



**MAHARASHTRA
POLYBUTENES LIMITED**

27th

**ANNUAL REPORT
2015 - 2016**

BOARD OF DIRECTORS

| | |
|--------------------|--|
| Brijmohan Rathi | Chairman and Managing Director, Promoter |
| Virendra B. Dalal | Director, Independent, Non Executive |
| Abhay N. Manudhane | Director, Independent, Non Executive |
| Sangeeta Rathi | Director, Promoter, Non Executive |

COMPANY SECRETARY

Kumari Shikha

CHIEF FINANCIAL OFFICER

Suresh Thakur

BANKERS

Central Bank of India

AUDITORS

BKG & Associates
Chartered Accountants
Mumbai

REGISTRAR AND SHARE TRANSFER AGENTS:

Sharex Dynamic (India) Pvt Ltd
Unit 1, Luthra Industrial Premises
Andheri Kurla Road, Safed Pool,
Andheri(E), Mumbai-400072
Contact No: 022-2851 5606/2851/5644
Fax No: 022 2851 2885

REGISTERED OFFICE:

R-802, TTC Industrial Area,
Thane-Belapur Road,
Mahape, Navi Mumbai 400701
Phone: 022 27782210
Email: help.investor@mahapoly.com
Website: www.maharashtrapolybutenes.com
CIN: L99999MH1988PLC048937

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NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Shareholders of **MAHARASHTRA POLYBUTENES LIMITED** will be held on Wednesday, the 28th September 2016 at 2 P.M. at the Registered Office of the Company located at R-802 TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai – 400701 to transact the following business: ensuing

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors' and the Auditors' thereon.
2. To re-appoint Mrs. Sangeeta Rathi (DIN 01345515), who retires by rotation at this meeting and being eligible offers herself for re-appointment
3. To ratify appointment of Statutory Auditor and fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, pursuant to the provisions of Section 139 (1), 142 and other applicable provision, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in furtherance of the resolution passed in the twenty sixth Annual General Meeting of the Company in this regard, the consent of the members, be and is hereby accorded for the appointment of M/s BKG & Associates, Chartered Accountants, to hold office for the financial year 2016-2017 at a remuneration as may be decided by the Board with the mutual consent of the auditors.”

B. SPECIAL BUSINESS

1. **Resolution to be passed under Section 180 (1) (a) of the Companies Act, 2013 to lease, sell, transfer, convey, assign or otherwise dispose of the Company's immovable property/ies located at Navi Mumbai**

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

“Resolved that pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose), to lease, sell, transfer, convey, assign including assigning land development rights, mortgage or otherwise dispose of any of the Company's immovable or moveable property/ies in part or full, as the case may be, in particular, but not limited to, the piece and parcel of land admeasuring 40,018 square meters or thereabouts located at Plot Number R-802, T.T.C. Industrial Area, Mahape-Rabale Road, Navi Mumbai, together with buildings, structures, plant and equipments, fixtures, or rights thereon together with Transfer of Development Rights (TDR) / Floor Space Index (FSI) benefits accruing in respect of said land to any person(s) and /or entity(ies) as may be determined by the Board, for such consideration and on such terms and conditions as the Board may deem fit in the best interest of the Company”.

“Resolved further that the Board be and is hereby authorized to do and perform all such acts, matters deeds and things as may be necessary, without further referring the matter to

the members of the Company, including finalizing the suitable lessee(s)/purchaser(s)/ assignee(s)/mortgagee, developer as the case may be, of the said land, the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing and registering the necessary documents including agreements, lease deeds, sale deed, agreement for sale, development agreement, TDR/FSI Sale agreements, deeds of conveyance and irrevocable powers of attorney etc. and such other document(s) as may be necessary or expedient in its own discretion and in the best interest of the Company, including the power to delegate, to give effect to this resolution”.

“**Resolved further that** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto.”

2. Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013.

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

“**RESOLVED THAT** in supersession of the earlier Resolution passed by the Members in this regard and pursuant to the provisions of Section 180 (1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof), the Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded to the Company, to borrow from time to time any sum or sums of monies (exclusive of interest) on such terms and conditions as the Board of Directors and/or the Committee of Directors may determine, from anyone or more of the Company’s bankers and/or from anyone or more other banks, persons, firms, companies/bodies corporate, financial institutions, institutional investor(s), mutual funds, insurance companies, pension funds and or any entity/entities or authority / authorities, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans or bill discounting, issue of debentures, commercial papers, long/short term loans, suppliers’ credit securities instruments such as floating rate notes, fixed rate notes, syndicated loans, commercial borrowing from the private sector window of multilateral financial institutions, either in rupees and/or in such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/ securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets, licenses and properties, whether immovable or movable and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company [apart from temporary loans obtained from the Company’s bankers in the ordinary course of business and exempted categories of deposits/loans received by the Company under Non-Banking Finance Companies (Reserve Bank) Directions, 1977, as amended from time to time] will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount up to which the moneys may be borrowed by the Board of Directors and/or the Committee of Directors and outstanding at any time shall not exceed the sum of ¹ 1,00,00,00,000 (¹ One Hundred Crore)”.

“**Resolved further that** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto”.

NOTES:

- i. A member entitled to attend and vote at the annual general meeting is also entitled to appoint a proxy to attend and vote on behalf of him/her. A proxy need not be a member of the company. Proxy forms, in order to be effective, should reach the registered office of the company not less than 48 hours before the time of the annual general meeting. A person shall not act as a Proxy for more than 50 members and the total number of shares holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% of the total voting share capital of the Company provided that such person shall not act as a proxy for any other member.
- ii. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf of the meeting.
- iii. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
- iv. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
- v. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- vi. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturday, between 10 a.m. and 1 p.m. up to the date of the meeting.
- vii. The Company has notified closure of Register of Members and Share Transfer Books from Saturday, 24th September, 2016 to Wednesday, 28th September, 2016 (both days inclusive).
- viii. Non-Resident Indian Members are requested to inform the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited, immediately of:
 1. The change in the residential status on return to India for permanent settlement;
 2. The particulars of the Bank Account maintained in India with complete name, branch, and account type, account number and address of Bank with Pin Code Number, if not furnished earlier.
- ix. Consequent upon the introduction of Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debenture) Rules 2014, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13 (which will be made available on request) to the Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited.
- x. **E-Voting**

In compliance of the provisions of section 108 of the Companies Act, 2013 and rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 27th Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by

Central Depository Services Limited (CDSL).

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

1. In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. |
| | <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field. |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat

holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Maharashtra Polybutenes Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

2. In case of members receiving the physical copy:

- (A) Please follow all the steps from serial number (i) to serial number (xvii) mentioned above to cast vote.
- (B) The voting period begins on 24th September, 2016 at 9.00 A.M. and ends on 27th September, 2016 at 5.00 P.M. During this period shareholders' of the Company,

holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (D) In case of Members who are attending the Annual General Meeting and are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion for all businesses specified in the accompanying Notice. For clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
- (E) Ms. Disha Dugar, Practising Company Secretary, (Membership number Fellow 8128, Certificate of Practice number 10895) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the ballot cast by the Members at the Annual General Meeting) in a fair and transparent manner.
- (F) The Scrutinizer shall within a period not exceeding three working days from the date of close of e-voting unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- (G) The results of e-voting and poll on resolutions shall be aggregated and declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the resolutions.
- (H) The results declared along with the Scrutinizer's report shall be placed on the Company's website www.mahapoly.com and on the website of CDSL viz www.cdslindia.com within two days of passing of the resolutions at the AGM of the Company and communicated to BSE.

By Order of the Board

Place: Navi Mumbai
Date: 6th June, 2016

Brijmohan Rathi
Chairman and Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

1. Item No. 1 of Special Business

The Company is facing crucial financial crunch and intends to reduce its debts and statutory liabilities by disposing some of its non-core assets. The Company has identified properties which may be 'substantial' in terms of Section 180 (1) (a) of the Companies Act, 2013 and therefore requires members approval for disposal by way of Special Resolution. Approval of members is sought.

The Company is in the process of negotiating the consideration and other terms and conditions with the potential buyer(s)/assignee(s)/lessee(s) of the said land. The approval of members of the Company by a special resolution and other applicable laws and subject to such approvals, consents, permissions and sanctions as may be necessary, approved to lease, sell, transfer, convey, assign or otherwise dispose of the Company's immovable property as stated above along with building, structures, rights and fixtures thereon together with TDR/FSI benefits accruing in respect of land as may be determined by the Board including finalization of the suitable lessee(s) buyer(s)/ assignee(s)/ counterparty(ies) as the case may be, of the said property, the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing and registering the necessary documents including agreements, lease deeds, sale deed, agreement for sale, development agreements, TDR Sale agreements, deeds of conveyances and irrevocable powers of attorney etc. and such other documents in the best interest of the Company.

The consideration to be received on said lease and/or sale, transfer, conveyance, assignment or sale of above property shall be utilized for working capital and in paying off the Company's long/short term debts and statutory liabilities. The said arrangement will enable the Company to reduce the interest costs and raise funds for working and long term capital, thus ensuring smooth operational functioning and improving the profits of the Company.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution. The Board recommends the Resolution of the Notice for approval of the members by a Special Resolution.

2. Item No. 2 of Special Business

As per Section 180 (1) (c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company and its free reserve requires approval from the shareholders of the Company.

Section 180(1) of the Companies Act, 2013 provides that the Board of Directors of a company shall exercise the said power only with the consent of the Company by a special resolution under this section. Hence, the Special Resolution at Item No. 2 for authorizing the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding ¹ 100 crore (¹ One Hundred Crore) is intended for this purpose. The Directors recommends the resolution for members' approval as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

DIRECTORS' REPORT

Dear Members

The Directors have pleasure in presenting the 27th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2016.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

| PARTICULAR | Year ended 31.03.2016 | Year ended 31.03.2015 |
|--|--------------------------|--------------------------|
| Gross Sales | 827.13 | 772.80 |
| Industrial Park Revenue | - | 1050.00 |
| Other Income | 3.65 | 8.47 |
| Profit Before Depreciation, Tax and Exceptional Items | (1621.15) | 33.97 |
| Depreciation | 30.60 | 30.29 |
| Profit Before Tax and Exceptional Items | (1651.75) | 3.87 |
| Exceptional Items | | |
| - Industrial Park Receipts Reversed | (1475.00) | - |
| - Sundry credit balance written off/(back) | - | (0.20) |
| Provision for MAT | 00.00 | 0.74 |
| Provision for deferred Tax | 5.27 | (38.32) |
| Profit after Tax | (3132.02) | 41.45 |
| Proposed Dividend | Nil | Nil |
| Dividend Distribution Tax | Nil | Nil |
| Balance carried forward to Balance Sheet | (3132.20) | 41.45 |

The Balance in Profit & Loss Account for the year is ₹ -3132.20 Lacs (Previous year ₹ 41.45 Lacs). Total reserves stand at ₹ -2034.87 Lacs (Previous Year ₹ 1097.16 Lacs) is carried to Balance Sheet under the head Reserves and Surplus.

1. PERFORMANCE FOR THE FINANCIAL YEAR 2015-2016

The Company produces various grades of Polyisobutenes (PIB) like HV 10, HV 30, HV 100 and HV 200.

The financial year gone by was very challenging for the Company for a number of reasons. To be in line with the current crude prices the Company has revalued inventories and the effect thereof has been given in the books of accounts. Please refer to Note number 22 annexed with the Profit and Loss Statement, please also refer to Note number 5 of the Notes to Accounts.

In the past the Company had entered into an understanding with a related party to develop Industrial Park / Gala on the excess land of the Company. The said Party had to pay the Company an advance of ₹ 4,25,00,000 in the F.Y. 2013-14 and ₹ 10,50,00,000 in the F.Y. 2014-15 respectively. These receipts were accounted for as Industrial Park Receipts in respective years on accrual basis. Since the Company didn't receive the said advance,

these receipts amounting to ₹ 14,75,00,000 have been reversed during the year.

The Company had taken working capital loans from Central Bank of India. Due to Company's inability to service the interest the bank has classified the debts as Non Performing Asset (NPA) as per the RBI guidelines. The management is taking appropriate action to resolve this matter.

Due to the heavy losses during the year; the net worth of the Company has completely eroded. The Company also has incurred cash losses during the financial year. The Company has been advised to make a reference to the Board for Industrial and Financial Reconstruction (BIFR), suitable actions will be taken accordingly.

The Company has achieved a turnover of ₹ 827.13 Lakhs for the year ended March 31, 2016 as against ₹ 772.80 Lacs for the previous year. The year didn't witness growth in operation due to non-availability of raw material, crash in commodity prices and overall economic conditions. The Company expects better performance in the current year with good capacity utilisation.

2. DIVIDEND

Due to the losses and current financial situations, the Board of Directors cannot propose a Dividend for the financial year.

3. FIXED DEPOSIT

During the year the Company has not accepted any Fixed Deposits within the meaning of any of the sections of the Companies Act, 2013 and the rules made there under.

4. FUTURE BUSINESS PLANS OF THE COMPANY

During the period under review, the Company's manufacturing activities were badly affected due to crash of commodity prices and short supply of raw material. However, for the current year the company has a target to outperform previous year's production level as the availability of raw material is improving.

With a view to further expand the operations and to raise the top line as well as the bottom line the company is foraying into trading of various chemicals and energy products like High-density polyethylene (HDPE), low density polyethylene (LDPE), base oil, furnace oil, polymers, LPG, coal etc. The company has a ready market for these products as it enjoys excellent business rapport with the potential customers. The management is determined to expand its core customer base. The company is also tapping the huge export market.

With a view to address the financial strains, the management is foraying in to tapping on alternate sources of long term funds and utilization of excess assets. The management has identified excess land owned by the company and has proposed to develop industrial gala or technology park on this excess land. For this purpose, the company is in the process of entering into an understanding with a company, which is also a related party. The Company has approached Maharashtra Industrial Development Corporation (MIDC) for necessary approvals.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year there is no change in composition of Board of Directors.

Ms. Sangeeta Rathi, Director, retires by rotation and being eligible offers herself for re-appointment at the forthcoming Annual General Meeting.

