

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

Note - 29 : Category wise classification of Financial Instruments

₹ in lakhs

Particulars	Cost	Amortised Cost	Fair value through Profit and Loss Value
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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	Cost	Amortised Cost	Fair value through Profit and Loss Value
Financial Liabilities			
Trade Payable	-	215.55	-
Other financial Liabilities	-	166.63	-
Total	-	382.18	-
As at 31st March, 2019			
Financial Assets			
Trade Receivable	-	38.65	-
Investment	826.92	20.00	2,297.45
Cash and Cash Equivalents	-	344.46	-
Bank balances other than Cash and Cash Equivalents	-	26.67	-
Other financial assets	-	4,124.33	-
Total	826.92	4,554.11	2,297.45
Financial Liabilities			
Trade Payable	-	303.86	-
Other financial Liabilities	-	82.97	-
Total	-	386.83	-

Note - 30 : 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.

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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

Note - 32 : 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 - 33 : Proposed Dividend

The Board of directors at its meeting held on 29th June, 2020 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, 2020. 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 STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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, 20. Measures taken by the Government to contain the spread of Covid-19 are restriction in movement of transport vehicles, travel bans, social distancing and closure of non-essential services. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management of the Company has made an assessment of the impact of Covid-19 on the their operations, financial performance and position as at and for the year ended 31st March, 2020 and has concluded that there is no impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the standalone financial statements for the year ended 31st March, 2020. The Company will continue to monitor the impact of Covid-19 and any material changes to future economic conditions.

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, 2020.

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, 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	-
As at 31st March, 2019				
Investment in Equity Shares	338.61	-	-	338.61
Investment in Debentures	517.49	-	517.49	-
Investment in Alternate Investment Fund	384.07	-	384.07	-
Investment in Preference shares	1,057.28	-	1,057.28	-

Mysore Petro Chemicals Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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 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
Anita Somani
Partner
Membership No.: 124118
Mumbai
29th June, 2020

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, 2020, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of report of other auditor on separate financial statements and on the other financial information of the 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, 2020, 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, 2020 and has concluded that there is no 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:

Mysore Petro Chemicals Limited

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in the audit of other auditor
1	<p>Revenue Recognition (Ind AS 115):</p> <p>Revenue from the sale of goods is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 1(o) to the Consolidated Financial Statements - Significant Accounting Policies</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. Evaluating the design and implementation of Company's controls in respect of revenue recognition. Testing the effectiveness of such controls over revenue cut off at year-end. Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end. Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.
2	<p>Ind AS 116 – Leases:</p> <p>The Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a large number of leases with different contractual terms.</p> <p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition.</p> <p>Refer Note 1(t) to the Consolidated financial statements – Significant Accounting Policies.</p>	<p>Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116);</p> <ul style="list-style-type: none"> Assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business; Evaluated the method of transition and related adjustments; Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.

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 including Annexures to 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 associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

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

The respective Board of Directors of the Company and of its associate are responsible for overseeing the financial reporting process of the Company and of its 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. 242.73 Lakhs for the year ended 31st March, 2020, as considered in the Consolidated Financial Statements, in respect of the associate, whose financial statements has not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of 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 report of the other auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the report of the statutory auditor of the associate incorporated in India, none of the directors of the Company and its associate incorporated in India is disqualified as on 31st March, 2020 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 26 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 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

Anita Somani

Partner

Membership No.: 124118

UDIN: 20124118AAAADI5083

Place: Mumbai

Date: 29th June, 2020

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 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 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 the Company. For the associate included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company 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

Anita Somani

Partner

Membership No.: 124118

UDIN: 20124118AAAADI5083

Place: Mumbai

Date: 29th June, 2020

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, 2020]

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, 2020, 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 Company and its associate 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 report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its associate, 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, 2020, 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 the associate, which is a company incorporated in India, is based on the corresponding reports of the auditor of such company incorporated in India.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.: 105047W

