



MAHARASHTRA POLYBUTENES LIMITED

24th

ANNUAL REPORT
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MAHARASHTRA POLYBUTENES LIMITED

BOARD OF DIRECTORS

Brijmohan Rathi	Chairman & Managing director
V.B. Dalal	Director
Abhay N. Manudhane	Director
Rangesh Nayar	Director

CHIEF FINANCIAL OFFICER

Shivnarayan Garg

COMPANY SECRETARY

Sakina Dickenwala

REGISTERED OFFICE

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

AUDITORS

BKG & Associates,
Chartered Accountants,
Mumbai

BANKERS

Central Bank of India

REGISTRAR AND TRANSFER AGENT

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

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NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Shareholders of **MAHARASHTRA POLYBUTENES LIMITED** will be held on Saturday, 28th September, 2013 at 11.00 A.M. at Navi Mumbai Sports Association, Sector 1A, Vashi, Navi Mumbai to transact the following business:

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Abhay N. Manudhane who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors and to 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 the Companies Act, 1956 M/s. B.K.G & Associates, Chartered Accountants, the retiring Auditors of the Company, be re-appointed as Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting at remuneration to be fixed by the Board.”

B. SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 198, 269 and 309 read with schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the articles of the association of the company and subject to such other approvals, permissions and sanctions, as may be required, approval of the Company be accorded to the reappointment of Mr. Brijmohan Rathi as Chairman and Managing Director of the Company with effect from 30th January 2013 at remuneration of Rs. 2,50,000/- per month.

RESOLVED FURTHER THAT the tenure of appointment for the said designation will be for the next 5 (Five) years from the date of appointment and he will be entitled to carry out all essential formalities as entrusted on him by the Board of Directors of the Company.

RESOLVED FURTHER THAT, in the event of loss, absence or inadequacy of profits, the gross monthly remuneration payable to Mr. Brijmohan Rathi shall not exceed minimum remuneration prescribed in Schedule XIII of the Act. However, in such an event, payment of commission will be proportionately reduced so as to restrict the overall managerial within the maximum permissible limits as prescribed under the companies act, 1956.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and is hereby authorized to sign, execute and submit all necessary documents required to give effect to comply with all the essential formalities in this regards."

By Order of the Board of Directors

Sakina Dickenwala
Company Secretary

Place: Navi Mumbai

Date: 14th August, 2013

NOTES:

- i. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.**
- 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. Explanatory Statement as required under section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- iv. Members are requested to bring their Attendance Slip along with their copy of Annual Report

at the Meeting.

- v. 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.
- vi. 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.
- vii. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays, between 11 a.m. and 1 p.m. upto the date of the meeting.
- viii. The Company has notified closure of Register of Member and Share Transfer Books from 24th September 2013 to 27th September 2013 (both days inclusive).
- ix. Non-Resident Indian Members are requested to inform the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited, immediately of:
 - a. The change in the residential status on return to India for permanent settlement;
 - b. 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.
- x. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form2B (which will be made available on request) to the Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited.

**EXPLANATORY STATEMENT PURSUANT TO
SECTION 173(2) OF THE COMPANIES ACT, 1956**

ITEM NO. 4

The tenure of Mr. Brijmohan Rathie as Managing Director was upto 30th January 2013. Subject to the approval of the Shareholders in the next Annual General Meeting, the Board of Directors have at their Meeting held on 28th January 2013, pursuant to the approval of the remuneration committee, approved the re-appointment of Mr. Brijmohan Rathie as Managing Director of the Company for a period of 5 years w.e.f. 30.01.2013.

The proposed remuneration will be within overall limit of Schedule XIII of the Companies Act, 1956. Briefly, the terms and conditions of the re-appointment and remuneration of Mr. Brijmohan Rathie are as follows:

1. He shall carry out such duties as may be entrusted to him subject to the supervision of the Board of Directors.
2. The re-appointment shall be for a period of 5 (Five) years w.e.f. 30.01.2013.
3. Remuneration:

Salary: Rs. per month 2,50,000/- per month.

The proposed resolution is required to be passed as a Special Resolution as required under the amended Schedule XIII to the Companies Act, 1956 and as such, the Directors commend your approval.

Copy of the terms and conditions governing the appointment is available for inspection by members during business hours on any working day before the date of annual general meeting.