The Company has received declaration from all the independent directors of the company confirming that they comply with the provisions of their independence as per regulation 16 (b) of the SEBI (LODR) Listing Regulation as well as provisions of the Companies Act, 2013 under section 149(6).

During the year under review Mr. Suresh Thakur was appointed as Chief Financial Officer of the Company in the place of Mr. Srinivasan Garg who resigned from the Company and Ms. Kumari Shikha was appointed as Company Secretary of the Company in place of Ms. Trupti Shewale, who resigned from the Company.

The Company has a policy of performance evaluation of the board, various board committees and individual directors.

The report on Corporate Governance contains information on various Board and committees meetings thereof etc. and is an integral part of this report.

6. EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in MGT 9 as a part of this Annual Report.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(5) of the Companies Act, 2013 with respect to Directors Responsibilities Statement, it is hereby confirmed that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and 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 and of the profit and loss of the company for that period;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. The internal financial controls 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 are adequate and are operating effectively; and
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. PARTICULARS OF EMPLOYEES

During the year under review, none of the employees received remuneration of or in excess of the limits prescribed under the provision of section 197 of the Companies Act, 2013, read with sub-rule (2) of rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

9. STATUTORY AUDITORS

In 26th AGM held on September 30, 2015 M/s B K G & Associates, Statutory Auditors of the Company, have been appointed till the conclusion of Annual General Meeting to be held on year 2017, subject to rectification of their appointment at every AGM. Rectification of appointment is being sought from the members of the Company at the ensuing AGM for their appointment as Statutory Auditors for the financial year 2016-2017.

10. DIRECTOR COMMENT ON AUDITOR'S REPORT

The observations made by the Auditors in their report read with relevant notes given in the Notes to Accounts are self-explanatory and therefore, do not require any comments from your Directors pursuant to section 134(3) (f) of the Companies Act, 2013.

11. COST AUDITOR

The Company is not required to have its cost records audited as per the Companies (Cost Records and Audit) Amendments Rules, 2014.

12. SECRETARIAL AUDIT

Ms. Disha Dugar, a Practising Company Secretary, (Membership number Fellow 8128, Certificate of Practice number 10895) was appointed as the Secretarial Auditor and the report has been annexed and forms an integral part of Directors' Report. The report is self explanatory.

13. PARTICULARS OF TRANSACTIONS WITH RELATED PARTIES

All the transactions entered into by the Company with related parties were in ordinary course of business and were at arm's length. Transactions with related parties are conducted in a transparent manner and the rules are complied by. Since all the related party transactions were entered by the Company in ordinary course of business and were at arm's length basis, FORM AOC- 2 is not applicable to the Company.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans and advances given and investments made have been given in para number 16 of Notes to accounts annexed with Note number 28 annexed with Balance Sheet and Profit and Loss Account.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, form part of this Report.

16. CORPORATE GOVERNANCE

Being observant and responsible, the company is committed to high standards of the corporate ethics, professionalism and transparency. As per Regulation 34 (3) SEBI (LODR) Listing Regulation, 2015, a separate section on Corporate Governance forms part of the Annual Report. Pursuant to Regulation 34 (3) a certificate from the Statutory Auditors of the Company and a Certificate under 17 (8) SEBI (LODR) Listing Regulation, 2015 from the C.E.O. and C.F.O., confirming the compliance of conditions of corporate governance are also attached to this Report.

17. EMPLOYEE RELATIONSHIP

The Company enjoyed very cordial relations with the employees during the Year under review and the Management wishes to place on record its sincere appreciation of the efforts put in by workers, staff and executives.

18. LISTING WITH STOCK EXCHANGE

The equity shares of the Company are listed with the BSE Limited.

19. DEMATERIALISATION OF SHARES

The physical equity shares of the Company can be converted into electronic form with both the depositories namely CDSL and NSDL.

20. BOARD MEETINGS

During the year under review four Board meetings were held. The dates on which the meetings were held are May 28, 2015, August 12, 2015, November 14, 2015 and February 13, 2016.

21. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

Since the date of financial statements there are no material changes affecting the financial position of the Company.

22. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility (CSR) are not applicable to the Company. However, your Company appreciates the concept of CSR and shall take initiatives at appropriate time.

23. POLICY OF APPOINTMENT & REMUNERATION

Pursuant to the provisions of Section 178(1) of the Companies Act, 2013 a Nomination and Remuneration Committee is in place.

24. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There were no funds liable to be transferred to Investors Education and Protection Fund.

25. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013; the company has a policy in place, for prevention of sexual harassment. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2015-16.

26. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

None of the regulators or Courts of Law has passed an order which can impact the going concern status of the Company.

27. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

No subsidiary company was formed during the year. There were no joint venture operations during the year.

28. RISK MANAGEMENT POLICY

The Company has a well structured internal control system through internal audit, administrative controls, clear authority and responsibility and reporting system.

29. ACKNOWLEDGEMENTS

The Directors would like to express their sincere appreciation and gratitude for the support and co-operation received from the Central and State Governments Department, Civic Corporation and authorities, Banks, Customers, Suppliers, Associates, Vendors and Members during the year under review. The Directors also wish to thank and place on record their appreciation for all the employees for their committed and sincere services and continued cooperation throughout the year.

**For and on behalf of the Board of Directors of
Maharashtra Polybutenes Limited**

**Place: Mumbai
Date: 19th May, 2016**

**Brijmohan Rathi
Chairman and Managing Director**

ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION UNDER PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2016.

A. CONSERVATION OF ENERGY

- (a) Energy Conservation Measures taken :
- (i) Waste streams were incinerated and the heat was recovered as fuel equivalent.
 - (ii) Electricity consumption was brought down through planned production and judicious usage of equipments.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: Not Envisaged.
- (c) Impact of energy conservation measures :
- Specific energy consumption of fuel oil per ton of steam generated and electricity consumption had come down due to measures adopted in A (a)(i) and (ii) above.
- (d) Total energy consumption per unit of production: As per Form A.

B. Technology absorption :

- (e) Efforts made in technology absorption as per Form B.

C. FOREIGN EXCHANGE

- (f) Activities relating to export, initiative to increase export, Development of New export markets for Products and Services and Export Plan:

The Company is exploring opportunities in overseas market and manufactures export grade products.

- (g) Total Foreign exchange earned and used (in ₹)

| | Year Ended | |
|-------------------------|------------|------------|
| | 31.03.2016 | 31.03.2015 |
| Foreign Exchange Earned | Nil | Nil |
| Foreign Exchange Used | Nil | Nil |

MAHARASHTRA POLYBUTENES LIMITED

FORM A

Form for disclosure of particulars with respect to conservation of energy

| A. | Power and Fuel Consumption | Current Year | Pervious Year |
|-----------|--------------------------------------|---------------------|----------------------|
| 1. | Electricity | | |
| | a. Purchased Unit (KWH) | 511577 | 424024 |
| | Total Amount (₹) | 4759536 | 4098388 |
| | Rate Per unit (₹ /KWH) | 9.30 | 9.67 |
| | b. Own generation : | | |
| | i) Through diesel generator | | |
| | Unit (KWH) | 1163 | 405 |
| | Unit per litre of diesel oil(₹) | 52.55 | 63 |
| | Cost per unit (₹ /KWH) | 17.44 | 19.45 |
| | ii) Through Steam turbine/generator | | |
| | Unit (KWH) | N.A | N.A |
| | Unit per liter of fuel oil/gas | N.A | N.A |
| | Cost per unit (₹ /KWH) | N.A | N.A |
| 2. | Coal (quality and where used) | | |
| | Quantity | N.A | N.A |
| | Total Cost | N.A | N.A |
| | Average rate | N.A | N.A |
| 3. | Furnace Oil/ LSHS | | |
| | Quantity (MT) | 124.604 | 51.27 |
| | Total Amount (₹) | 2885455 | 2458606 |
| | Average rate (₹ / MT) | 23157 | 47955 |
| 4. | Others/ Internal Generation | | |
| | Quantity | N.A | N.A |
| | Total Cost | N.A | N.A |
| | Rate/Unit | N.A | N.A |
| B. | Consumption(Unit/ MT) | | |
| | Electricity | 855.40 | 1432.51 |
| | Fuel oil | 0.216 | 0.173 |

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION.

A. Research and Development (R&D)

- | | |
|--|-----|
| 1. Specific areas in which R&D carried out by the Company: | Nil |
| 2. Benefit derived as a result of the above R & D: | Nil |
| 3. Future plan of action: | Nil |
| 4. Expenditure on R & D: | Nil |

B. Technology, Absorption, Adaption and Innovation

- | | |
|--|----------------|
| 1. Efforts, in brief, made towards technology Absorption, Adaption and innovation: | Not Applicable |
| 2. Benefits derived as a result of the above efforts : | Not Applicable |
| 3. Details about imported technology imported during the last five years reckoned from the state of beginning of financial year: | Not Applicable |

DECLARATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER UNDER REGULATION 17 (8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**The Board of Directors
Maharashtra Polybutenes Limited
Mumbai**

We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2016 and to the best of our knowledge and belief, we hereby certify that:

1. These statements neither contain any materially untrue statement nor omit any material fact nor contain any misleading statements.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year 2015-2016 which are fraudulent, illegal or which violates the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control system of the Company and disclosed to the Auditors and Audit Committee. Based on our most recent evaluation, no deficiencies in the design or operation of internal control were noted.
5. We further certify that:-
 - There have been no significant changes in internal control over financial reporting during the year.
 - There have been no significant changes in accounting policies during the year.
 - There have been no instances of significant fraud of which we have become aware of and the involvement therein, of management or an employee having a significant role in the Company's internal control system.
6. We further declare that pursuant to regulation 17 to 27 of the SEBI (LODR) Listing Regulation, all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the current year.

**Place: Navi Mumbai
Date: May 19, 2016**

**Brijmohan Rathi
Managing Director & C.E.O**

**Suresh Thakur
C.F.O.**

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRIAL STRUCTURE AND DEVELOPMENT:

The main product of the company is Polyisobutene (PIB), an industrial chemical used in the manufacture of lubricant oil, jelly filled cables, impulsions as well as in formulation of engine oil for two strokes engines. Other application of PIB are in the manufacturing of adhesives, caulking and sealing compounds, leather finishing, engineering, plastics, insecticide etc.

There are four indigenous manufacturing units for this product in India. Overall company's product demand has good potential worldwide. Due to cost structure there are no possibilities of coming up with new capacity in companies product (PIB). However, the demand of our product is increasing due to newer application in chemical industry and specialty chemicals are being found like replacing some of the additives in lubricant industry with PIB.

OPPORTUNITIES AND THREATS:

The Company enjoys good reputation with the institutions and industries. The alternative financial arrangement is planned and implemented.

The Company expects better performance in the current year 2015-2016 with higher capacity utilization. The Company has been successfully in winning orders from Lubrizol India Pvt. Ltd. Bharat Petroleum Corporation Ltd, Indian Oil Corporation Limited, Hindustan Petroleum Corporation Limited and other big players in the Industry. Further, the company is exploring opportunities to increase the quantum of exports of its products in various countries to increase its capacity utilization.

SEGMENTATION OR PRODUCT WISE PERFORMANCE:

The company manufactures and sells single product Polyisobutene (PIB).

OUTLOOK, RISK, AND CONCERNS:

The international market and realization for PIB has been buoyant during the year. The demand in the country has been steady, the outlook for the realization and demand in the coming years is bright and your company is planning to take advantage of the opportunities in domestic as well as in international market. The Company could not achieve the production targets because of adverse market conditions, irregular supply of raw material etc. The Company has tied up with M/s Haldia Petrochemicals Ltd situated in West Bengal for the raw material but the transportation cost is much higher which is the main concern and an issue for the Company now the company has approached Indian Oil Corporation and is confident of getting raw material supply.

INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT:

The internal control system is well structured and ensures optimum use of resources and safeguards the assets. The Company follows pre-defined rules and procedure and the same commensurate with the size and the nature of the Company. The Company has an efficient system of internal audit, accounting and administrative controls to ensure safety of Company's assets and interests.

The Company has well structured organizational hierarchy with clear authority and responsibility. The information flow system is efficient and the reporting system is strong.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year the company has carried its operation to the best of the available resources and manpower. The financial performance commensurate with the operations of the company.

DEVELOPMENT IN HUMAN RESOURCE / INDUSTRIAL RELATIONS:

The relations with the worker during the year were satisfactorily. The Directors place on record their appreciation for the sincere and efficient services rendered by the executive, staff and workmen of the Company and are confident that they will contribute to the company's prosperity and growth.

CORPORATE GOVERNANCE

(Pursuant to 17 to 27 and 34 (3) of the SEBI (LODR) Listing Regulations)

1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance encompasses laws, procedures, practices and implicit rules that determine management's ability to take sound decisions vis-a-vis its entire stakeholders-in particular, its shareholders, creditors, the state and employees. There is a global consensus on the objective of Good Corporate Governance is Maximizing long- term shareholder value.

Since shareholders are residual claimants, this objective follows from a premise that in well –performing capital and financial markets, whatever maximizes shareholder value must necessarily maximize corporate value, best satisfy the claims of creditors, employees and the state.

A Company which proactively complies with the law and adds value to it through Corporate Governance initiatives would also command a higher value in the eyes of present and prospective shareholders.

The basic philosophy of the Company is that Corporate Governance is not an end in itself but is a catalyst in the process of maximization of shareholder value. Therefore, shareholder value as an objective is the basic premise in all aspects of corporate governance.

Compliance with Regulation 17 to 27 and 34 (3) of the SEBI (LODR) Listing Regulations

The Company has complied with the Regulation of the Listing Regulations. The Code of conduct prescribes certain dos and don'ts for Directors and senior managers to promote ethical conduct in accordance with the stated values of the company and also to meet the prescribed statutory requirements.

2. BOARD OF DIRECTORS :

A. Composition and categories of Directors:

The Board is comprised of 4 Directors as on March 31, 2016. The name and categories of the Directors, the number of Directorship and Board Committees position held by them in the companies along with details of attendance of Directors at Board Meetings, Annual General Meeting and other Directorships are given below. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 committees (As specified in Regulation 26 of the Listing Regulations).