Anita Somani

Partner

Membership No.: 124118

UDIN: 20124118AAAADK1838

Place: Mumbai

Date: 29th June, 2020

Mysore Petro Chemicals Limited

Consolidated Balance Sheet as at 31st March, 2020

Particulars	Note	₹ in lakhs	
		As at 31 st March, 2020	As at 31 st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	239.59	280.43
Investment Properties	3	1,327.31	1,349.91
Financial Assets			
Investments	4	3,073.20	2,317.45
Other Financial Assets	5	1,999.44	2,445.28
Investment accounted using equity method		8,474.57	8,401.00
Other Non-Current Assets	6	87.73	58.00
Total Non-Current Assets		15,201.84	14,852.07
Current Assets			
Financial Assets			
Trade Receivables	7	72.80	38.65
Cash and Cash Equivalents	8	198.00	344.46
Bank balances other than Cash and Cash Equivalents	9	30.14	26.67
Other Financial Assets	10	1,774.90	1,679.05
Other Current Assets	11	3.48	4.04
Total Current Assets		2,079.32	2,092.87
Total Assets		17,281.16	16,944.94
EQUITY AND LIABILITIES			
Equity			
Share Capital	12	658.76	658.76
Other Equity	13	16,012.00	15,688.95
Equity attributable to owners of the Company		16,670.76	16,347.71
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	14	166.63	82.97
Provisions	15	9.14	7.20
Deferred Tax Liabilities (Net)	24	44.63	25.00
Total Non-Current Liabilities		220.40	115.17
Current Liabilities			
Financial Liabilities			
Trade Payables	16	-	-
Due to Micro and Small Enterprises		-	-
Due to Others		215.55	303.86
Provisions	17	124.17	130.15
Other Current Liabilities	18	50.28	48.05
Total Current Liabilities		390.00	482.06
Total Equity and Liabilities		17,281.16	16,944.94
Significant Accounting Policies	1		
Notes on Financial Statements	2-38		

As per our attached report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W
Anita Somani
Partner
Membership No.: 124118
Mumbai
29th June, 2020

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, 2020

₹ in lakhs

Particulars	Note	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
INCOME			
Revenue from Operations	19	1,297.74	3,257.68
Other Income	20	614.35	875.90
Total Income		1,912.09	4,133.58
EXPENSES			
Purchase of Stock-in-Trade		1,219.78	3,191.29
Employee Benefits Expense	21	212.76	206.58
Finance cost	22	6.32	4.41
Depreciation Expense	2 & 3	63.44	68.00
Other Expenses	23	113.42	196.63
Total Expenses		1,615.72	3,666.91
Profit before share profit of Associate and exceptional Items & Tax		296.37	466.67
Share of Profit of Associate		242.73	1,383.00
Profit before Tax		539.10	1,849.67
Tax Expense	24		
Current Tax		33.87	97.72
Deferred Tax		19.63	(23.98)
Total Tax Expense		53.50	73.74
Profit after Tax		485.60	1,775.93
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to statement of profit and loss			
Remeasurement of Defined Benefit Plan		3.24	6.01
Share of other comprehensive income of associate		(6.16)	-
Income tax effect		(0.90)	(1.68)
(ii) Items that will be reclassified to statement of profit and loss		-	-
Total Other Comprehensive Income (Net of Tax)		(3.82)	4.33
Total Comprehensive Income for the Year		481.78	1,780.26
Earning Per share	25		
Face value ₹ 10 per Equity Share (Previous year ₹ 10 each)			
Basic and Diluted			
Before exceptional Items		7.38	26.98
After exceptional Items		7.38	26.98
Significant Accounting Policies	1		
Notes on Financial Statements	2-38		

As per our attached report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No.: 105047W

Anita Somani

Partner

Membership No.: 124118

Mumbai

29th June, 2020

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

Consolidated Statement of Change in Equity for the year ended 31st March, 2020

(A) Equity Share Capital

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
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, 2018	398.89	280.01	37.50	13,351.02	14,067.42
Profit for the Year	-	-	-	1,775.93	1,775.93
Other Comprehensive Income (net of tax)	-	-	-	4.33	4.33
Dividend (Including Dividend Distribution Tax)	-	-	-	(158.73)	(158.73)
As at 31st March, 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)
Balance as at 31st March, 2020	398.89	280.01	37.50	15,295.60	16,012.00

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
Anita Somani
Partner
Membership No.: 124118
Mumbai
29th June, 2020

