
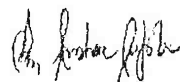

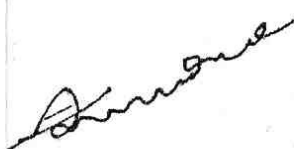


FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1. Name of the Company	Maharashtra Polybutenes Limited
2. Annual Financial Statement for the year ended	March 31, 2016
3. Type of Audit observation	Un-qualified
4. Frequency of observation	No Observation
5. To be signed by Brijmohan Rath, Managing Director K. Gupta, Auditor Suresh Thakur, CFO Virendra Dalal, Chairman of Audit Committee	   



MAHARASHTRA POLYBUTENES LIMITED

Work & Regd. Off. : Plot No. R-802, TTC Industrial Area, Thane Belapur Road, Mhape, Navi Mumbai - 400 701.

Tel.: 022 - 2778 2210, 2778 2228 Telefax : 27780998

Email : mpl@mahapoly.com Web Site : www.mahapoly.com CIN : L99999MH1988PLC048937

Audited Financial Results for the Quarter ended 31st March, 2016

(Rs. In Lacs)

Particulars	Quarter Ended		Year Ended	
	31 st March 2016	31 st December 2015	31st March 2016	31st March 2015
1 Sales / Income from operations				
Net sales / Income from operations	310.05	100.37	691.40	1,699.69
Other Operating Income	0.00	-	-	-
2 Expenses	0.00			
a) Cost of materials consumed	368.64	7.77	732.00	552.30
b) Purchases of stock- in- trade	0.00	-	-	39.47
c) Change in inventories of finished goods, work in progress and stock- in- trade	113.40	892.80	854.37	398.95
d) Employee benefit expenses	0.00		0.00	
e) Manufacturing Expenses	30.40	16.38	94.87	103.70
f) Depreciation and amortisation expenses	89.28	29.96	216.42	211.16
g) Other expenses	7.88	7.57	30.60	30.29
	-2.26	19.02	59.36	93.77
Total expenses	607.34	973.50	1,987.62	1,429.64
3 Profit (Loss) from operations before other income	297.29	-873.13	-1,296.22	270.05
interest and exceptional items(1-2)	0.00			
4 Other Income	1.42	2.11	3.65	8.48
5 Profit(Loss) before Interest and Exceptional Items (3+4)	-295.87	-871.02	-1,292.57	278.53
6 Finance cost	154.54	74.18	359.18	274.86
7 Profit(Loss) from ordinary activities after interest but before tax and exceptional items	-450.41	-945.20	-1,651.75	3.67
	0.00			
8 Exceptional Items	-1,475.00	-	(1475.00)	-0.20
9 Profit(Loss) from ordinary activities before tax	-1,925.41	-945.20	-3,126.75	3.87
10 Tax Expenses	0.00			
-Current taxes	0.00	-	-	0.74
-Deferred tax	5.27	-	5.27	-38.32
11 Net Profit (Loss)after tax	-1,930.68	-945.20	-3,132.02	41.45
12 Paid-up equity share capital (Face value of Rs 1/-each)	1,559.05	1,559.05	1,559.05	1,559.05
Reserves excluding revaluation reserves	-2,034.87	734.29	-2,034.87	1,097.15
13 Earnings per share (face value Rs. 1/-)				
- Basic	-1.24	-0.61	-2.01	0.03
- Diluted	-1.24	-0.61	-2.01	0.03
A. PARTICULARS OF HOLDINGS				
1 Public shareholding				
- No of shares	7,10,13,065	7,10,13,065	7,10,13,065	5,27,89,973
- Percentage of shareholding	45.55	45.55	45.55	33.86
2 Promoters and promoter group shareholding				
a) Pledged / Encumbered				
- No of shares	8,13,68,038	8,19,50,000	8,13,68,038	9,77,49,793
- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	96.51	96.54	96.51	94.80
- Percentage of shares (as a % of the total share capital of the company)	52.19	52.56	52.19	62.70
b) Non-encumbered				
- No of shares	29,41,505	29,41,505	29,41,505	53,64,804
- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	3.49	3.46	3.49	5.20
- Percentage of shares (as a % of the total share capital of the company)	1.89	1.89	1.89	3.44