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| Name of Director | Designation | Category | No. of Board Meetings | | Attendance at Last AGM | *Other Directorship | ** Membership of Other Board Committees | ** Chairmanship of Other Board Committees |
|--------------------|--------------------------------|-------------------------|-----------------------|----------|------------------------|---------------------|---|---|
| | | | Held | Attended | | | | |
| Brijmohan Rathi | Chairman and Managing Director | Promoter | 4 | 4 | Yes | 1 | 1 | - |
| V. B. Dalal | Director | Independent | 4 | 4 | Yes | 2 | 1 | 2 |
| Abhay N. Manudhane | Director | Independent | 4 | 4 | Yes | 1 | 2 | - |
| Sangeeta Rathi | Director | Promoter, Non Executive | 4 | 4 | Yes | 1 | 1 | - |

- Brijmohan Rathi and Sangeeta Rathi are relatives. Other directors are not related inter-se.
- None of the Non –Executives directors holds shares or convertible instruments in the Company.

* The Directorships held by Directors as mentioned above in listed companies, do not include Alternate Directorships, Directorships of Foreign Companies, Private Limited Companies and Section 8 Companies.

** In accordance with Regulation 26 of the Listing Regulations, Membership/ Chairmanship of only the Audit Committees and Shareholders'/ Investors' Grievance Committees of all Public Limited Companies have been considered excluding details of Maharashtra Polybutenes Limited.

B. Details of Board Meetings:

Four Board Meetings were held during the year. The dates on which the meetings were held are May 28, 2015, August 12, 2015, November 14, 2015 and February 13, 2016. The 26th Annual General Meeting was held on September 30, 2015.

C. Code of Conduct:

The Code of business conduct and ethics for directors and Senior Management Personnel as adopted by the Board is comprehensive code applicable to all Directors and Senior Management Personnel. The Company has posted the code of conduct on its website <http://www.mahapoly.com>. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the period ended March 31, 2016.

3. AUDIT COMMITTEE :

In accordance with the provisions of the Companies Act, 2013, the Board has constituted the Audit Committee. The objective of the Audit committee is to assist the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the company and its compliance with the legal and regulatory requirement.

(a) The terms of reference:

The terms of reference of the Audit committee are as stated in Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and more particularly include the following;

- a. Review of management discussion and analysis of financial condition and results of operations;
- b. Review of statement of significant related party transactions
- c. Review of management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Review of internal audit reports relating to internal control weaknesses; and
- e. appointment, removal and terms of remuneration of the internal auditor

(b) Composition of Audit Committee:

The Audit Committee comprises of three Directors. The Chairman of the Committee is an independent, Non executive Director nominated by the Board.

| Name of Directors | Position held |
|--------------------|---------------|
| V. B. Dalal | Chairman |
| Sangeeta Rathi | Member |
| Abhay N. Manudhane | Member |

All the members of the Committee are financially literate.

(c) Meeting and Attendance during the year:

During the year under review, the Audit Committee met four times and all the members of committee were present in the meeting. The dates on which the meetings were held are on May 28, 2015, August 12, 2015, November 14, 2015 and February 13, 2016.

4. REMUNERATION COMMITTEE :

(a) Terms of reference

The objective of the remuneration committee is to determine the Company's policy on executive remuneration. The role of the remuneration Committee is also to review market practices and to decide remuneration packages of Managerial Personnel, Directors and other Employees of the Company

(b) Composition

The Remuneration Committee comprises of three Directors. The Chairman of the Committee is an Independent Director, Non executive Director nominated by the Board.

| Name of Directors | Designation |
|--------------------|-------------|
| V. B. Dalal | Chairman |
| Sangeeta Rathi | Member |
| Abhay N. Manudhane | Member |

(c) Details of meetings:

As there was no business, the Remuneration Committee has not met during the year under review.

The Committee suggests various criteria for evaluating the performance of Independent Directors of the Company.

(d) Details of Remuneration

No commission has been paid to any Director during the year. Sitting fees are paid to the Directors for attending the meetings of the Board and Board Committees.

in ₹

| Name of Director | Sitting Fees ₹ | Salary ₹ | Services Contract/ Notice Period/ Severance fees |
|--------------------|---|-------------|--|
| Brijmohan Rathi | Nil | Nil | renounce for financial year 2015-2016 (2013 to 2018) |
| V. B. Dalal | 250 per meeting* (previous year 20000) | Nil | Until AGM 2019 |
| Abhay N. Manudhane | 250 per meeting* (previous year 20000) | Nil | Until AGM 2019 |
| Sangeeta Rathi | Nil | Nil | Retire by rotation |

*In the Board Meeting held on 19th May, 2016, the two Independent Directors of the Company, in view of the losses of the Company, have foregone 95% of their sitting fees for the F.Y. 2015-16, provision has been made accordingly.

- i. The Company does not have a stock option plan or performance linked incentives for its executive or Non-executive Directors. The above is exclusive of perquisites and allowances.
- ii. There is no pecuniary relationship or transactions of the non-executive directors vis-a-vis the Company.

5. SHARE TRANSFER COMMITTEE:

The Share Transfer Committee has been assigned the work of share transfer, sub-division / consolidation of shares etc. The Committee oversees the performance of Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services. Details of Share Transfer / transmission approved by the Committee are placed before the Board Meeting from time to time.

(a) Composition:

| Name of Members | Position held |
|-----------------|---------------|
| Brijmohan Rathi | Chairman |
| Prakash Selot | Member |

(b) Details of share transfer requests received, not resolved and pending:

The Company has duly appointed share transfer agent M/s. Sharex India Private Limited, (R&T agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization or transfer of shares received during the year have been processed, subject to documents validation and completeness in all respect and confirmations thereof are communicated to investors within the prescribed time.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The committee has been assigned the work of redressing of grievances of shareholders on quarterly basis as per regulation 20 of the Listing Regulations. During the year, under review Stakeholder Relationship Committee met 4 times. The dates on which meetings were held are May 28, 2015, August 12, 2015, November 14, 2015 and February 13, 2016.

(a) Composition

The Committee comprises of following Directors:

| Name of Directors | Designation |
|--------------------------|--------------------|
| V. B. Dalal | Chairman |
| Brijmohan Rathi | Member |
| Abhay N. Manudhane | Member |
| Sangeeta Rathi | Member |

The Company Secretary of the Company was the Compliance Officer.

(b) Terms of reference

Terms of Reference of the committee is to look into the redressing of shareholders requests/complaints like issue of duplicate share certificate, non-receipt of Annual Report, non-receipt of dividend etc. During the year under review, the Company has received 23 complaints, against 37 complaints received last year and the same have been resolved within time period.

7. GENERAL BODY MEETINGS:

(a) Annual General Meeting

Location, date, time and venue, where last three Annual General Meetings were held are as follows:

| AGM | Financial Year | Date | Location of Meeting | Time | No of Special Resolution Passed |
|------------------|-----------------------|--------------------|---|-------------|--|
| 24 th | 2012- 2013 | September 28, 2013 | Navi Mumbai Sports Association, Sector- 1A, Vashi, Navi Mumbai- 400 703 | 11.00 A.M. | 1 |
| 25 th | 2013- 2014 | September 27, 2014 | Navi Mumbai Sports Association, Sector- 1A, Vashi, Navi Mumbai- 400 703 | 11.00 A.M. | - |
| 26 th | 2014-2015 | September 30, 2015 | R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai – 400 701 | 03:00 P.M. | - |

(b) Extraordinary General Meeting

No Extra Ordinary General Meeting was held during the year under review.

8. OTHER DISCLOSURES:

- (a)** Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large.

None of the transaction with any of the related parties was in conflict with the interests of the Company. None of the Senior Management Personnel had any material transaction with any of the related parties, which were in conflict with the interests of the Company. Attention of Members is drawn to the disclosures of transactions with the related parties set out in Note No. 16 of Notes to Accounts; forming part of the Annual Report.

- (c)** The equity shares of the company are listed at the BSE Limited. No penalties, strictures imposed on Company by stock exchange and by any statutory authority during the year.
- (d)** The Company has vigil mechanism and whistle blower policy in place. No personnel have been denied access to the audit committee.
- (e)** All disclosures regarding mandatory compliances have been made.

9. MEANS OF COMMUNICATION:

| | |
|--|--|
| Quarterly/Half yearly report to shareholders | Quarterly/Half Yearly results of the Company are published in the newspapers and are displayed on Company's website also. |
| Yearly result | The Company publishes its Yearly Results in the news papers as well as has displayed the same on Company's website also. Yearly results are part of Annual Report. |
| Newspaper wherein result normally published | The Financial Express & Apla Mahanagar |
| Any Website, where displayed | www.mahapoly.com |
| Whether the site also displays official news releases and the presentation made to institutional investors or to the analysts. | Price sensitive information / official news are shared with the stock exchange and displayed at the company website. |

10. GENERAL SHAREHOLDER INFORMATION:

(a) 27th Annual General Meeting

Date: Wednesday, September 28, 2016

Time: 2:00 PM.

Venue: R-802 TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai – 400701

(b) Events in Financial Year (tentative) : 2016 - 2017

Financial Reporting for the Quarter ending:

- June 30, 2016 : By mid of August, 2016

MAHARASHTRA POLYBUTENES LIMITED

- September 30, 2016 : By mid of November 2016
- December 31, 2016 : By mid of February 2017
- March 31, 2016 : By end of May, 2017

(c) Date of Book Closure

From Saturday, September 24, 2016 to Tuesday, September 27, 2016 (both days inclusive).

(d) Dividend payment Date: Not Applicable**(e) Listing on Stock Exchange and payment of fee:****BSE Limited**

Phiroze Jeejeebhoy Towers

Dalal Street, Fort, Mumbai 400 001

Annual listing fee for the year 2015-2016, as applicable, has been paid by the Company to BSE.

(f) Stock Code:

- (i) Scrip code on BSE : **524232**
- (ii) Demat ISIN in NSDL and CDSL for Equity Shares : **INE488E01037**

(g) Market Price data:

The Equity shares of the Company are listed on Bombay Stock Exchange Limited. The details of high and low market price data for the financial year ended March 31, 2016 are as under;

| Month | Share Price | | Volume of Shares Traded |
|----------------|-------------|-----------|-------------------------|
| | High (Rs.) | Low (Rs.) | |
| April 2015 | 3.22 | 2.15 | 77575 |
| May 2015 | 3.54 | 2.01 | 261893 |
| June 2015 | 2.35 | 1.51 | 400920 |
| July 2015 | 1.73 | 1.38 | 260712 |
| August 2015 | 1.6 | 1 | 443728 |
| September 2015 | 1.05 | 0.71 | 92352 |
| October 2015 | 0.78 | 0.62 | 249582 |
| November 2015 | 0.67 | 0.49 | 290632 |
| December 2015 | 0.51 | 0.45 | 522655 |
| January 2016 | 0.51 | 0.47 | 229795 |
| February 2016 | 0.51 | 0.47 | 29276 |
| March 2016 | 0.51 | 0.44 | 114391 |

Source – BSE website Source - www.bseindia.com

(h) Registrar and Transfer Agent:

M/s. Sharex Dynamic (India) Private Limited
 Unit – Maharashtra Polybutenes Limited
 Unit 1, Luthra Industrial Premises,
 Andheri Kurla Road, Safed Pool, Andheri (E),
 Mumbai – 400 072
 Tel No.: 022- 2851 5606/ 2851 5644
 Fax No.: 022- 2851 2885
 Website: www.sharexindia.com
 Email: investor@sharexindia.com

(i) Share Transfer System:

Share transfer requests received are normally confirmed within the period of 15 days from date of receipt.

(j) Distribution of Shareholding as on March 31, 2016:

| No. of Equity Shares held | No. of shareholders | % of shareholders | No. of shares Held | % of shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| Upto to 5000 | 29976 | 99.47 | 3212532 | 2.06 |
| 5001 - 10000 | 47 | 0.16 | 344728 | 0.22 |
| 10001 - 20000 | 27 | 0.09 | 413270 | 0.27 |
| 20001 – 30000 | 10 | 0.03 | 254150 | 0.16 |
| 30001 – 40000 | 5 | 0.02 | 179811 | 0.12 |
| 40001 – 50000 | 5 | .02 | 246000 | 0.16 |
| 50001 – 100000 | 28 | 0.09 | 2164679 | 1.39 |
| 100001 - Above | 39 | 0.13 | 149089400 | 95.63 |
| Grand Total | 30137 | 100.00 | 155904570 | 100.00 |

(k) Dematerialization of Shares and liquidity as on March 31, 2016:

| No. of Equity Shares held | No. of shareholders | % of shareholders | No. of shares held | % of shareholding |
|--|---------------------|-------------------|--------------------|-------------------|
| No. of shareholders having shares in Physical Mode | 24724 | 81.85 | 2044270 | 1.31 |
| No. of Beneficial Owner and shares in Demat mode | | | | |
| NSDL | 3941 | 13.05 | 31625086 | 20.28 |
| CDSL | 1539 | 5.10 | 122235214 | 78.40 |
| Grand Total | 30204 | 100 | 155904570 | 100 |

(l) Categories of Shareholders as on March 31, 2016:

| Category | No. of shares held | % to total shareholding |
|-----------------------------------|--------------------|-------------------------|
| Promoters, Director and Relatives | 103114597 | *66.14 |
| Banks, Financial Institutions | 400 | 0.00 |
| Central / State Government | 470 | 0.00 |
| Venture Capital Fund | 2340229 | 1.50 |
| Private Corporate Bodies | 18874363 | 12.11 |
| NRI/OCBs | 3869 | 0.00 |
| Public | 31567669 | 20.25 |
| Clearing Members | 2973 | 0.00 |
| Grand Total | 155904570 | 100.00 |

Note: Figures shown in para j), k) and l) above are one year old figures as the company has not received data as at 31/03/2016 from the Registrar and Transfer Agent.

*Promoters holding as per promoters claim is 52.19%, plus an additional 7.88% which the promoters claim to have pledged the shares by way of transfer.

(m) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

There are no ADR/ GDR/ Warrants or any convertible instruments issued by the Company.