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, 2020

₹ in lakhs

Particular	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
A. OPERATING ACTIVITIES		
Profit before tax	539.10	1,849.67
Depreciation Expenses	63.44	68.00
Profit on Sale of Property, Plant and Equipment	-	(70.16)
Profit on Fair value of Investment	-	(79.05)
Profit on Sale of Investment	31.26	-
Loss on Fair Value of Investment	6.58	75.00
Share of profit from Associates	(79.73)	(1,383.00)
Interest Expense	6.32	4.41
Interest Income	(379.72)	(436.98)
Dividend Income	(250.17)	(200.17)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(62.92)	(172.28)
Working Capital Adjustments:		
Increase / (Decrease) in Trade Payables and other payables	(12.25)	153.51
Increase in Trade Receivables	(34.15)	(38.65)
Increase in Loans and Advances	(77.57)	(33.54)
	(123.97)	81.32
CASH GENERATED FROM OPERATIONS	(186.89)	(90.97)
Direct Taxes Paid (Net of refunds)	(15.02)	(65.26)
NET CASH USED IN OPERATING ACTIVITIES	(201.91)	(156.23)
B. INVESTING ACTIVITIES :		
Sale of Property, Plant and Equipment	-	255.00
Part payment received towards slump sale of earlier years	440.69	1,385.67
Sale of Investments	-	203.77
Purchase of Investments	(793.59)	(1,593.65)
Investments in Fixed Deposits and Banks	(3.47)	(9.01)
Interest Received	317.67	187.53
Dividend Received	250.17	200.17
NET CASH FLOW FROM INVESTING ACTIVITIES	211.47	629.48
C. FINANCING ACTIVITIES :		
Dividend Paid on equity shares (Including Dividend Distribution Tax)	(156.02)	(155.13)
Repayment of borrowings	-	(32.08)
NET CASH USED IN FINANCING ACTIVITIES	(156.02)	(187.21)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(146.46)	286.04
Add: Cash and Cash Equivalents at the beginning of the year	344.46	58.42
Cash and Cash Equivalents at the end of the year (Refer Note No. 8)	198.00	344.46

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

Anita Somani

Partner

Membership No.: 124118

Mumbai

29th June, 2020

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

Note 1:

Significant Accounting Policies

a. General Information:

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

d. Principles of consolidation:

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

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

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

e. Use of Estimates and Judgements:

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

f. Operating Cycle:

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

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

g. Fair Value Measurement

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

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

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

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

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

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

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

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

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

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.

Mysore Petro Chemicals Limited

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.

Mysore Petro Chemicals Limited

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

Debt instruments at FVTOCI

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

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

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

Debt instrument at FVTPL

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

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

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

Equity investments

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

Derecognition of Financial Assets

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the

asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

Impairment of Financial Asset:

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

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

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

Financial Liabilities:

Initial recognition and measurement:

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

Subsequent measurement:

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

Derecognition:

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

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.

Mysore Petro Chemicals Limited

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:

The Group recognize revenue when (or as) the Group satisfies the performance obligation by transferring promised goods or services to a customer. For sale of goods, the Group recognizes revenue when it transfers control of goods to the customer. Control is passed on to the customer when goods are dispatched from Group's premises. For sale of services, the Group recognizes revenue as or when the performance obligation in relation the service is satisfied by the Group based on terms of the agreement with customers. Revenue is reported net of taxes and duties as applicable.

Interest Income is recognized on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

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

Specific policy in relation to the associate:

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

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

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 (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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 2: Property, Plant and Equipment

₹ in lakhs

Particulars	Freehold Land	Roads and Drains	Buildings	Plant and Equipments	Railway Siding	Furniture and Office Equipment	Vehicles	Total
Gross Carrying Amount								
As at 1st April, 2018	14.77	20.76	172.24	1,955.67	5.13	192.58	145.34	2,506.49
Additions	-	-	-	-	-	-	-	-
Disposal	-	-	-	(1,955.67)	-	-	-	(1,955.67)
As at 31st March, 2019	14.77	20.76	172.24	-	5.13	192.58	145.34	550.82
Additions	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
As at 31st March, 2020	14.77	20.76	172.24	-	5.13	192.58	145.34	550.82
Accumulated Depreciation								
As at 1st April, 2018	-	20.76	96.02	1,766.38	5.13	53.67	53.85	1,995.81
Depreciation for the year	-	-	2.69	4.45	-	15.26	23.01	45.41
Disposal	-	-	-	(1,770.83)	-	-	-	(1,770.83)
As at 31st March, 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 31st March, 2020	-	20.76	101.40	-	5.13	84.07	99.87	311.23
Net Carrying Amount								
As at 31 st March, 2019	14.77	-	73.53	-	-	123.65	68.48	280.43
As at 31st March, 2020	14.77	-	70.84	-	-	108.51	45.47	239.59

