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# MPIL CORPORATION LIMITED

ANNUAL REPORT 2019-2020

# MPIL CORPORATION LIMITED

## BOARD OF DIRECTORS

<b>Milan Dalal</b>	Chairman
<b>Veena Dalal</b>	Whole Time Director
<b>Prabhakar Shevade</b> (Up to 05.09.2019)	Independent Director
<b>K. Krishnamoorthy</b>	Independent Director
<b>Keshav Jetsey</b>	Independent Director
<b>Radheshyam Swami</b> (With Effect From 25.01.2020)	Independent Director

## COMPANY SECRETARY & COMPLIANCE OFFICER

Hinal Kothari

## CHIEF FINANCIAL OFFICER

Deepak Sheth

## AUDITORS

M/s. M. D. Pandya & Co.,  
Chartered Accountants

## REGISTERED OFFICE

Udyog Bhavan, 2nd Floor,  
29 Walchand Hirachand Marg, Ballard Estate,  
Mumbai - 400 001

## Corporate Office

Hamilton House, 2nd Floor, J.N. Heradia Marg,  
Ballard Estate, Mumbai 400001  
Tel: 022 67476080  
Email: cs@mpilcorporation.com

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.  
C-101, 247 Park, L. B. S. Marg, Vikhroli (West),  
Mumbai - 400 083  
Tel: 022 49186000  
Email : mumbai@linkintime.co.in

## LISTED WITH

BSE Limited (Bombay Stock Exchange Ltd.)

## WEBSITE

[www.mpilcorporation.com](http://www.mpilcorporation.com)

## CORPORATE IDENTIFICATION NUMBER (CIN)

L74299MH1959PLC163775

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**NOTICE**

Notice is hereby given that the **61<sup>st</sup> Annual General Meeting (AGM)** of the Members of MPIL Corporation Limited will be held on Monday, **28<sup>th</sup> September, 2020**, at **11.00 a.m.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

**ORDINARY BUSINESS:****1 Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020, alongwith the reports of the Board and the Auditors thereon.

**2 Declaration of Dividend**

To declare final dividend of ₹ 1.50 per equity shares for the year ended 31st March, 2020.

**3 Appointment of Mr. Milan Dalal (DIN 00062453) as a Director liable to retire by rotation**

To re-appoint Mr. Milan Dalal (DIN 00062453), who retires by rotation and eligible offers himself for re-appointment.

Place: Mumbai

Date: 25<sup>th</sup> August, 2020

By Order of the Board of Directors  
For **MPIL Corporation Limited**

**Registered Office:**

Udyog Bhavan, 2nd floor,  
29 Walchand Hirachand Marg,  
Ballard Estate, Mumbai – 400 001

**Milan Dalal**  
Chairman  
(DIN 00062453)

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.mpilcorporation.com](http://www.mpilcorporation.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s Link Intime India Private Limited for assistance in this regard.
9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents M/s Link Intime India Private Limited in case the shares are held by them in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA M/s Link Intime India Private Limited in case the shares are held by them in physical form.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.mpilcorporation.com](http://www.mpilcorporation.com) and on the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).
12. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
13. Pursuant to Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will be closed from 21<sup>st</sup> September 2020 to 28th September 2020 both days inclusive.
14. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the Electronic form are therefore requested to submit their PAN to their depository Participants with whom they are maintaining their demat accounts. Members holding Physical shares can submit their PAN to the Company/ RTA M/s Link Intime India Private Limited.
15. Since AGM will be held through VC/OAVM, the Route Map is not annexed in the Notice.
16. Instruction for E-Voting and joining AGM are as follows:

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**The remote e-voting period begins on 24<sup>th</sup> September, 2020 at 9.30 A.M. and ends on 27<sup>th</sup> September, 2020 at 5.30 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

**How do I vote electronically using NSDL e-Voting system?**

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

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

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

**Details on Step 1 is mentioned below:**

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

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

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



4. Your User ID details are given below :

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

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

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

Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

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

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

## General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [ragini.c@rediffmail.com](mailto:ragini.c@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to ([Ms. Pallavi Mhatre](mailto:Ms. Pallavi Mhatre)) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

In case shares are held in physical mode:

Please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@mpilcorporation.com](mailto:cs@mpilcorporation.com)

In case shares are held in demat mode:

Please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@mpilcorporation.com](mailto:cs@mpilcorporation.com)

However, you can also register your email id with RTA M/s Link Intime India Private Limited on [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

## THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE

### AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
  2. Members are encouraged to join the Meeting through Laptops for better experience.
  3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@mpilcorporation.com](mailto:cs@mpilcorporation.com) from 14<sup>th</sup> September, 2020(9.30 a.m. IST) to 23<sup>rd</sup> September, 2020(5.30 p.m. IST).The same will be replied by the company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
17. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date (record date) of Friday 18<sup>th</sup> September, 2020.