(n) The Company has not imported or exported any goods or services during the year and there is no reportable foreign exchange risk.
(o) Plant Locations:

R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai – 400 701

(p) Address for Correspondence for Investors:
Registrar and Transfer Agent:

M/s. Sharex Dynamic (India) Private Limited
Unit 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E),
Mumbai – 400 072, Tel No.: 022- 2851 5606/ 2851 5644 Fax No.: 022- 2851 2885
Email: Investor@sharexindia.com

Company: Maharashtra Polybutenes Limited

R-802, TTC industrial Area, Thane Belapur Road, Mahape, Navi Mumbai – 400 701
Email: help.investor@mahapoly.com

11. All the mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations have been complied with.

12. No shares were transferred during the year to any shareholder from suspense account.

13. NON MANDATORY REQUIREMENTS

1. Maintaining of Chairman’s office by Non-Executive Director:

No, as the Company has appointed Executive Director as Chairman.

2. Shareholders’ Rights

The Half-yearly results of the company are published in English and vernacular Newspaper. Further, the same is also uploaded on the website of the company at www.mahapoly.com.

3. Modified opinion(s) in audit report

There is no modified opinion of the management regarding audit report for the financial year 2015-2016.

4. Maintaining separate posts of Chairman and Chief Executive Officer

The Company has appointed a Director as the Chairman and the Managing Director both.

5. Reporting of internal auditor

The internal auditor reports to the Board, but the report is first placed before the audit committee for their review.

Details of the Directors seeking appointment/re-appointment at the forthcoming

Annual General Meeting.

(Pursuant to Regulation 36 (3) of Listing Regulations, 2015)

| | |
|---|--|
| Name of the Director | Mrs. Sangeeta Rathi |
| Date of Birth | September 29, 1969 |
| Area of Experience | Asian Cable Limited, 18 months as a Management Trainee. Ciat Limited, 24 months as a trainee. Brijmohan Rathi & Co., Chartered Accountants, Mumbai, 24 months as a project finance consultant. |
| Educational Qualifications | B.Com, LL.B., Inter CS, Diploma in BDM |
| Companies in which he holds Directorships | Maharashtra Polybutenes Limited, New Era Advisors Private Limited, Sunciti Financial Services Private Limited, Avni Energy Solutions Private Limited, International Spinning India Private Limited, Mystique Media Limited |
| Membership, Chairmanship of Board Committee | 1 Nil |
| Shareholding in the company | Nil |

CERTIFICATE

Under Regulation 34(3) and 53(f) of the SEBI (LODR) Listing Regulation

To

The Members

M/s Maharashtra Polybutenes Limited

We have examined the compliance of Corporate Governance by **Maharashtra Polybutenes Limited** for the year ended March 31, 2016, as stipulated in regulation 17 to 27 and 34 (3) of the SEBI (LODR) Listing Regulations, 2015 of the said Company with the stock exchange in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulation.

On that basis of representation received from Registrars and Share Transfer agent and as per the records maintained by the Company which are presented to the Share Transfer Committee, we state that during the period ended March 31, 2016 no investor grievances are pending for a period exceeding one month.

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 BKG & Associates
Chartered Accountants**

**CA B.K. Gupta
Partner**

**Place: Mumbai
Date: May 19, 2016**

**Membership No. 040889
Firm Reg. No. 114852W**

EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2016

[Pursuant to Section 92(3) of the Companies act, 2013 read with [The Companies (Management and Administration) Rules, 2014]

FORM NO. MGT-9

A. REGISTRATION AND OTHER DETAILS:

| | |
|---|--|
| CIN:- | L99999MH1988PLC048937 |
| Registration Date: | September 23,1988 |
| Name of the Company: | MAHARASHTRA POLYBUTENES LIMITED |
| Category / Sub-Category of the Company | Public, limited by shares company |
| Address of the Registered office and contact details: | R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai – 400 701 |
| Whether listed company | Yes, Listed at BSE Limited |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s. Sharex Dynamic (India) Private Limited, Unit 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072 Tel No.: 022- 2851 5606/ 2851 5644 |

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service% to total turnover of the company | % to total turnover of the company |
|---------|--|--|------------------------------------|
| a. | Manufacturing and Selling of Polyisobutene | 24119 | 99% |

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and address of the company | CIN/GLN | Holding/Subsidiary/ Associate | % of shares held |
|---------|--|-----------------------|-------------------------------|------------------|
| a | Sunciti Financial Services Private Limited | U67120MH1992PTC065261 | Associates Company | 39.62% |

D. SHARE HOLDING PATTERN

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year 01/04/2015 | | | | No. of Shares held at the end of the year 31/03/2016 | | | | % Change during the year |
|--------------------------|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. PROMOTER'S | | | | | | | | | |
| (1). INDIAN | | | | | | | | | |
| (a). Individual/HUF | 12403804 | 0 | 12403804 | 7.96 | 12403804 | 0 | 12403804 | 7.96 | — |
| (b). Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c). State Govt(s). | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d). Bodies Corp. | 90710793 | 0 | 90710793 | 58.18 | 87211931 | 0 | 87211931 | 55.94 | -2.24 |

MAHARASHTRA POLYBUTENES LIMITED

| | | | | | | | | | |
|--|------------------|----------------|------------------|------------|------------------|----------------|------------------|------------|---------------|
| (e). FIINS / BANKS. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f). Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1):- | 103114597 | 0 | 103114597 | 66.14 | 99615735 | 0 | 99615735 | 63.9 | -2.24 |
| (2). FOREIGN | | | | | | | | | |
| (a). Individual NRI / For Ind | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b). Other Individual | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c). Bodies Corporates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d). Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e). Qualified Foreign Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f). Any Other Specify | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 103114597 | 0 | 103114597 | 66.14 | 99615735 | 0 | 99615735 | 63.9 | -2.24 |
| (B) (1). PUBLIC SHAREHOLDING | | | | | | | | | |
| (a). Mutual Funds | 0 | | | | | | | | |
| (b). Banks / FI | 0 | 400 | 400 | 0.0002 | 0 | 400 | 400 | 0.0003 | — |
| (c). Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d). State Govt. | 470 | 0 | 470 | 0.0003 | 470 | 0 | 470 | 0.0003 | — |
| (e). Venture Capital Funds | 2314729 | 25500 | 2340229 | 1.50 | 1532522 | 25500 | 1558022 | 0.99 | -0.51 |
| (f). Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (g). FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (h). Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (i). Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 2315199 | 25900 | 2341099 | 1.50 | 1532992 | 25900 | 1558892 | 0.99 | -0.51 |
| 2. Non-Institutions | | | | | | | | | |
| (a). BODIES CORP. | | | | | | | | | |
| (i). Indian | 18867113 | 7250 | 18874363 | 12.11 | 11198978 | 571679 | 11770657 | 7.55 | -4.56 |
| (ii). Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b). Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 3778249 | 2020660 | 5798909 | 3.72 | 4476702 | 2006175 | 6482877 | 4.16 | 0.44 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 25768760 | 0 | 25768760 | 16.53 | 36462925 | 0 | 36462925 | 23.39 | 6.86 |
| (c). Other (specify) | | | | | | | | | |
| Non Resident Indians | 3819 | 50 | 3869 | 0.002 | 13384 | 50 | 13434 | 0.01 | 0.008 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clearing Members | 2973 | 0 | 2973 | 0.002 | 50 | 0 | 50 | 0 | -0.002 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Boodies - D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(2):- | 48420914 | 2027960 | 50448874 | 32.36 | 40953061 | 2006225 | 54729943 | 35.11 | 2.746 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 50736113 | 2053860 | 52789973 | 33.87 | 42486053 | 2032125 | 56288835 | 36.10 | 2.235 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 | 0 |
| Grand Total(A+B+C) | 153850710 | 2053860 | 155904570 | 100 | 142101788 | 2032125 | 155904570 | 100 | -0.005 |

(ii) Shareholding of Promoters

| SR. No | Shareholders Name | Shareholding at the beginning of the year 01/04/2015 | | | Shareholding at the end of the year 31/03/2016 | | | % of change in the shareholding during the year |
|--------|--|--|----------------------------------|--|--|----------------------------------|--|---|
| | | No. of shares | % of Total Shares of the Company | % of shares Pledge/ Encumbered to the total shares | No. of shares | % of Total Shares of the Company | % of shares Pledge/ Encumbered to the total shares | |
| 1 | International Spinning India Private Limited | 303611 | 0.19 | 98.81 | 303611 | 0.19 | 98.81 | 0 |
| 2 | New Era Advisors Private Limited | 25134090 | 16.12 | 98.67 | 25134090 | 16.12 | 98.67 | 0 |
| 3 | Sunciti Financial Services Private Limited | 65273092 | 41.87 | 95.93 | 61774230 | 39.62 | 95.70 | -0.23 |
| 4 | Brijmohan Rathi | 10823000 | 6.94 | 81.31 | 10823000 | 6.94 | 81.30 | 0 |
| 5 | Brijmohan Rathi (HUF) | 1550804 | 0.99 | 64.48 | 1550804 | 0.99 | 64.48 | 0 |
| 6 | Rukmanidevi Pyarelal Rathi | 30000 | 0.019 | 0 | 30000 | 0.019 | 0 | 0 |

**Promoters holding as shown in the number of shares at the end of the year does not include 12282936 equity shares pledged by the promoters to some parties by way of transfer of shares to lenders. Such shares, if added back, promoter's holding will increase by 12282936 shares or by 7.88%.*

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

| SI No. | Shareholder's Name | Shareholding at the beginning of the year 01/04/2015 | | | Share holding at the end of the Year 31/03/2016 | | | |
|--------|--|--|----------------------------------|---------|---|------------------------|---------------|----------------------------------|
| | | No. of Shares at the beginning (01-04-2015) | % of total Shares of the company | Date | Increasing / Decreasing in share holding | Reason | No. of Shares | % of total Shares of the company |
| 1 | Sunciti Financial Services Private Limited | 65273092 | 41.87 | various | -3498862 | Sale of pledged shares | 61774230 | 39.62 |

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

| Sl no | Name | No. of at the beginning (01-04-2015) | % of total Shares of the company | Date | Increasing/ Decreasing in share holding | Reason | No. of Shares at the end of the year (31-03-2016) | % of total Shares of the company] |
|-------|--|--------------------------------------|----------------------------------|------------|---|----------|---|-----------------------------------|
| 1 | IFCI VENTURE CAPITAL FUNDS LIMITED | 2549338 | 1.635 | 1/4/2014 | | | | |
| | | | | 21/11/2014 | 12303 | Transfer | 2537035 | 1.627 |
| | | | | 28/11/2014 | 100 | Transfer | 2536935 | 1.627 |
| | | | | 16/1/2015 | 73052 | Transfer | 2463883 | 1.58 |
| | | | | 23/1/2015 | 31566 | Transfer | 2432317 | 1.56 |
| | | | | 30/1/2015 | 85174 | Transfer | 2347143 | 1.505 |
| | | | | 6/2/2015 | 33664 | Transfer | 2313479 | 1.484 |
| | -Closing Balance | | | 31/3/2015 | | | 2313479 | 1.484 |
| 2 | TRIDENT RETAIL VENTURES PRIVATE LIM | 5500000 | 3.528 | 1/4/2014 | | | | |
| | -Closing Balance | | | 31/3/2015 | | | 5500000 | 3.528 |
| 3 | ATLANTA SUPERSYSTEMS PRIVATE LIMITE | 4540220 | 2.912 | 1/4/2014 | | | | |
| | | | | 4/7/2014 | 50 | Transfer | 4540270 | 2.912 |
| | | | | 5/9/2014 | 171 | Transfer | 4540441 | 2.912 |
| | | | | 12/9/2014 | 4 | Transfer | 4540445 | 2.912 |
| | | | | 31/10/2014 | 3 | Transfer | 4540448 | 2.912 |
| | | | | 7/11/2014 | 1 | Transfer | 4540449 | 2.912 |
| | -Closing Balance | | | 31/3/2015 | | | 4540449 | 2.912 |
| 4 | ATHENA ADVISORY SERVICES PRIVATE LIMITED | 4 | 0 | 25/4/2014 | | | | |
| | | | | 23/1/2015 | 500000 | Transfer | 500004 | 0.321 |
| | | | | 6/2/2015 | 51224 | Transfer | 448780 | 0.288 |
| | | | | 20/2/2015 | 1478092 | Transfer | 1926872 | 1.236 |
| | | | | 27/2/2015 | 4633 | Transfer | 1922239 | 1.233 |
| | | | | 6/3/2015 | 58565 | Transfer | 1863674 | 1.195 |
| | | | | 27/3/2015 | 833800 | Transfer | 2697474 | 1.73 |
| | -Closing Balance | | | 31/3/2015 | 21874 | Transfer | 2675600 | 1.716 |

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| Sl no | Name | No. of at the beginning (01-04-2015) | % of total Shares of the company | Date | Increasing/ Decreasing in share holding | Reason | No. of Shares at the end of the year (31-03-2016) | % of total Shares of the company] |
|-------|-------------------------------------|--------------------------------------|----------------------------------|-----------|---|----------|---|-----------------------------------|
| 5 | SIKHAR MERCHANDISE PVT LTD | 4840347 | 3.105 | 1/4/2014 | | | | |
| | | | | 30/6/2014 | 2200000 | Transfer | 7040347 | 4.516 |
| | | | | 5/9/2014 | 4840347 | Transfer | 2200000 | 1.411 |
| | | | | 29/8/2014 | 2640347 | Transfer | 4840347 | 3.105 |
| | -Closing Balance | | | 31/3/2015 | | | 4840347 | 3.105 |
| 6 | MY SHARES AND STOCK BROKERS PRIVATE | 1000000 | 0.641 | 1/4/2014 | | | | |
| | | | | 11/4/2014 | 800000 | Transfer | 1800000 | 1.155 |
| | -Closing Balance | | | 31/3/2015 | | | 1800000 | 1.155 |
| 7 | RADHE SHYAM CHANDAK | 11603220 | 7.443 | 1/4/2014 | | | | |
| | | | | 20/6/2014 | 19000 | Transfer | 11584220 | 7.43 |
| | -Closing Balance | | | 31/3/2015 | | | 11584220 | 7.43 |
| 8 | ARTHI DEVI CHANDAK | 10272680 | 6.589 | 1/4/2014 | | | | |
| | -Closing Balance | | | 31/3/2015 | | | 10272680 | 6.589 |
| 9 | ISHWAR DAYAL KANSAL | 4700000 | 3.015 | 1/4/2014 | | | | |
| | -Closing Balance | | | 31/3/2015 | | | 4700000 | 3.015 |
| 10 | SHAIENDAR MAHESHWARI | 2000000 | 1.283 | 1/4/2014 | | | | |
| | -Closing Balance | | | 31/3/2015 | | | 2000000 | 1.283 |