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 3: Investment Properties

Particulars	₹ in lakhs
Gross Carrying Amount	
Cost as at 1st April, 2018	1,427.34
Additions	-
Disposals	-
As at 31st March, 2019	1,427.34
Additions	-
Disposals	-
As at 31st March, 2020	1,427.34
Depreciation and Impairment	
As at April 1, 2018	54.84
Depreciation charge for the year	22.59
Disposals	-
As at 31st March, 2019	77.43
Depreciation charge for the year	22.60
Disposals	-
As at 31st March, 2020	100.03
Net Carrying Amount	
As at 31 st March, 2019	1,349.91
As at 31st March, 2020	1,327.31

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Rental Income	122.78	82.00
Less : Direct Operating expenses for properties that generate Rental Income	-	-
Profit from Investment properties before Depreciation and Impairment	122.78	82.00
Depreciation and Impairment	22.60	22.59
Profit from Investment Properties	100.18	59.41

Note: The fair value of investment properties is ₹ 2,460 lakhs (Previous year - ₹ 1,930 lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 4: Non Current Investments

₹ in lakhs

Particulars		Numbers	As at 31 st March, 2020	Numbers	As at 31 st March, 2019
(A)	Unquoted				
i.	In Equity Instrument [At Fair Value] [Refer Note (i) below]				
	Equitylevers World Private Limited (Fully paid-up of ₹ 10 each)	6,173	150.00	6,173	150.00
	Blue Lotus International Limited (Fully Paid up of GBP 1 each)	20	694.69	5	188.36
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
iii.	In Debentures (At Amortised Cost)				
	TheLakshmiVilasBankLimited (Fullypaid-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	500	517.49
v.	In Alternate Investment Fund - (Fully Paid up) [At Fair Value]				
	Edelweiss Infrastructure Yield Plus (₹ 1,000 each)	37,500	375.00	20,000	200.00
	Edelweiss Infrastructure - EISAF II Onshore Fund (₹ 10,000 each)	1,109.95	138.13	1,275	134.07
	TVS Shriram Growth fund (₹ 1,000 each)	16,500	165.00	5,000	50.00
vi.	In Preference Shares [At fair value]				
	7.50% Tata Capital Limited (Fully Paid up of ₹ 1,000 each)	49,500	501.55	49,500	524.73
	10% Tata Motors Finance Limited (Fully Paid up of ₹ 100 each)	2,50,000	525.09	2,50,000	532.55
Total			3,073.20		2,317.45
Aggreagte amount of quoted Investments			-		-
Aggreagte amount of market value of quoted Investment			-		-
Aggreagte amount of unquoted Investments			3,073.20		2,317.45
Aggreagte amount of impairment in the value of Investments			-		-

Note (i): Considering the fact that both these companies are in early stage of expanding its operations, management believes it would be difficult to reliably measure the fair value and therefore carried these investments at cost.

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 5: Other Non-Current Financial Assets

Particulars	₹ in lakhs	
	As at 31 st March, 2020	As at 31 st March, 2019
Receivable from Related Party (Refer Note 27)	1,922.00	2,369.00
Deposits	72.64	72.64
Loans to Employees	4.80	3.64
Total	1,999.44	2,445.28

Note - 6: Other Non-Current Assets

Income Tax (Net of Provision for Tax)	87.73	58.00
Total	87.73	58.00

Note - 7: Trade Receivables

Unsecured, Considered Good	72.80	38.65
Total	72.80	38.65

Note - 8: Cash and Cash Equivalents

Cash on hand	1.95	0.94
Balance with Banks	22.72	343.52
Deposit with Original Maturity of less than 3 Months	173.33	-
Total	198.00	344.46