B. INVESTOR COMPLAINTS

Pending at the beginning of the quarter
Received during the quarter
Disposed of during the quarter
Remaining unresolved at the end of the quarter

0
2
2
0

Notes :

- The above results have been reviewed by audit committee and taken on record by the Board of Directors at its meeting held on 19/05/2016
- The company is engaged in the business of manufacture of Polybutene and has no other reportable segments
- Previous period's figures may have been rearranged and regrouped, wherever necessary.
- The figures for the quarter ended March 31, 2016 are the balancing figure between the audited figures in respect of the full financial year and the published year to date figures upto the 3rd quarter of the relevant financial year.
- During the year, 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. Accordingly the Company is in the process of filing a reference to the Board for Industrial and Financial Reconstruction (BIFR).
- Promoters' holding shown does not include 12282936 shares pledged by way of transferring the shares to lenders, if added back, promoters' holding will increase by 12282936 shares or by 7.88%.
- The Company has revalued the inventories to be in line with the current crude prices and the effect thereof has been given in

By order of the Board

For MAHARASHTRA POLYBUTENES LIMITED

Place: Navi Mumbai
Date: 19/05/2016

Brijmohan Rathi
Chairman and Managing Director



MAHARASHTRA POLYBUTENES LIMITED

Work & Regd. Off. : Plot No. R-802, TTC Industrial Area, Thane Belapur Road, Mhape, Navi Mumbai - 400 701.

Tel.: 022 - 2778 2210, 2778 2228 Telefax : 27780998

Email : mpl@mahapoly.com Web Site : www.mahapoly.com CIN : L99999MH1988PLC048937

Statement of Assets and Liabilities as at March 31, 2016

Particulars	As At 31-03-2016	As At 31-03-2015
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	15,59,04,570	15,59,04,570
(b) Reserves and Surplus	(20,34,86,684)	10,97,15,628
	(4,75,82,114)	26,56,20,198
(2) Non-Current Liabilities		
(a) Long-Term Borrowings	1,00,00,000	1,00,00,000
(b) Long Term Provisions	20,12,346	14,36,613
	1,20,12,346	1,14,36,613
(3) Current Liabilities		
(a) Short-Term Borrowings	35,88,24,989	30,03,65,266
(b) Trade Payables	5,45,63,189	5,35,40,849
(c) Other Current Liabilities	2,42,69,380	2,28,26,036
(d) Short-Term Provisions	1,59,90,480	1,62,19,307
	45,36,48,038	39,29,51,458
Total Equity & Liabilities	41,80,78,270	67,00,08,269
II. ASSETS		
(1) Non-Current Assets		
(a) Fixed Assets		
Net Tangible Asset	10,87,39,745	11,15,39,886
(b) Non-current investments	6,80,29,600	6,80,29,600
(c) Deferred tax assets (net)	1,55,52,402	1,60,79,406
(d) Long term loans and advances	17,42,550	17,42,550
	8,53,24,552	8,58,51,556
(2) Current Assets		
(a) Inventories	8,34,72,758	17,91,04,599
(b) Trade receivables	5,47,64,674	7,21,23,476
(c) Short-term loans and advances	8,46,94,800	7,23,47,215
(d) Cash & bank balances	9,49,250	14,09,044
(e) Other current assets	1,32,492	14,76,32,492
	22,40,13,974	47,26,16,826
Total Assets	41,80,78,271	67,00,08,268

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS

MAHARASHTRA POLYBUTENES LIMITED

We have audited the accompanying financial statements of MAHARASHTRA POLYBUTENES LIMITED, which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, 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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 subsection 11 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.
 - 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.
- 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. 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
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

CA. B.K.Gupta
Partner
Membership No.: 040889
Firm Reg. No.: 114852W

Place: Mumbai
Dated: 19th May, 2016