**Previous year details of top ten Shareholders have been given, as the current year details i.e. 2015-2016 not yet received from Registrar and Transfer Agent.*

(v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No | Name | Shareholding at the beginning of the year 01/04/2015 | | shareholding during the year 31/03/2016 | |
|--------|-----------------|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Brijmohan Rathi | 6823000* | 4.380 | 6823000* | 4.380 |
| 2 | Suresh Thakur | 0 | 0 | 0 | 0 |
| 3 | Kumari Shikha | 0 | 0 | 0 | 0 |

***Shareholding of Mr. Brijmohan Rathi does not include 4000000 shares pledged to some parties by way of transfer of shares, if such shares added back, holding will increase by 4000000 shares or by 2.57%.**

MAHARASHTRA POLYBUTENES LIMITED

V. INDEBTEDNESSIndebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured loans | Deposits | Total Indebtedness |
|---|---|----------------------------|-----------------|-------------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 154,423,426 | 144,856,500 | Nil | 299,279,926 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 154,423,426 | 144,856,500 | Nil | 299,279,926 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 11,027,420 | 42,281,142 | Nil | 53,308,562 |
| • Reduction | | | | |
| Net Change | 11,027,420 | 42,281,142 | Nil | 53,308,562 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 165,450,846 | 187,137,642 | Nil | 352,588,488 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not | | | | |
| Total (i+ii+iii) | 165,450,846 | 187,137,642 | Nil | 352,588,488 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. no. | Particulars of Remuneration | Total Amount |
|----------------|---|---------------------|
| | Name of MD/WTD/Manager | Mr. Brijmohan Rathi |
| 1 | Gross salary | 0.000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - |
| 2 | Stock Option | - |
| 3 | Sweat Equity | - |
| 4 | Commission | - |
| | - as % of profit | - |
| | - others, specify... | - |
| 5 | Others, please specify | - |
| | Total (A) | 0.000 |
| | Ceiling as per the Act | Not Applicable |

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|--|-------------------|-------------------|----------------|
| | | Manager | | |
| 1. | Independent Directors | V.B.Dalal, | Abhay N.Manudhane | |
| | • Fee for attending board / committee meetings | 1,000 | 1,000 | 2,000 |
| | • Commission | - | - | - |
| | • Others, please specify | - | - | - |
| | Total (1) | 1,000 | 1,000 | 2,000 |
| 2. | Other Non-Executive Directors | | | |
| | • Fee for attending board / committee meetings | - | - | - |
| | • Commission | - | - | - |
| | • Others, please specify | - | - | - |
| | Total (2) | 0 | 0 | 0 |
| | Total (1+2)= | 1,000 | 1,000 | 2,000 |
| | Total Managerial Remuneration | | | 2,000 |
| | Overall Ceiling as per the Act | | | Not Applicable |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

| | Particulars of Remuneration | Key Managerial Personnel | | | |
|---|---|--------------------------|-------------------|----------------|---------|
| | | CFO | Company Secretary | CFO | Total |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 395,726 | 26,000 | Not Applicable | 421,726 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission- as % of profit- others, specify... | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total | 395,726 | 26,000 | Not Applicable | 421,726 |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / COURT] | Authority [RD / NCLT / COURT] |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|-------------------------------|
| A. COMPANY | | | | | |
| Penalty | | No | | | |
| Punishment | | No | | | |
| Compounding | | No | | | |
| B. DIRECTORS | | | | | |
| Penalty | | No | | | |
| Punishment | | No | | | |
| Compounding | | No | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | No | | | |
| Punishment | | No | | | |
| Compounding | | No | | | |

Place: Navi Mumbai
Date: May 19, 2016

Brijmohan Rathi
Chairman and Managing Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS

MAHARASHTRA POLYBUTENES LIMITED

We have audited the accompanying financial statements of MAHARASHTRA POLYBUTENES LIMITED (The Company), which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Company's Board of Director is responsible for the matters stated in Section 134(5) of The Companies Act, 2013 (The Act), with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the 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 judgement and estimates that are reasonable and prudent; and design, and implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2016 ;
- (b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016, issued by the Central Government of India in terms of sub section 11 of section 143 of the Act hereinafter referred to as the "Order", and on the basis of such checks of the Books and records of the company as we considered appropriate and according to the information and explanations given to us we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, The Statement of Profit and Loss, and Cash Flow Statement dealt with by the Report are in agreement with the books of account and returns.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt by this report 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 written representation received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of The Act.
 - f. In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.
3. 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 explanation given to us:
 - (i) The Company has the following litigation pending which may impact Company's financial position:

- a. One of the debtors of the Company i.e. Bharat Petroleum Corporation Limited (BPCL) owes the Company a sum of Rs. 1,52,74,105 as at 31st March, 2016 for supply of Company's products to them. BPCL has withheld this payment on account of risk purchase. The Company has moved the Sole Arbitrator of BPCL to claim the amount so withheld by BPCL. The Company maintains that the Company is entitled to recover the entire amount and hence no provisioning is required.
- b. One creditor of the Company has initiated a recovery and liquidation suit against the company for a sum of Rs. 89,91,021. The Company Management maintains that sufficient amount is provided for and no further provisioning is required in this regard.
- c. In another case, one of the creditors of the Company has moved the court for a recovery suit of Rs. 40,57,122, sufficient amount is provided for and no further provisioning is required.
- d. Take this note to Notes on Accounts

The Company had taken working capital loans from bank. Due to Company's inability to service the interest the bank has classified the debts as Non Performing Asset (NPA) as per RBI guidelines. The management is taking appropriate action to resolve this matter. Interest has been provided up to 31st March, 2016.

- (ii) The Company did not have any long term contracts including derivative contracts for which there are 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.

FOR BKG & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No.: 114852W

(CA. B.K. Gupta)

Partner

Membership No.: 040889

Place: Mumbai

Dated: 19th May, 2016.

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of Maharashtra Polybutenes Limited for the year ended on 31st March 2016.

In terms of the information and explanation sought by us and given by the company and the books and records examined by us in the normal course of our audit and to the best of our knowledge and belief we report that:

1. In respect of its Fixed Assets:
 - (i) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (ii) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (iii) Title deeds of the immoveable properties are held in the name of the Company.
2. In respect of its Inventories:
 - (a) The Inventory has been physically verified during the year by the management at reasonable intervals, discrepancies noticed on such physical verification have been dealt with in the books of accounts.
3. In respect of loans covered u/s 189:-
 - (a) The Company had granted unsecured advances to parties covered in the register maintained under section 189 of The Companies Act 2013.
 - (b) The loans granted were re-payable on demand. As informed, repayment have been made during the year whenever demanded by us.
 - (c) Wherever stipulated, interest and principal have been received regularly. There were no overdue of principal and interest for more than 90 days.
4. In respect of Loans, investment, guarantees and securities the provisions of section 185 and 186 of the Companies Act 2013 have been complied with.
5. The company has not accepted any deposits during the year.
6. Company has maintained the cost records pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) Companies Act, 2013.
7. (a) The company has generally been not regular in depositing liability towards undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Service Tax, Duty of Custom, Duty of Excise, Value added Tax, cess and any other statutory dues with the appropriate authorities. However the following are the taxes etc which have remained outstanding for more than six month as on the date of the Balance Sheet i.e. 31-03-2016.

| Nature of statute | Nature of the Dues | Amount₹ | Period for which the amount relates |
|-------------------|--------------------|-----------|-------------------------------------|
| Income Tax | Tax Dues | 3892150 | 2009-10 |
| Income Tax | Tax Due | 88,17,679 | 2011-12 |

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| | | | |
|------------|---------|-------------|---------------|
| Income Tax | Tax due | 5,80,100 | 2012-13 |
| TDS | TDS | 2,47,373 | 2014-15 |
| MVAT | Tax due | 7,34,615 | 2013-14 |
| MVAT | Tax due | 16,537 | 2014-15 |
| MVAT | Tax due | 1,22,16,503 | 2015-16 |
| PF / ESIC | Dues | 10,31,447 | Up to 2015-16 |

- (b) There are no dues of income tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of dispute.
- (c) The Company had taken working capital loans from Central Bank of India. Due to Company's inability to service the interest the bank has classified the debts as Non Performing Asset (NPA) as per RBI guidelines. The bank has recalled the Loan vide letter dated 18/03/2016. Total outstanding loan is Rs. 17,06,23,482 of which Rs. 15,00,00,000 are towards principal and Rs. 2,06,23,482 are towards interest. The management is taking appropriate action to resolve this matter. Interest has been provided for up to 31st March, 2016.
8. The Company has not raised any money by way of initial public offering or further public offer (including debt instruments) and term loans during the year.
9. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.
10. Managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
11. All the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details have been disclosed in the Financial statement as required by the applicable accounting standards.
12. The Company is not a Nidhi Company as specified in Nidhi Rules, 2014.
13. The Company has not made any Preferential /private placement of shares or private placement of fully or partly convertible debentures during the year under review.
14. The Company has not entered into any non-cash transactions with directors and persons concerned with them
15. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR BKG & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No.: 114852W**

(CA. B.K. Gupta)

Partner

Membership No.: 040889

Place: Mumbai

Dated: 19th May, 2016.

MAHARASHTRA POLYBUTENES LIMITED

BALANCE-SHEET AS AT 31ST MARCH, 2016

| Particulars | Note No. | ₹ | ₹ |
|---------------------------------------|----------|----------------------|---------------------|
| | | AS AT 31-03-2016 | AS AT 31-03-2015 |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 1 | 15,59,04,570 | 15,59,04,570 |
| (b) Reserves and Surplus | 2 | (20,34,86,684) | 10,97,15,628 |
| | | (4,75,82,114) | 26,56,20,198 |
| (2) Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 3 | 1,00,00,000 | 1,00,00,000 |
| (b) Long Term Provisions | 4 | 20,12,346 | 14,36,613 |
| | | 1,20,12,346 | 1,14,36,613 |
| (3) Current Liabilities | | | |
| (a) Short-Term Borrowings | 5 | 35,88,24,989 | 30,03,65,266 |
| (b) Trade Payables | 6 | 5,45,63,189 | 5,35,40,849 |
| (c) Other Current Liabilities | 7 | 2,42,69,380 | 2,28,26,036 |
| (d) Short-Term Provisions | 8 | 1,59,90,480 | 1,62,19,307 |
| | | 45,36,48,038 | 39,29,51,458 |
| Total Equity & Liabilities | | 41,80,78,271 | 67,00,08,269 |
| II. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Fixed Assets | 9 | | |
| Net Tangible Asset | | 10,87,39,745 | 11,15,39,886 |
| (b) Non-current investments | 10 | 6,80,29,600 | 6,80,29,600 |
| (c) Deferred tax assets (net) | 11 | 1,55,52,402 | 1,60,79,406 |
| (d) Long term loans and advances | 12 | 17,42,550 | 17,42,550 |
| | | 8,53,24,552 | 8,58,51,556 |
| (2) Current Assets | | | |
| (a) Inventories | 13 | 8,34,72,758 | 17,91,04,599 |
| (b) Trade receivables | 14 | 5,47,64,674 | 7,21,23,476 |
| (c) Short-term loans and advances | 15 | 8,46,94,800 | 7,23,47,215 |
| (d) Cash & bank balances | 16 | 9,49,250 | 14,09,044 |
| (e) Other current assets | 17 | 1,32,492 | 14,76,32,492 |
| | | 22,40,13,974 | 47,26,16,826 |
| Total Assets | | 41,80,78,271 | 67,00,08,269 |

Notes referred to above form an integral part of the Balance Sheet & Profit and Loss Account
 Significant Accounting Policies 27
 Notes to Accounts 1 to 27

For BKG & ASSOCIATES
Chartered Accountants

C A. B.K.Gupta
 Membership No.: 040889
 Firm Reg. No.: 114852W

V. B.DALAL
 Director

BRIJMOHANRATHI
 Chairman and
 Managing Director

KUMARISHIKHA
 Company Secretary

SURESHTHAKUR
 Chief Financial Officer

Place: Mumbai
 Date: 19th May, 2016

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PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2016

| Sr. No. | Particulars | Note No. | ₹ | ₹ |
|---------|---|------------|-------------------------------|-------------------------------|
| | | | For The Year Ended 31-03-2016 | For The Year Ended 31-03-2015 |
| I | Net Revenue from operations | 18 | 6,91,40,455 | 6,49,68,826 |
| | Industrial Park Receipts | | - | 10,50,00,000 |
| II | Other Income | 19 | 3,65,147 | 8,47,710 |
| III | Total Revenue (I +II) | | 6,95,05,602 | 17,08,16,536 |
| IV | Expenses: | | | |
| | Cost of materials consumed | 20 | 7,32,00,859 | 5,52,30,388 |
| | Purchase of Stock-in-Trade | 21 | - | 39,46,500 |
| | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 22 | 8,54,37,954 | 3,98,94,705 |
| | Manufacturing Expenses | 23 | 2,16,42,059 | 2,11,15,794 |
| | Employee Benefit Expense | 24 | 94,85,901 | 1,03,69,680 |
| | Financial Costs | 25 | 3,59,17,631 | 2,74,85,540 |
| | Depreciation and Amortization Expense | | 30,60,231 | 30,29,345 |
| | Other Expenses | 26 | 59,36,275 | 93,77,329 |
| | Total Expenses (IV) | | 23,46,80,910 | 17,04,49,281 |
| V | Profit before exceptional and extraordinary items and tax | (III - IV) | (16,51,75,308) | 3,67,255 |
| VI | Exceptional Items | | | - |
| | Industrial Park Receipts Reversed | | (14,75,00,000) | |
| | Sundry Balance written off / (back) | | - | (20,239) |
| VII | Profit before tax | (V - VI) | (31,26,75,308) | 3,87,494 |
| VIII | Tax expense: | | | |
| | 1. Current tax (MAT) | | - | 73,837 |
| | 2. Provision for Def tax Liability/ Net Deferred tax Asset | | 5,27,004 | (38,31,763) |
| IX | Net Profit for the Year | (VII-VIII) | (31,32,02,312) | 41,45,421 |
| X | Earning per equity share: | | | |
| | (1) Basic | | (2.01) | 0.03 |
| | (2) Diluted | | (2.01) | 0.03 |