Note - 9: Bank Balances other than Cash and Cash Equivalents

Fixed deposits held as Margin Money	13.03	12.27
Fixed deposits	0.68	0.68
Unclaimed Dividend Account	16.43	13.72
Total	30.14	26.67

Note - 10: Other Current Financial Assets (Unsecured, Considered Good)

Receivable from Related Party (Refer Note 27)	1,667.73	1,599.38
Loans to Employees (Refer Note 27)	66.00	3.75
Deposit - others	30.57	30.57
Others	10.60	45.35
Total	1,774.90	1,679.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**Note - 11: Other Current Assets**
(Unsecured, Considered Good)

₹ in lakhs

Particulars	As at	As at
	31 st March, 2020	31 st March, 2019
Advances to Suppliers	1.82	1.82
Prepaid Expenses	1.66	2.22
Total	3.48	4.04

Note - 12: 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.

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

Name of the Shareholder	As at 31 st March, 2020		As at 31 st March, 2019	
	Numbers	% Held	Numbers	% Held
Gembel Trade Enterprises Limited	7,78,325	11.82	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

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 13: Other Equity

		₹ in lakhs
Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i) Securities Premium Reserve	398.89	398.89
(ii) General Reserve	280.01	280.01
(iii) Amalgamation Reserve	37.50	37.50
(iv) Retained earnings		
Balance at the beginning of the year	14,950.96	13,333.76
Add : Profit for the year	485.60	1,775.93
Less: Appropriations		
Equity dividend	131.66	131.66
Tax on dividend	27.07	27.07
	15,277.83	14,950.96
(v) Other Comprehensive Income (OCI)		
Balance at the beginning of the year	21.59	17.26
Add : Movement during the year	(3.82)	4.33
	17.77	21.59
Total	16,012.00	15,688.95

Note - 14: Other Non-Current Financial Liabilities

Deposits from Related Party (Refer Note 27)	69.02	69.02
Deposits - Others	97.61	13.95
Total	166.63	82.97

Note - 15: Non-Current Provisions

Provision for Leave Obligation	2.62	1.94
Provision for Gratuity	6.52	5.26
Total	9.14	7.20

Note - 16: Trade Payables

Dues of Micro and Small Enterprises	-	-
Dues to Others	215.55	303.86
Total	215.55	303.86

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 17: Short Term Provisions

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Provision for Leave Obligation	47.45	48.30
Provision for Gratuity	76.72	81.85
Total	124.17	130.15

Note - 18: Other Current Liabilities

Advance from Customers	18.62	0.54
Unpaid Dividend	16.43	13.72
Balance due to government authorities	15.23	33.77
Other Liabilities	-	0.02
Total	50.28	48.05

Note - 19: Revenue from Operation

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Sale of Products		
Traded Goods	1,297.74	3,257.68
Total	1,297.74	3,257.68

Note - 20: Other Income

Interest Income on		
Bank Deposits	3.57	1.91
Others	376.15	435.07
Dividend Income	87.17	200.17
Profit / (Loss) on Fair value of Investment	(6.58)	79.05
Profit on Sale of Property, Plant and Equipment	-	70.16
Profit on Sale of Investment	31.26	-
Rent Received	122.78	82.00
Miscellaneous Income	-	7.54
Total	614.35	875.90

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 21: Employee Benefits Expense

Particulars	₹ in lakhs	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Salaries, Wages and Bonus	190.14	185.11
Contribution to Provident and Other Funds	17.13	13.04
Gratuity expenses	4.70	7.44
Staff welfare expenses	0.79	0.99
Total	212.76	206.58

Note - 22: Finance Cost

Interest Expense on		
Others	5.68	4.06
Bank Charges	0.64	0.35
Total	6.32	4.41

Note - 23: Other Expenses

Repairs and Maintenance - Others	-	0.04
Insurance Premium	1.69	3.51
Selling Expenses	21.99	0.36
Rent Paid	0.06	0.06
Rates and Taxes	12.49	3.96
Travelling and Conveyance	7.40	16.01
Communication cost	0.92	1.81
Legal and Professional fees	31.45	27.29
Entertainment Expenses	0.05	0.36
Service Charges	6.44	20.40
Corporate Social Responsibility Expenses	-	12.52
Directors Sitting Fees	7.40	9.55
Payment to Auditors (Refer Note (i) below)	2.67	2.61
Loss on Fair Value of Investment	-	75.00
Miscellaneous Expenses	20.86	23.15
Total	113.42	196.63