18. Ms. Ragini Chokshi for M/s Ragini Chokshi & Co Practicing Company Secretary, has been appointed as Scrutinizer to Scrutinize the E-voting process in a fair and transparent manner.
19. The Scrutiniser shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinisers Report of the Votes cast in favor or against, if any, forthwith to the Chairman of the Company.
20. the Results declared alongwith the Scrutinisers Report shall be placed on the Company's website [www.mpilcorporation.com](http://www.mpilcorporation.com) within two (2) days of passing of the Resolution at the 61<sup>st</sup> AGM of the Company on 28<sup>th</sup> September, 2020 and Communicated to BSE Limited.

## ANNEXURE TO NOTICE

**Details of Director seeking appointment/ re-appointment at the Annual General Meeting (In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and As per Secretarial Standard - 2 - General Meetings)**

Name	Mr. Milan Dalal
DIN	00062453
Date of Birth	09/02/1962
Date of Appointment	28/08/2017
Qualification	B.com
Expertise in specific functional areas and past experience	Over three decades of experience in the various fields like stock broking, financial consultancy, travel agency, lifestyle retail, agro industry, manufacturing and export etc
Directorship in other Listed companies	Foods and Inns Limited, Amalgamated Electricity Company Limited, Muller and Phipps (India) Limited
Memberships/ Chairmanships of committees in other Listed entity	Foods and Inns Limited - Members in Stakeholders Relationship Committee, Nomination and Remuneration Committee, Risk Committee, CSR Committee  Muller and Phipps (India) Limited - Chairman in Stakeholders Relationship Committee, Members in Audit Committee, Nomination and Remuneration Committee, Risk Committee
Shareholding	427406
Details of Remuneration	Nil (Only sitting fees for attending Board/ Committee meetings)
Relationship with other Directors/ Manager/ Key Managerial Personnel	Husband of Mrs. Veena Dalal, Whole Time Director of the Company
Number of Meetings of the Board attended during the year	4

## BOARD'S REPORT

Your Directors have pleasure in presenting the 61<sup>st</sup> Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

### 1. FINANCIAL RESULTS

A snapshot of the financial performance for the year gone by and its comparison with previous year is given below:

Particulars	2019-20 (₹ in lakhs)	2018-19 (₹ in lakhs)
<b>Income</b>	<b>215.51</b>	138.34
Expenditure	<b>158.79</b>	114.94
<b>Profit/ (Loss) before Depreciation and Tax</b>	<b>56.72</b>	23.40
Depreciation	<b>7.69</b>	4.63
Provision for Taxation:	-	-
Current Tax	<b>12.00</b>	3.60
<b>Profit/ (Loss) after Tax</b>	<b>37.02</b>	151.73
Balance brought forward from last year	<b>204.96</b>	196.38
Adjustments for depreciation transferred from Revaluation Reserves	<b>3.73</b>	3.73
Balance carried to Balance sheet	<b>235.37</b>	108.20

### 2. COVID-19

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees consisting of switching to work from home for employees was carried out seamlessly. As of March 31, 2020, work from home was enabled to close to 90 percent of the employees to work remotely and securely. Although there are uncertainties due to the pandemic at the business model position the Company well to navigate the challenges ahead and gain market

### 3. RESULTS OF OPERATIONS

As per the Financials for year ended on March 31, 2020 the turnover of the Company is ₹ 215.51 lakhs as compared to ₹.138.34 lakhs for the year ended on March 31, 2019. The Company made a profit before depreciation and tax of ₹ 56.72 lakhs during the year ended March 31, 2020 against the profit before tax of ₹.23.40 lakhs during the year ended on March 31, 2019.

### 4. DIVIDEND

Your Board of Directors, in its meeting held on June 29, 2020, has recommended a Final Dividend of ₹ 1.50 (i.e.15%) per equity share. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

### 5. TRANSFER TO RESERVES

No amount is proposed to be transferred to reserves during the year under review

### 6. FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits from the public and as on 31<sup>st</sup> March, 2020 the Company had no unclaimed deposits or interest thereon due to any depositor.