Notes referred to above form an integral part of the Balance Sheet and Profit and Loss Statement

Significant Accounting Policies

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Notes to Accounts

1 to 27

For BKG & ASSOCIATES
Chartered Accountants

C A. B.K.Gupta
Membership No.: 040889
Firm Reg. No.: 114852W

V. B.DALAL
Director

BRIJMOHANRATHI
Chairman and
Managing Director

Place: Mumbai
Date: 19th May, 2016

KUMARISHIKHA
Company Secretary

SURESHTHAKUR
Chief Financial Officer

MAHARASHTRA POLYBUTENES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

| | ₹ | ₹ | ₹ | ₹ |
|--|--|----------------|--|---------------|
| | For the year ended on 31st March 2016 | | For the year ended on 31st March 2015 | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net profit before tax and Extraordinary items | | (16,51,75,308) | | 3,67,255 |
| Adjustment for : | | | | |
| Depreciation | 30,60,231 | | 30,29,345 | |
| Interest Charge | 3,59,17,631 | | 2,74,85,540 | |
| Other Income | (3,65,147) | | (8,47,710) | 2,96,67,175 |
| | | 3,86,12,715 | | |
| Operating Profit/(Loss) before Working Capital changes : | | (12,65,62,593) | - | 3,00,34,430 |
| Adjustments for: Working Capital Changes | | | | |
| Trade & Other Receivables | 15,25,11,217 | | (11,85,24,635) | |
| Inventories | 9,56,31,841 | | 3,55,69,656 | |
| Trade Payables | 31,76,198 | 25,13,19,256 | (1,19,58,826) | (9,49,13,804) |
| Cash Generated from Operations : | | 12,47,56,663 | | (6,48,79,374) |
| Direct taxes paid | | | | (52,858) |
| Cash Flow before Extraordinary items : | | 12,47,56,663 | - | (6,49,32,232) |
| Exceptional Items | | | | |
| Sundry Balances excess provision written back (net) | | - | | (20,239) |
| Net Cash inflow(out flow) from Operating Activities - "A" | | 12,47,56,662 | | (6,49,11,994) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed Assets | | | | - |
| Interest Received | | 3,65,147 | | 8,47,710 |
| Investment | | | - | |
| Net Cash from/(used) in Investing Activities - "B" | | 3,65,147 | | 8,47,710 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Borrowings | | 5,84,59,723 | | 8,91,43,926 |
| Interest paid | | (3,59,17,631) | | (2,74,85,540) |
| Dividend paid | | - | | - |
| Net Cash From / (used) in Financial Activities - "C" | | 2,25,42,092 | | 6,16,58,386 |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) | | 14,76,63,901 | | (24,05,898) |
| Cash and Cash Equivalents (Opening Balance) | | 14,09,042 | | 38,14,940 |
| Cash and Cash Equivalents as at the end | | 9,49,250 | | 14,09,042 |

Note :

- 1) Figures In Brackets represents outflows.
- 2) Previous year's figures have been regrouped wherever necessary .

For BKG & ASSOCIATES
Chartered Accountants

C A. B.K.Gupta
Membership No.: 040889
Firm Reg. No.: 114852W

V. B.DALAL
Director

BRIJMOHANRATHI
Chairman and
Managing Director

KUMARISHIKHA
Company Secretary

SURESHTHAKUR
Chief Financial Officer

Place: Mumbai
Date: 19th May, 2016

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Notes Forming Integral Part of the Balance Sheet as at 31st March, 2016

| Sr. No. | Particulars | ₹ AS AT 31-03-2016 | ₹ AS AT 31-03-2015 |
|-------------------------------|---|--------------------------|--------------------------|
| Note : 1 Share Capital | | | |
| 1 | <u>AUTHORIZED CAPITAL</u> | | |
| | 20,00,00,000 Equity Shares of Rs. 1/- each. (previous year 2,00,00,0000 Equity shares of Rs 1/ each) | 20,00,00,000 | 20,00,00,000 |
| | | 20,00,00,000 | 20,00,00,000 |
| 2 | <u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u> | | |
| | 15,59,04,570 Equity Shares of Rs. 1/- each (Previous year 15,59,04,570 Equity Shares of Rs. 1/- each) | 15,59,04,570 | 15,59,04,570 |
| | | 15,59,04,570 | 15,59,04,570 |

- a) Reconciliation of the number of share outstanding is set out below:

| Name of the shareholder | No of Shares | |
|--|---------------------|---------------------|
| Equity shares at the beginning of the year | 15,59,04,570 | 15,59,04,570 |
| Add: shares issued during the period | Nil | Nil |
| Add: Increase in no. of shares due to division / split | Nil | Nil |
| Equity shares at the end of the period | 15,59,04,570 | 15,59,04,570 |

- b) Shares in the company held by each shareholders holding more than 5% shares:

| Name of the Shareholder | No. of Shares Held | Percentage (%) |
|-------------------------------------|------------------------------|-------------------|
| Sunciti Financial Services Pvt.Ltd. | 6,52,73,092 (6,55,06,851) | 41.87 (42.24) |
| New Era Advisors Pvt. Ltd. | 2,51,34,090 (2,51,34,090) | 16.12 (16.12) |
| Radhe Shyam Chandak | 1,15,84,220 (1,16,03,220) | 7.43 (7.44) |
| Brijmohan Pyarelal Rathi | 1,08,23,000 (1,08,23,000) | 6.94 (6.94) |
| Arthi Devi Chandak | 1,02,72,680 (1,02,72,680) | 6.59 (6.59) |
| Sikhar Merchandise Pvt Ltd | 1,05,85,258 (1,05,85,258) | 6.79 (6.79) |

Figures in bracket represent previous year balance

MAHARASHTRA POLYBUTENES LIMITED

- c) There are nil number of shares (Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.
- d) Rights of Shareholders:
- e) The company has issued only one class of Equity Shares of the face value of Rs.1/- each. Each Equity Share is entitled for one vote. In the event of the liquidation of the company, shareholders will receive residual assets of the company after paying all the liabilities.

| Sr. No | Particulars | ₹ As At 31-03-2016 | ₹ As At 31-03-2015 |
|---------------------------------------|---|--------------------------|--------------------------|
| Note : 2 Reserve & Surplus | | | |
| 1 | Surplus (Profit & Loss Account) | (31,32,02,312) | 41,45,421 |
| | Add:Balance brought forward from previous year | 10,97,15,628 | 12,54,56,132 |
| | Add/ (Less) : Additional depreciation pursuant to enactment of Schedule 11 of the Companies act 2013(refer note no 9) | - | (1,98,85,925) |
| | | (20,34,86,684) | 10,97,15,628 |
| | | (20,34,86,684) | 10,97,15,628 |

Note : 3 Long Term Borrowings

| | | | |
|---|---|--------------------|--------------------|
| 1 | Unsecured | | |
| | Other borrowings (from entities other than banks) | 1,00,00,000 | 1,00,00,000 |
| | | 1,00,00,000 | 1,00,00,000 |

Note : 4 Long Term Provisions

Provision for Employee Benefits

| | | | |
|---|------------------|------------------|------------------|
| 1 | Gratuity | 8,62,443 | 8,62,443 |
| 2 | Leave Encashment | 11,49,903 | 5,74,170 |
| | | 20,12,346 | 14,36,613 |

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| Sr. No | Particulars | ₹ As At 31-03-2016 | ₹ As At 31-03-2015 |
|---------------------------------------|--|--------------------------|--------------------------|
| Note : 5 Short Term Borrowings | | | |
| 1 | Secured | | |
| | Working Capital Loan from Central Bank of India | | |
| a | Cash Credit (secured by hypothecation of stock of Raw Material, Semi Finished Goods, Finished Goods & Receivables) | 11,33,54,873 | 10,25,65,700 |
| b | Overdraft (secured by assignment of book debt) | 5,20,95,973 | 5,18,57,726 |
| c | Provision for Interest | 51,72,636 | - |
| | | 17,06,23,482 | 15,44,23,426 |
| 2 | Unsecured | | |
| | Loans and advances from related parties | 10,63,865 | 10,85,340 |
| | From Others (Inter corporate deposit) | 18,71,37,642 | 14,48,56,500 |
| | | 35,88,24,989 | 30,03,65,266 |

Additional Information:

Working capital loans are also secured by mortgage on leasehold land along with factory building on Plot No. R-802, TTC Industrial area, Mahape, New Mumbai and hypothecation of Plant & Machineries and personal guarantee given by Chairman and Managing Director

Note: 6 Trades Payable

| | | |
|---------------------------------|--------------------|--------------------|
| Creditors for supplies/services | 5,45,63,189 | 5,35,40,849 |
| | 5,45,63,189 | 5,35,40,849 |

MAHARASHTRA POLYBUTENES LIMITED

| Sr. No | Particulars | ₹ | ₹ |
|---|---|---------------------|---------------------|
| | | As At 31-03-2016 | As At 31-03-2015 |
| Note : 7 Other Current Liabilities | | | |
| 1 | Unclaimed Dividend | 2,29,157 | 2,29,310 |
| 2 | Current maturities of long-term debt | - | - |
| 3 | Interest accrued and due on short term borrowings | 97,87,500 | 35,68,500 |
| 4 | Advance from Customers | 28,08,011 | 17,34,345 |
| 5 | Duties and Taxes payable to Government | 1,14,44,712 | 1,72,93,881 |
| | | 2,42,69,380 | 2,28,26,036 |

| | | | |
|---------------------------------------|--|--------------------|--------------------|
| Note : 8 Short Term Provisions | | | |
| 1 | Provision For Employees Benefits | 28,06,047 | 26,71,267 |
| 2 | Net Provision for Income Tax (MAT 2009-10) | 39,82,150 | 39,82,150 |
| 3 | Net Provision for Income Tax (MAT 2011-12) | 88,17,679 | 88,17,679 |
| 4 | Net Provision for Income Tax (MAT 2012-13) | 3,84,604 | 5,80,100 |
| 5 | Net Provision for Income Tax (MAT 2013-14) | - | 94,274 |
| 6 | Net Provision for Income Tax (MAT 2015-16) | - | 73,837 |
| | | 1,59,90,480 | 1,62,19,307 |

Note : 9 Fixed Asset

| Particulars | Useful life as per Companies Act 2013 | Rate | Gross Block | | | | Depreciation | | | | Net Block | | | |
|-----------------------------|---------------------------------------|------------------|------------------|----------------------------|---|------------------|---------------------|---------------------------|----------------|----------------------|-----------------|---------------------|---------------------|---------------------|
| | | | As At 01-04-2015 | Addition during the period | Deduction/adjustments during the period | As At 31-03-2016 | Upto 01-04-2015 | Prior period depreciation | For the period | Deduction/Adjustment | Upto 31-03-2016 | As At 31-03-2016 | As At 31-03-2015 | |
| Tangible Fixed Asset | | | | | | | | | | | | | | |
| 1 | Lease hold Land | As per Agreement | 1.08% | 10,25,43,713 | - | - | 10,25,43,713 | 2,12,14,876 | - | 11,05,421 | - | 2,23,20,297 | 8,02,23,416 | 8,13,28,837 |
| 2 | Building | 30 | | 6,21,91,732 | - | - | 6,21,91,732 | 4,36,90,751 | - | 19,23,924 | - | 4,56,14,675 | 1,65,77,057 | 1,85,00,981 |
| 3 | Plant and Machineries | 8 | | 22,55,91,335 | 2,60,090 | - | 22,58,51,425 | 21,57,46,394 | - | 30,886 | - | 21,57,77,280 | 1,00,74,145 | 98,44,941 |
| 4 | Furniture & Fixtures | 10 | | 14,82,934 | - | - | 14,82,934 | 14,67,601 | - | - | - | 14,67,601 | 15,333 | 15,333 |
| 5 | Computer | 3 | | 22,10,413 | - | - | 22,10,413 | 21,47,394 | - | - | - | 21,47,394 | 63,019 | 63,019 |
| 6 | Office Equipment | 5 | | 3,09,85,477 | - | - | 3,09,85,477 | 2,94,36,203 | - | - | - | 2,94,36,203 | 15,49,274 | 15,49,274 |
| 7 | Laboratory Equipment | 10 | | 47,50,039 | - | - | 47,50,039 | 45,12,537 | - | - | - | 45,12,537 | 2,37,502 | 2,37,502 |
| | TOTAL | | | 42,97,55,643 | 2,60,090 | - | 43,00,15,733 | 31,82,15,757 | - | 30,60,231 | - | 32,12,75,988 | 10,87,39,745 | 11,15,39,886 |
| | PREVIOUS YEAR | | | 42,97,55,643 | - | - | 42,97,55,643 | 29,53,00,486 | 1,98,85,925 | 30,29,345 | - | 31,82,15,757 | 11,15,39,886 | - |