Note (i):

Payments to Auditors

Audit Fees	2.50	2.50
Reimbursement of Expenses	0.17	0.11
Total	2.67	2.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 24: Tax Expense

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
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	32.90	97.72
Tax for earlier years	0.97	-
Total	33.87	97.72
Deferred Tax Benefit:		
Origination and reversal of temporary differences	19.63	(23.98)
Total	19.63	(23.98)
Income tax expense reported in the Statement of Profit or Loss	53.50	73.74
(ii) Income Tax (expense)/benefit recognised in OCI section		
Deferred Tax benefit on remeasurements of defined benefit plans	(0.90)	(1.68)
Income tax charged to OCI	(0.90)	(1.68)
B Reconciliation of tax expenses / (benefits) and the accounting profit multiplied by India's tax rates:		
Accounting Profit before tax	459.37	466.67
Income tax expenses calculated at corporate tax rate	127.80	129.83
Tax effect of adjustment to reconcile expected income tax expense to reported		
Effect of:		
Exempt Income	(69.60)	(55.69)
Items not deductible for tax	-	3.48
Income taxed at different rate	(5.37)	(11.70)
Tax for earlier years	0.97	-
Change in tax rate and Law	-	7.82
Other non-deductible expenses	(0.30)	-
Total	53.50	73.74

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

Deferred tax relates to the following:

₹ in lakhs

Particulars	Balance Sheet	
	As at 31 st March, 2020	As at 31 st March, 2019
Accelerated Depreciation for Tax Purpose	65.96	61.77
Employees Separation and Retirement Expense	(37.09)	(38.22)
Others	15.76	1.45
Net Deferred Tax Liabilities	44.63	25.00

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	Profit and Loss	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Depreciation	4.19	(1.20)
Employees Separation and Retirement Expense	1.13	0.54
Investment	14.31	(23.32)
Deferred tax benefit	19.63	(23.98)

Note - 25: Basic and Diluted Earnings Per Share (EPS)

₹ in lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Weighted average No. of Shares for calculating Basic and Diluted EPS	65,83,488	65,83,488
Profit after tax (net of tax) [₹ in lakhs]	485.60	1,775.93
Basic and Diluted - in ₹	7.38	26.98

Note - 26 : Commitments and contingencies

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
A Claims against the Company not acknowledged as debt		
Disputed taxation matter	23.98	23.98
B Share of associate's contingent liability	1,240.77	1,152.46

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	As at 31 st March, 2020	As at 31 st March, 2019
Cancellable operating lease	78.50	82.00
Non-Cancellable operating lease	44.28	-
Total	122.78	82.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	As at	As at
	31 st March, 2020	31 st March, 2019
Within one year	143.42	-
After one year but not more than five years	607.74	-
More than five years	-	-
Total	751.16	-

Note - 27 : 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

Smt Pragathi Nathani - Company Secretary (upto 6th November, 2019)Ms. Sejal Makwana - Company Secretary (from 14th November, 2019)**(iii) Entity controlled by the close member of the key management personnel's family**

Blue Lotus International Limited

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

₹ in lakhs

Particulars	Relationship	As at	As at
		31 st March, 2020	31 st March, 2019
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	7.39
Other Financial Assets (Current+Non current)	As referred in (A) (i) above	3,589.73	3,968.38

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(ii) Transaction with related parties:

₹ in lakhs

Nature of Transaction	Relationship	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Purchase (including Taxes)	As referred in (A) (i) above	1,433.24	559.68
Interest Income	As referred in (A) (i) above	346.93	426.70
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	7.40	9.55
Remuneration	As referred in (A) (ii) above	190.67	149.60
Investment in shares	As referred in (A) (iii) above	506.33	188.36