### 7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred after March 31, 2020 till date of this report.

### 8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### ● ECONOMIC OUTLOOK

The COVID-19 pandemic is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply in 2020 and containment efforts can be gradually unwound—the global economy is projected to grow in 2021 as economic activity normalizes, helped by policy support. Internationally, strong multilateral cooperation is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channeling aid to countries with weak health care systems.

#### ● OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The Company derives its income primarily from business support service and investments in financial instruments. In a falling interest rate environment, there can be impact on level of earnings and consequently on the profitability of the Company. Having said that the company proposes to make best use of its available resources and achieve a steady if not accelerated growth

Real Estate is one of the key driving factors behind the growth of the **Indian Economy** and plays a pivotal role in the nation's GDP growth. The year 2019-2020 has been a period of ups and downs for the Indian real estate sector. On the other hand, the successful launch of India's Real Estate Investment Trust (REIT) opened new avenues for investments while multiple government sops provided relief to the housing sector. However due to ongoing Covid19 outbreak and its impact the sentiment in real estate are at its all-time lowest level.



**● SEGMENT WISE OR PRODUCT WISE PERFORMANCE**

The Company does not carry on any manufacturing or sales activity and therefore there are no reportable segments in the Company operations. The surplus funds of the Company used to upgrade business services and are investment which generates risk free income. The Company also derives income from lease of its assets and business support services. Details of these incomes are separately disclosed in the financial statements. The revenues are utilized to maintain the assets of the Company.

**● INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company has an appropriate system of internal control. The Company ensures adherence to internal control policies and procedures. Internal audit is conducted on a periodical basis to review internal controls. The Audit Committee of the Board of Directors reviews the reports of the internal audits conducted and the adequacy of internal control systems.

**● FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the year under review, the Company recorded a profit of ₹ 56.72 lakhs before depreciation and tax as compared to Profit of ₹ 23.40 lakhs in the previous year. After providing for depreciation and tax, the profit for the year under review was ₹ 37.02 lakhs as compared to profit of ₹ 151.73 lakhs for the previous year.

**● EMPLOYEES/ HUMAN RESOURCES**

During the year, relations with employees remained cordial. As on 31<sup>st</sup> March, 2020, the Company had 2 employees on its roll.

Statements in this Management Discussion & Analysis describing the Company's objective, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**9. EXTRACT OF ANNUAL RETURN- Form No MGT-9**

In accordance with section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in MGT-9 is annexed to this Report as **ANNEXURE 1**.

**10. AUDITORS****10.1 Statutory Auditors**

The Company's Auditors M/s M.D. Pandya & Associates, Chartered Accountants, were appointed as statutory auditors of the company from the conclusion of the Fifty Eight Annual General Meeting of the Company held on 28-09-2017 till the conclusion of the Sixty Third Annual General Meeting to be held in the year 2022, subject to ratification of their appointment at every AGM. They have confirmed their eligibility under section 141 of the Act, and the rules framed thereunder for reappointment as Auditors of the Company as required under SEBI regulations, the Auditors have also confirmed that they hold a valid certificate issued by the peer review Board of the Institute of Chartered Accountants of India.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors.

**10.2. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ragini Chokshi & Co, Practicing Company Secretary, to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report is annexed as **ANNEXURE 2** to this report and does not contain any qualifications.

**11. CORPORATE GOVERNANCE**

The Company has complied with the mandatory Corporate Governance requirements stipulated under Regulations 34 and 53 read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The report on Corporate Governance and a certificate from the Auditors of the Company, M/s M.D. Pandya & Associates, confirming compliance of the conditions of the Corporate Governance requirements are annexed hereto and forms part of the Report.

**12. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 (7) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Milan Dalal (DIN: 00062453) retires by rotation and is eligible for re-appointment.

The Board of Directors has on the recommendation of the Nomination and Remuneration committee appointed Mr. Radheshyam Swami, Independent Director to fill the casual vacancy caused due to the death of Mr. Prabhakar Shevade, Independent Director w.e.f January 25, 2020 to August 09, 2024.

## STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that;

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- we have 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 financial year ended March 31, 2020 and of the profit of the Company for that year.
- we have 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.
- we have prepared the Annual Accounts on a going concern basis.
- we have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- we have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 13. BOARD EVALUATION

In accordance with the provisions of the Companies Act, 2013 and Regulations of SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and other Committees. The manner in which the evaluation is carried out has been explained in the Corporate Governance Report.

### 14. NUMBER OF MEETINGS OF THE BOARD

The Board met Four times during the financial year, the details of which are given in the Corporate Governance report.