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| Sr. No | Particulars | ₹ As At 31-03-2016 | ₹ As At 31-03-2015 |
|--|--|--------------------------|-------------------------------------|
| Note : 10 Non Current Investment | | | ₹ |
| Unquoted fully paid up - Non traded In New Era Advisors Pvt. Ltd. | | | |
| 1 | 64,000 (Previous Year 64,000) 0% non convertible preference shares of Rs. 10/- each | 6,40,00,000 | 6,40,00,000 |
| 2 | 10,000 (Previous Year 10,000) Equity shares of Rs. 10 each | 35,00,000 | 35,00,000 |
| 3 | In 'Gujarat Textile SEZ Infrastructure Pvt. Ltd. 50,000 (Previous Year 50,000) Equity Shares of Rs. 10 each | 5,00,000 | 5,00,000 |
| 4 | In 'Sunciti Financial Services Pvt. Ltd. 29,600 (Previous year 29,600) Equity shares of Rs 10 each | 29,600 | 29,600 |
| | | 6,80,29,600 | 6,80,29,600 |
| Note :11 Deferred Tax Assets (Net) | | | |
| | Opening Balance | 1,60,79,406 | 1,22,47,642 |
| | Add: Deferred Tax Asset/ (Liability) created during the year | | |
| 1 | Deferred Tax Asset Carried forward off Loss Reversal of Loss set off during the year Disallowance under Income Tax Act, 1961 | 0 0 1,60,79,406 | 68,001 (2,57,954) 1,20,57,689 |
| 2 | Deferred Tax Liability Reversed/ (Liability provided) Related to Fixed Asset | (5,27,004) | 40,21,717 |
| | Closing Balance | 1,55,52,402 | 1,60,79,406 |
| | Break up of Closing Balance: (Deffered Tax assets due to Accumulated c/f losses ₹ 4,0243401, due to Employees Benefit ₹ 4,43,914 and Deferred tax liabilities due to depreciation ₹ 2,5135213) | | |
| Note : 12 Long Term Loans and Advances (Unsecured and Considered Good unless otherwise stated) | | | |
| 1 | Security Deposit | 17,42,550 | 17,42,550 |
| | | 17,42,550 | 17,42,550 |
| Note : 13 Inventories (As taken, valued and certified by the Management) | | | |
| 1 | Raw Material | 36,70,535 | 86,69,113 |
| 2 | Finished Goods | 6,56,48,163 | 15,10,86,117 |
| 3 | Stores, spares and others | 65,93,440 | 72,09,789 |
| 4 | Stock of Traded Goods | 75,60,620 | 75,60,620 |
| 5 | Goods in Transit (Rawmaterial) | - | 45,78,960 |
| | | 8,34,72,758 | 17,91,04,599 |

MAHARASHTRA POLYBUTENES LIMITED

| Sr. No | Particulars | ₹ As At 31-03-2016 | ₹ As At 31-03-2015 |
|---|--------------------------------------|--------------------------|--------------------------|
| Note : 14 Trade Receivables | | | |
| (Unsecured and Considered Good unless otherwise stated) | | | |
| 1 | Outstanding for more than six months | 1,07,810 | 1,99,438 |
| 2 | Others | 5,46,56,864 | 7,19,24,038 |
| | | 5,47,64,674 | 7,21,23,476 |

| | | | |
|--|---------------------------------------|--------------------|--------------------|
| Note :15 Short Terms Loans and Advances | | | |
| (Unsecured and considered goods unless otherwise stated) | | | |
| 1 | Loans and Advances to related parties | 5,45,94,151 | 4,96,52,665 |
| 2 | Securities Deposits | 67,81,894 | 63,81,894 |
| 3 | Loans and advances to Employees | 248 | 35,616 |
| 4 | Advances to Suppliers | 10,52,633 | 55,82,228 |
| 5 | Prepaid Expenses | 93,224 | 2,20,172 |
| 6 | Balance with Government Authorities | 17,22,650 | 26,54,480 |
| 7 | Others | 2,04,50,000 | 78,20,160 |
| | | 8,46,94,800 | 7,23,47,215 |

| | | | |
|---|--|-----------------|------------------|
| Note : 16 Cash & Cash Equivalent | | | |
| 1 | Bank Balance (with scheduled banks) | 6,28,781 | 4,91,127 |
| 2 | Cash on Hand | 3,20,469 | 4,49,843 |
| 4 | Fixed Deposits with Bank (against bank guarantee margin) | - | 4,68,074 |
| | | 9,49,250 | 14,09,044 |

| | | | |
|--------------------------------------|---|-----------------|---------------------|
| Note :17 Other Current Assets | | | |
| 1 | Interest accrued on Government Deposits | 1,32,492 | 1,27,842 |
| 2 | Interest Accrued on Loans and Advances | - | - |
| 3 | Interest Accrued on Fixed Deposits | - | 4,650 |
| 4 | Balance Receivable | - | 14,75,00,000 |
| | | 1,32,492 | 14,76,32,492 |

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Notes Forming Part of the Profit & Loss Accounts for the period ended 31 March, 2016

| Sr. No | Particulars | ₹ For The Year Ended 31-03-2016 | ₹ For The Year Ended 31-03-2015 |
|--|--|--|--|
| Note : 18 Revenue from Operations | | | |
| 1 | Sales | 8,27,12,895 | 7,72,80,348 |
| | Less: Excise Duty and CST / VAT | 1,35,72,440 | 1,23,11,522 |
| | Net sales | 6,91,40,455 | 6,49,68,826 |
| | | - | - |
| | | 6,91,40,455 | 6,49,68,826 |
| Note : 19 Other Income | | | |
| 1 | Interest on Deposits with Government Authorities (Including TDS of Rs. /-) | 1,42,047 | 1,42,047 |
| 2 | Interest on Fixed deposits with Banks (Including TDS of Rs. /-) | 12,063 | 3,15,886 |
| 3 | Interest on Loans & Advances (Including TDS of Rs./-) | | 3,89,777 |
| 4 | Refund of Octroi | 2,11,037 | |
| | | 3,65,147 | 8,47,710 |
| Note : 20 Cost of Material Consumed | | | |
| | Opening Stock | 1,32,48,073 | 87,73,114 |
| | Add: Purchased during the year | 6,36,23,321 | 5,97,05,347 |
| | Less: Closing Stock | 36,70,535 | 1,32,48,073 |
| | | 7,32,00,859 | 5,52,30,388 |
| Note : 21 Purchase of Traded Goods | | | |
| | Purchases | - | 39,46,500 |
| | | - | 39,46,500 |

MAHARASHTRA POLYBUTENES LIMITED

| Sr. No | Particulars | ₹ For The Year Ended 31-03-2016 | ₹ For The Year Ended 31-03-2015 |
|-----------|-------------|--|--|
|-----------|-------------|--|--|

Note : 22 Change in Inventories

Finished Goods/Stock in Trade

| | | | |
|---|---------------------------------------|----------------------|----------------------|
| 1 | Closing Stock (at close) | 7,32,08,783 | 15,86,46,737 |
| 2 | Less:-Opening Stock (at commencement) | 15,86,46,737 | 19,85,41,442 |
| | | (8,54,37,954) | (3,98,94,705) |

Note : 23 Manufacturing Expenses

| | | | |
|---|--|--------------------|--------------------|
| 1 | Packing Material | 4,88,038 | 1,15,000 |
| 2 | Stores & Consumables | 18,66,975 | 41,51,381 |
| 3 | Power Expenses | 43,46,634 | 41,35,094 |
| 4 | Fuel Consumed | 23,00,414 | 29,32,913 |
| 5 | Freight and Octroi Charges | 97,62,783 | 45,57,083 |
| 6 | Water Charges | 10,69,335 | 11,75,553 |
| 7 | Repair & Maintenance - Plant & Machinery | 18,07,880 | 40,48,770 |
| | | 2,16,42,059 | 2,11,15,794 |

Note : 24 Employment Benefit Expenses

| | | | |
|---|--|------------------|--------------------|
| 1 | Salaries & Wages | 85,56,267 | 89,69,937 |
| 2 | Contribution to Provident Fund and other Funds | 2,95,450 | 2,76,924 |
| 3 | Staff Welfare Expenses | 6,34,184 | 11,22,819 |
| | | 94,85,901 | 1,03,69,680 |

Note :25 Financial Cost

| | | | |
|---|----------------------------------|--------------------|--------------------|
| 1 | Interest on Cash Credit Facility | 1,53,66,822 | 1,44,43,671 |
| 2 | Interest on Term loan | - | 3,70,263 |
| 3 | Interest on EPC | - | 5,90,817 |
| 4 | Interest on OD | 75,65,210 | 72,01,089 |
| 5 | Other interest | 1,24,16,131 | 45,68,832 |
| 6 | Bank Charges | 5,69,468 | 3,10,868 |
| | | 3,59,17,631 | 2,74,85,540 |

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| Sr. No | Particulars | ₹ For The Year Ended 31-03-2016 | ₹ For The Year Ended 31-03-2015 |
|---|----------------------------------|--|--|
| Note : 26 Other Expenses | | | |
| Administrative and Selling & Distribution Expenses | | | |
| 1 | Auditors Remuneration | 1,20,000 | 1,20,000 |
| 2 | Advertisement Charges | 50,054 | 52,785 |
| 3 | Directors Remuneration | - | 30,00,000 |
| 4 | Postage & Communication Expenses | 4,82,312 | 5,18,590 |
| 5 | Directors Sitting Fees | 2,000 | 50,000 |
| 6 | Conveyance Expenses | 6,64,186 | 6,28,869 |
| 7 | Travelling Expenses | - | 24,115 |
| 8 | Repair & Maintenance -Others | 9,36,397 | 13,66,755 |
| 9 | Vehicle Expenses | 1,77,780 | 3,03,620 |
| 10 | Legal & Professional fees | 5,71,768 | 6,72,373 |
| 11 | Insurance Expenses | 1,74,342 | 1,53,290 |
| 12 | Rent & Taxes | 1,34,017 | 72,700 |
| 13 | Business Promotion Expenses | 4,38,390 | 5,64,954 |
| 14 | Printing & Stationery | 54,671 | 69,515 |
| 15 | Security Expenses | 10,35,813 | 8,69,180 |
| 16 | Service Charges | 53,657 | 39,024 |
| 17 | Loading & Unloading Expenses | 78,490 | 58,687 |
| 18 | General Expenses | 7,49,986 | 9,19,126 |
| 19 | Freight Outward | 2,12,412 | (1,06,254) |
| | | 59,36,275 | 93,77,329 |

NOTE -28- SIGNIFICANT ACCOUNTING POLICIES

A. General

Accounts are prepared under the historical cost basis in accordance with Generally Accepted Accounting Principles (GAAP), Accounting Standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act 2013 All Income and expenditure having material bearing are recognized on accrual basis, except where otherwise stated.

B. Use of estimates

The presentation of financial statements is in conformity with generally accepted accounting principles and it requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities, and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

C. Fixed Assets

Fixed assets are stated at cost which is inclusive of freight, duties, taxes and all other incidental expenses related thereto. The diminution, if any, in the book value of these assets is provided for in the year of such determination of diminution.

D. Depreciation / Amortization

- l) Depreciation / amortization on the original cost of fixed assets is provided as under :
 - a) Leasehold land premium is being amortized from the commencement of commercial production over the remaining period of the lease.
 - b) In respect of other items of fixed assets, However consequent to the enactment of the Companies Act 2013 (The Act) and its applicability for accounting periods commencing after 1 April 2014, the company has re-worked depreciation with reference to the estimated economic lives of fixed assets in the manner prescribed by Schedule II to the Act as against past practice of providing depreciation at the rates prescribed in Schedule XIV of the Companies Act, 1956. In case of any assets whose useful life has completed at the beginning of the year, the carrying value, net of the residual value, as at 01-04-2014 has been adjusted to the retained earnings and in other cases the carrying value has been depreciated over the remaining useful life of the assets and recognized in the Statement of Profit and Loss Account.

E. Revenue:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Expenditure

Expenses are accounted for on accrual basis and the provisions are made for all known liabilities.

F. Investments:

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

G. Leased Assets:

- a) Operating Leases: Rentals are expensed with reference to lease terms and other considerations.
- b) Finance leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss account.
- c) All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Initial direct costs in respect of lease are expensed in the year in which such costs are incurred.

H. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

I. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

J. Valuation of Inventories

Finished goods, Stores, spares, process chemicals, packing materials and fuel are valued at

the lower of cost and net realizable value. Cost is assigned on FIFO basis. Obsolete, defective and unserviceable stocks are provided for.

K. Borrowing Cost:

Borrowing costs attributable to acquisition and reconstruction of assets are capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.

L. Retirement and other Benefits

Contributions to the Provident Funds are made in accordance with the rules of the funds.

Liability in respect of gratuity is provided for on the basis of valuation, as worked out at the year end by the Company according to provisions of the Payment of Gratuity Act, 1972.

Liability in respect of Leave encashment is provided on the basis of valuation, as worked out according to company policy

M. Foreign Currency Transactions

- a. Transactions in foreign currency are recorded at the rate of exchange prevailing at the date of transaction.
- b. Liabilities and assets in foreign currency outstanding as at the year end other than for financing fixed assets are converted at the rate prevailing at the year end and difference, if any, is adjusted in the profit and loss account.

N. Research and Development Expenses

Revenue expenditure is charged to the Profit & Loss Account and Capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

O. Accounting for Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, for all timing differences, subject to the consideration of prudence applying the tax rates that have been substantively enacted by the balance sheet date. Deferred tax assets has been recognized on carry forward losses of earlier years, for which relief has been granted by BIFR order. However an application has been submitted to the CBDT for their approval.

P. Provisions, Contingent Liabilities and Contingent Assets

- I. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources.
- II. Contingent Liabilities (excluding those, liability whereof is not ascertainable) are not recognized but are disclosed in the notes forming part of accounts.

III. Contingent Assets are neither recognized nor disclosed in the financial statements.

Q. Segment Reporting Policies

Primary segment is identified based on the nature of products and services. Secondary segment is identified based on geography in which major operating division of the company operate.