None of the directors are interested or concerned in this resolution except Mr. Brijmohan Rathie

This explanatory statement together with the accompanying notice are to be treated as relevant abstracts of the terms under Section 302 of the Companies Act, 1956.

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended on March 31, 2013.

FINANCIAL HIGHLIGHTS

(₹ In Lacs)

PARTICULARS	Year ended 31.03.2013	Year ended 31.03.2012
Sales	4298.91	7423.91
Other Income	19.18	34.00
Profit Before Depreciation and Tax	201.34	619.63
Less: Depreciation	169.99	169.39
Profit Before Tax	31.35	450.24
Sundry credit balance written off/(back)	0.91	(0.60)
Provision for MAT	5.80	91.58
Provision for deferred Tax	(2.61)	149.75
Profit after Tax	27.25	209.51
Proposed Dividend	Nil	Nil
Dividend Distribution Tax	Nil	Nil
Balance carried forward to Balance Sheet	27.25	209.51

The Balance in Profit & Loss Account for the year is ₹ 27.25 Lacs (Previous year ₹ 209.51 Lacs). Balance of ₹1246.67 Lacs (Previous Year ₹ 1219.41 Lacs) is carried to Balance Sheet under the head reserves.

1. PERFORMANCE FOR THE FINANCIAL YEAR 2012-2013

The company has achieved a turnover of ₹ 4298.91 Lacs for the year ended March 31, 2013 as against Rs 7423.91 Lacs for the previous year. The year witnessed decline in operation due to non-availability of raw material. The Company expects better performance in the current year with good capacity utilization.

The company produces various grades of PIB like HV 10, HV 30, HV 100 and HV 200. The feedstock prices remained high during the year; however the company was able to manage and cater to the customers' requirements and expectations.

2. DIVIDEND

Due to the ongoing expansion/diversification plans and raw material situation, the Board of

Directors are of the opinion that shareholders would be best served by retaining the surpluses back into the company. Hence no dividend has been proposed.

3. FIXED DEPOSIT

During the year the Company has not accepted any Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

4. FUTURE BUSINESS PLANS OF THE COMPANY

During the period under review, the Company's manufacturing activities were affected due to short supply of raw material and the Company has produced 4683 MTs of Polyisobutenes (PIB). 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 but the high price of raw material remains as a big concern.

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. Trading will contribute substantially to the top line and satisfactorily to the bottom line.

5. DIRECTORS

Mr. Abhay Manudhane, Director, retires by rotation and being eligible offers himself for re-appointment at the forthcoming Annual General Meeting.

6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibilities Statement, it is hereby confirmed:

- i) that in the preparation of accounts for the period ended 31st March, 2013, the applicable Accounting Standards have been followed and there are no material departures;
- ii) that the selected Accounting Policies are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the year end and profit and loss account of the Company for that period;
- iii) that proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;

iv) that the accounts have been prepared on a going-concern basis.

7. PERSONNEL

During the year under review, none of the employees received remuneration of or in excess of the limits prescribed as per the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

8. AUDITORS AND AUDITORS' REPORT

M/s B K G & Associates, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and they are eligible for the reappointment.

The observation made by the Statutory Auditors in their report are self explanatory and do not need any further clarification.

9. COST AUDIT

M/s C. G. Pampat & Co, Cost Accountants, Mumbai have been appointed as the Cost Auditors of the Company for the financial year 2012-2013. The Cost Statements for the financial year 2012-13 will be filed with appropriate authorities.

10. 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 217 (1) (e) of the Act read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, form part of this Report.

11. CORPORATE GOVERNANCE

Being observant and responsible, the company is committed to high standards of the corporate ethics, professionalism and transparency. As per Clause 49 of the Listing Agreement with the stock exchanges, a separate section on Corporate Governance forms part of the Annual Report. A certificate from the Statutory Auditors of the Company confirming the compliance of conditions of corporate governance under Clause 49 of the Listing Agreement is also attached to this Report.

12. 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.

13. LISTING WITH STOCK EXCHANGE

The equity shares of the Company are listed with the Bombay Stock Exchange.

14. DEMATERIALISATION OF SHARES

The company has dematerialized its shares with both depositories viz. CDSL and NSDL.

15. 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

Brijmohan Rath
Chairman and Managing Director

Place: Navi Mumbai
Date: 14th August, 2013