



**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 ₹ 1,00,00,00,000 (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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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,