For primary segment, the segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocable to segment on reasonable basis, have been included under 'Unallocated revenue/expenses/assets/liabilities'

R. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

NOTES TO ACCOUNTS

1. Segment Information

Business Segments:

The Company is engaged in the business of manufacture of Polybutenes. It is treated as a single segment. Hence no disclosure is required to be made under AS17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

Geographical Segments:

The Company is carrying on its operational activities in the domestic market i.e. India as well as in overseas market i.e. export hence geographical segment i.e. domestic and overseas has identified as secondary segment and the details of segment results as per AS 17 issued by ICAI are as under :-

Information about Secondary Segments

| | For the year ended 31st March, 2016 | For the year ended 31st March, 2015 |
|--|--|--|
| Revenues by Geographical Market | | |
| India | 6,91,40,455 | 16,99,68,826 |
| Outside India | - | - |
| Total | 6,91,40,455 | 16,99,68,826 |
| Additions to Fixed Assets and Intangible Assets | | |
| India | 2,60,090 | - |
| Outside India | - | - |
| Total | 2,60,090 | - |
| Carrying Amount of Asset | | |
| India | 10,95,27,967 | 11,15,39,886 |
| Outside India | - | - |
| Total | 10,95,27,967 | 11,15,39,886 |

Notes:-

The geographical segments considered for disclosure are as follows:

- Sales within India includes Sales to Customers located within India
- Sales Outside India includes Sales to customers located outside India including merchant exporters.
- The carrying amount of segment assets in India and Outside India is based on geographical location of the respective assets

2. **Contingent Liabilities not provided for in respect of:**

- i. Bank Guarantee issued by the Company's bankers ₹ Nil (previous year ₹ 17,70,376).
 - ii. The Company owns leasehold land which was taken on lease from Maharashtra Industrial Development Corporation (MIDC). This land is located in an industrial zone which is developed and maintained by MIDC. Navi Mumbai Municipal Corporation (NMMC) has claimed property and other levies. As at 31/03/2016 the claim amounts to Rs. 4,79,64,410 on this land. The Company is a lessee so in the opinion of the management the company is not liable to pay this levy.
3. One of the creditors of the Company has initiated a recovery and liquidation suit against the company for a sum of ₹ 89,91,021. In another case, one of the creditors has moved the court a recovery suit of ₹ 40,57,122. In both the cases sufficient amount is provided for and no further provisioning is required.
 4. The Company had taken working capital loans from Central Bank of India. Due to Company's inability to service the interest the bank has classified the debts as Non Performing Asset (NPA) as per the RBI guidelines. The management is taking appropriate action to resolve this matter. Interest has been provided for up to 31st March, 2016. Total outstanding loan is ₹ 17,06,23,482 of which ₹ 15,00,00,000 are towards principal and Rs. 2,06,23,482 are towards interest.
 5. The Company has revalued the inventories to be in line with the current crude prices and the effect thereof has been given in the books of accounts.
 6. With a view to address the working capital and long term funds requirements; the company had plans to develop Industrial Technology Park / Gala on the excess land of the company. M/S MPL Infra Developers Private Limited (a related party) approached the Company with an offer to provide technical and financial support in the land development. A Term Sheet, defining roles of this Party and the Company in land development, was signed with them. It was agreed in the Term Sheet that the Party shall pay the company advance of ₹ 4,25,00,000 in the F.Y. 2013-14 and ₹ 10,50,00,000 in the F.Y. 2014-15 respectively. This receipt was accounted for as Industrial Park Receipts in respective years on accrual basis. Since the Company didn't receive necessary approval from Maharashtra Industrial Development Corporation (MIDC) for the development of Industrial Technology Park/Gala, the Term Sheet has become void. Now as the Term Sheet has no effect these Receipts amounting to ₹ 14,75,00,000 have been reversed during the year.
 7. One of the debtors of the Company i.e. Bharat Petroleum Corporation Limited (BPCL) owes the Company a sum of ₹ 1,52,74,105 as at 31st March, 2016. BPCL has withheld this payment on account of risk purchase. The Company has moved the Sole Arbitrator of BPCL to claim the amount so withheld by BPCL. The Company maintains that the Company is entitled to recover entire amount hence no provisioning has been made.
 8. During the year the net worth of the Company has completely eroded and the Company has incurred losses for the year. The Company also has incurred cash losses during the financial year. The Company has been advised to make a reference to the Board for Industrial and Financial Reconstruction (BIFR).
 9. **Impairment of assets:**

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence, in the opinion of the management, there is no provision for impairment loss on the assets of the Company is

MAHARASHTRA POLYBUTENES LIMITED

required to be made under Accounting Standard 28 (Impairment of Assets) issued by the ICAI.

10. In the opinion of the Board, All assets other than Fixed Assets and non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all known and determined liabilities are adequate and not in the excess of the amount stated, in the financial statements.
11. In view of the losses of the Company, the Managing Director of the Company has foregone his entire remuneration for the F.Y. 2015-16, hence no provision has been made for the year (previous year ₹ 30,00,000).
12. In view of the losses of the Company the two Independent Directors of the Company have foregone 95% of their sitting fees for the F.Y. 2015-16, provision has been made accordingly.
13. Debtors and Creditors balances of some parties are subject to confirmation.
14. Sales / Operational income include Excise Duty, & other levies unless otherwise specified.
15. In the absence of necessary information with the Company, relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the information required under the said Act could not be compiled and disclosed.
16. **(I) Names of related parties:**

| | |
|--|--|
| Names of related parties where control exists irrespective of whether transactions have taken place or not | Gujarat Textile SEZ Infrastructure Pvt. Ltd. (Company holding in stake is around 21.74%) |
| Names of other related parties with whom transactions have taken place during the year | 1. New Era Advisors Pvt. Limited 2. Sunciti Financial Services (P) Limited 3. Avni Energy Solution (P) Limited 4. International Spinning India (P) Ltd |
| Associates | N.A. |
| Key Management Personnel | Mr. Brijmohan Rathi, Chairman and Managing Director; Mr. Suresh Thakur, Chief Financial Officer; Ms. Kumari Shikha, Company Secretary |
| Relatives of key management personnel | N.A. |
| Enterprises owned or significantly influenced by key management personnel or their relatives | 1. New Era Advisors Private Limited 2. Oxides and Specialties Limited 3. Sunciti Financial Services Private Limited 4. Mystique Media Limited 5. Avni Energy Solution Private Limited 6. Gujarat Textile SEZ Infrastructure Private Limited 7. MPL Infra Developers Private Limited 8. International Spinning India Private Limited |

(II) Related Party Disclosure

(Amount in ₹)

| | Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel) | | Enterprises owned or significantly influenced by key management personnel or their relatives | |
|--|--|-----------|---|-------------|
| | FY 2016 | FY 2015 | FY 2016 | FY 2015 |
| Employee Benefits for | | | | |
| Key Management | | | | |
| Brijmohan Rathi | - | 30,00,000 | - | - |
| Inter Corporate Deposits/ Advance Given | | | | |
| New Era Advisors Pvt. Ltd. | - | - | 49,51,486 | 58,50,000 |
| Avni Energy Solution Pvt. Ltd. | - | - | - | 3,89,777 |
| Sunciti Financial Services Pvt. Ltd | - | - | - | 78,27,500 |
| Advance Received Back | | | | |
| Sunciti Financial Services Pvt. Ltd | - | - | - | 25,37,611 |
| PI put the figure og previous park revenue from related parties | | | | |
| New Era Advisors Pvt Ltd. | - | - | - | 7,000 |
| Avni Energy Solution Pvt. Ltd. | - | - | 10,000 | 86,37,546 |
| Industrial Park Receipt Reversal | | | | |
| MPL Infra Developers Pvt Ltd | - | - | 14,75,00,000 | - |
| Loan Taken | | | | |
| Sunciti Financial Services Pvt Ltd | - | - | - | - |
| Loan Repaid | | | | |
| Sunciti Financial Services Pvt Ltd | - | - | 21,475 | - |
| Investment in Equity Shares | | | | |
| New Era Advisors Pvt Ltd. | - | - | - | - |
| Balance Outstanding at | | | | |
| Year end | | | | |
| Sunciti Financial Services Pvt. Ltd | - | - | 10,63,865 | 10,85,340 |
| Avni Energy Solutions Pvt. Ltd. | | | 1,53,429 | 1,53,429 |
| Balance Receivable at | | | | |
| Year end | | | | |
| New Era Advisors Pvt. Ltd. | - | - | 5,21,04,151 | 4,71,52,665 |
| Avni Energy Solution Pvt Ltd. | | | 24,90,000 | 25,00,000 |

MAHARASHTRA POLYBUTENES LIMITED

17. Calculation of Earnings per Share:

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|---|---|---|
| (a) Numerator : | | |
| Profit before tax for the year | (16,51,75,308) | 3,67,255 |
| Add: Exceptional Items (14,75,00,000) | | |
| Less: Sundry balances written off / (back) | - | (20,239) |
| Less : Provision for Minimum Alternate Tax | - | 73,837 |
| Provision for deferred tax | 5,27,004 | (38,31,763) |
| Profit after Tax | (31,32,02,312) | 41,45,420 |
| (b) Denominator: | | |
| Weighted Average No. of Equity Shares | 15,59,04,570 | 15,59,04,570 |
| (c) Basic and Diluted Earnings per share (Rs.) | | |
| Before exceptional items | (2.01) | 0.03 |
| After exceptional items | (2.01) | 0.03 |
| (d) Nominal value per Equity Share (₹) | 1 | 1 |

Note: The Basic and Diluted earnings per share computed in accordance with Accounting Standard (AS) 20- "Earnings per share "is same in view of potential equity shares being anti dilutive.

Salaries, Wages and other Employee benefits include payments made to staff and workers employed on contract basis.

Loan from Central Bank of India is secured against Mortgage of Land, Building, Plant & Machinery, Hypothecation of Stocks and Assignment of Book Debts. Personal Guarantee of Mr. Brijmohan Rathi, Chairman and Managing Director of the Company, has also been given.

Letter of Credit (LC)/Bank Guarantee (BG) facilities are also secured with pre- defined percentage of margin by way of fixed deposit with the respective banks.

Remuneration to Statutory Auditor

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|--------------------|---|---|
| i. Audit Fees | 1,00,000 | 1,00,000 |
| ii. Tax Audit Fees | 20,000 | 20,000 |
| iv. Service Tax | 17,400 | - |
| TOTAL | 1,37,400 | 1,20,000 |

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18. No forward exchange contracts are outstanding on the balance sheet dates which are entered to hedge foreign exchange exposures of the Company.
19. Previous year's figures have been regrouped rearranged wherever necessary to conform to current year presentation. Figures have been rounded off to the nearest rupee.

For BKG & ASSOCIATES
Chartered Accountants

For & On behalf of the Board

C A. B.K.Gupta
Membership No.: 040889
Firm Reg. No.: 114852W

V. B.DALAL
Director

BRIJMOHAN RATHI
Chairman and
Managing Director

Place: Mumbai
Date: 19th May, 2016

KUMARI SHIKHA **SURESH THAKUR**
Company Secretary **Chief Financial Officer**

MAHARASHTRA POLYBUTENES LIMITED

MAHARASHTRA POLYBUTENES LIMITED

CIN: L99999MH1988PLC048937

Regd. Off.: R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai - 400 701

Tel.: 022 - 2778 2210, 2778 2228 **Telefax:** 2778 0998

Email: help.investor@mahapoly.com **Website:** www.mahapoly.com

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

No. of Shares: _____

Regd. Folio No./DP ID - Client ID No.: _____

Full Name of Member & Address: _____

I/We hereby record my/our presence at the Twenty Seventh Annual General Meeting of the Company held at R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai - 400 701 on 28th day of September, 2016 at 2 p.m.

Signature of the Member (s)
or Proxy present

Please complete and sign this attendance slip and handover at the entrance of the meeting hall. Only member(s) or his/her/their proxy with this attendance slip will be allowed entry to the meeting. Duplicate slips will not be issued at the entrance.

MAHARASHTRA POLYBUTENES LIMITED

CIN: L99999MH1988PLC048937

Regd. Off.: R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai - 400 701

Tel.: 022 - 2778 2210, 2778 2228 Telefax: 2778 0998

Email: help.investor@mahapoly.com Website: www.mahapoly.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | |
|-------------------------|--|
| Name of the Member(s) : | |
| Registered Address : | |
| E-mail ID : | |
| Folio No./ Client ID : | |
| DPID: | |

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

- Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him
- Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him
- Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual general meeting of the company, to be held on 28th day of September, 2016 at 2 P.M., at R-802, TTC Industrial Area, Thane Belapur Road Mahape, Navi Mumbai - 400701 and at any adjournment thereof in respect of such resolutions as are indicated below:

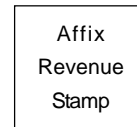
Resolution No.:

- To receive, consider and adopt the Balance Sheet as at March 31, 2016 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- To re-appoint Ms. Sangeeta Rathi (DIN 01345515), who retires by rotation at this meeting and being eligible offers herself for re-appointment
- To ratify appointment of Statutory Auditor and fix their remuneration.

Signed this _____ day of _____ 2016

Signature of shareholder _____

Signature of Proxy holder(s) _____



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

MAHARASHTRA POLYBUTENES LIMITED

MAHARASHTRA POLYBUTENES LIMITED

CIN: L99999MH1988PLC048937

Regd. Off.: R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai - 400 701

Tel.: 022 - 2778 2210, 2778 2228 **Telefax:** 2778 0998

Email: help.investor@mahapoly.com **Website:** www.mahapoly.com

Form No. MGT-12

Polling Paper

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies
(Management and Administration) Rules, 2014]*

Twenty Seventh Annual General Meeting of the Company will be held at R-802, TTC Industrial Area, Thane Belapur Road, Mahape, Navi Mumbai - 400 701 on the Wednesday, the 28th day of September, 2016 at 2.00 p.m.

| Sr. No. | Particulars | Details |
|---------|--|---------|
| 1. | Name of the First Named Shareholder (In block letters) | |
| 2. | Postal address | |
| 3. | Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form) | |
| 4. | Class of Share & Number of Share | |

I/We hereby exercise my/our vote in respect of Ordinary/ Special resolution to be passed through ballot:

| No. | Description of Resolution | I/We assent to the resolution | I/We dissent from the resolution |
|-----|---|-------------------------------|----------------------------------|
| | | Please Tick mark | |
| 1. | To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors' and the Auditors' thereon. | | |
| 2. | To re-appoint Ms. Sangeeta Rathi (DIN 01345515), who retires by rotation at this meeting and being eligible offers herself for re-appointment. | | |
| 3. | To ratify appointment of Statutory Auditor and fix their remuneration. | | |

Place: _____

Date: _____

Signature of the shareholder: _____

BOOK - POST

TO,

If not delivered please return to:

MAHARASHTRA POLYBUTENES LIMITED

R-802, TTC INDUSTRIAL AREA,

THANE BELAPUR ROAD

MAHAPE, NAVI MUMBAI - 400701

Phone: 022 27782210

Email: help.investor@mahapoly.com

Website: www.maharashtrapolybutenes.com

CIN: L99999MH1988PLC048937