Note - 28 : 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, 2020	As at 31 st March, 2019
(A) Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	87.11	100.45
Interest cost defined benefit obligation	3.48	4.38
Current service cost	1.22	3.06
Benefits paid	(5.33)	(14.77)
Actuarial (gains) / losses on obligation	(3.24)	(6.01)
Closing defined benefit obligation	83.24	87.11
(B) Maturity Profile of defined benefit obligation		
Within next 12 months (next annual reporting period)	79.20	84.84
Between 2 and 5 years	1.94	1.68
Between 6 and 10 years	5.02	4.52

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(C) Quantitative sensitivity analysis for significant assumption is as below		
Increase / decrease on present value of defined benefits obligation at		
One percentage point increase in discount rate	(0.54)	(3.23)
One percentage point decrease in discount rate	0.61	3.95
One percentage point increase in rate of salary	0.42	2.88
One percentage point decrease in rate of salary	(0.45)	(2.62)
(D) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:		
	%	%
Discount rate	6.55	7.43
Expected rate of return on assets	6.55	7.43
Employee turnover	5.00	5.00
Salary Escalation	4.00	4.00
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

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

Note - 29 : Category wise classification of Financial Instruments

₹ in lakhs

Particulars	Amortised Cost	Fair value through Profit and Loss Value
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	-

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

Particulars	Amortised Cost	Fair value through Profit and Loss Value
As at 31st March, 2019		
Financial Assets		
Trade Receivable	38.65	-
Investment	20.00	2,297.45
Cash and Cash Equivalents	344.46	-
Bank balances other than Cash and Cash Equivalents	26.67	-
Other financial assets	4,124.33	-
Total	4,554.11	2,297.45
Financial Liabilities		
Trade Payable	303.86	-
Other financial Liabilities	82.97	-
Total	386.83	-

Note - 30 : 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**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 - 31 :

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

Note - 32 : 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 - 33 : Proposed Dividend

The Board of directors at its meeting held on 29th June, 2020 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, 2020. 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.

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. Measures taken by the Government to contain the spread of Covid-19 are restriction in movement of transport vehicles, travel bans, social distancing and closure of non-essential services. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management of the Company and its associate has made an assessment of the impact of Covid-19 on the their operations, financial performance and position as at and for the year ended 31st March, 2020 and has concluded that there is no impact which is required to be recognized in the financial results. Accordingly, no adjustments have been

Mysore Petro Chemicals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

made to the consolidated financial statements year ended 31st March, 2020. The Company and its associate will continue to monitor the impact of Covid-19 and any material changes to future economic conditions.

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, 2020.

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, 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	-
As at 31st March, 2019				
Investment in Equity Shares	338.61	-	-	338.61
Investment in Debentures	517.49	-	517.49	-
Investment in Alternate Investment Fund	384.07	-	384.07	-
Investment in Preference shares	1,057.28	-	1,057.28	-

Valuation technique used to determine fair value:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note - 37 : Associate

Particulars	₹ in lakhs	
	As at 31 st March, 2020	As at 31 st March, 2019
Investments accounted for using the Equity Method		
The following entity have been included in the consolidated financial statements using the equity method:		
I G Petrochemicals Limited	8,474.57	8,401.00
Total Equity Accounted Investments	8,474.57	8,401.00
Summarised financial information of associate:		
Current Assets	32,587.41	45,414.45
Non-Current Assets	83,555.75	70,100.59
Current Liabilities	29,444.35	33,369.55
Non-Current Liabilities	23,427.20	19,237.93
Equity	63,271.61	62,907.56

Particulars	₹ in lakhs	
	For the Year ended 31 st March, 2020	For the Year ended 31 st March, 2019
Revenue	1,06,481.59	1,31,138.68
Expenses	1,03,543.75	1,12,471.48
Profit before Tax	2,937.84	18,667.20
Tax Expense	1,103.24	6,982.38
Profit for the Year	1,834.60	11,684.82
Group's share of Profit for the Year (Gross)	242.73	1,546.00
Dividend received during the Year	163.00	163.00
Group's share of Profit for the Year (Net)	79.73	1,383.00

Note - 38 :

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
Anita Somani
Partner
Membership No.: 124118
Mumbai
29th June, 2020

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