### 15. INDEPENDENT DIRECTORS MEETING

The Independent Directors met once during the year under review, without the attendance of the Non – Independent Directors and members of the Management. The Independent Directors reviewed the performance of the Non Independent directors and the Board as a whole and the performance of the Chairman of the Company, taking into account the views of the Directors and assessed the quality, quantity and timeline of the flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

### 16. COMMITTEES OF THE BOARD

The Companies Act, 2013 provides for the formation and duties of various committees of the Board. The Company has in place the required Committees with specific defined roles, duties and responsibilities. Details of the various committees, meetings held and attendance at the various committee meetings are given in the Corporate Governance Report.

### 17. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination & Remuneration Committee of the Company leads the process for Board appointments in accordance with the requirements of the Companies Act, 2013, the Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. and other applicable regulations and guidelines. The Board has, on the recommendation of the Nomination & Remuneration committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration policy is available on the company website [www.mpilcorporation.com](http://www.mpilcorporation.com). There has been no change in the policy since the last year.

### 18. DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from Independent Directors of the Company confirming that they meet with the criteria of independence as per Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 19. PARTICULARS OF CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES

Details of contracts and arrangements with related parties in form AOC-2 is annexed as **ANNEXURE 3** to this report.

### 20. PARTICULARS OF EMPLOYEES AND REMUNERATION

None of the employees of the Company is in receipt of remuneration exceeding the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure pursuant to Section 197(12) of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **ANNEXURE 4** to this report.

**21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the year, no significant or material orders were passed by any regulators against the Company which impact the going concern status and the Company's operations in future.

**22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.**

The provisions of section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption do not apply to the Company.

During the year under review, there were no Foreign exchange earnings and outgo

**23. SUBSIDIARY COMPANIES**

The Company does not have any subsidiary company or any existing Joint venture as on 31<sup>st</sup> March, 2020

**24. DISCLOSURE ON SEXUAL HARASSMENT OF WOMAN AT WORKPLACE**

The Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of woman employees at workplace. There was no case of sexual harassment reported during the year under review.

**25. GREEN INITIATIVES**

In line with the 'Green initiative', the Company has affected electronic delivery of the Annual Report 2019-20, are sent to all members whose email addresses are registered with the Company/ Depository Participant(s). Your Company would encourage other Members also to register themselves for receiving Annual Report in electronic form.

**26. INTERNAL FINANCIAL CONTROLS**

A detailed note on internal financial controls is included in the Management Discussion & Analysis.

**27. VIGIL MECHANISM**

The Company has put in place a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The detail of the policy is available on the Company's website [www.mpilcorporation.com](http://www.mpilcorporation.com).

No complaint was received by the Company during the year ended 31st March, 2020.

**28. RISK MANAGEMENT POLICY**

Risk is an integral and unavoidable component of business and the management is committed to managing the risk in a proactive and effective manner. The Company has adopted a systematic approach to mitigate risk associated with accomplishment of objective, operations, revenues and regulations. The Board of Directors has constituted a Risk Management Committee and framed a Risk Management Policy. The Risk Management Committee meets from time to time to review and identify potential risk areas and steps to be taken to mitigate such risks. The Risk Management Policy is available on the Company's website [www.mpilcorporation.com](http://www.mpilcorporation.com).

**29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements

**30. ACKNOWLEDGEMENT**

Your Directors take this opportunity to thank the statutory authorities, banks, shareholders, employees and other stakeholders for their valued support

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 25<sup>th</sup> August, 2020

**Milan Dalal**  
**Chairman**  
(DIN 00062453)

**ANNEXURE-1 TO THE BOARD'S REPORT**
**EXTRACT OF ANNUAL RETURN as on the financial year ended 31st March, 2020**

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

CIN	L74299MH1959PLC163775
Registration Date	August 6, 1959
Name of the Company	MPIL CORPORATION LIMITED
Category/ Sub- Category of the Company	Company Having Share Capital
Address of the Registered Office and contact details	Udyog Bhavan, 2 <sup>nd</sup> Floor, 29, Walchand Hirachand Marg, Ballard Estate, Mumbai 400001 Tel: 022 22610787
Whether Listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link In-Time India Private Limited C101, 247 Park, LBS Marg, Vikhroli (W), Mumbai 400 083 Tel: +91 22 4918600

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

<b>All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated</b>		
<b>Name and Description of main Products / services</b>	<b>NIC Code of the Product/ Service</b>	<b>% to total turnover of the Company</b>
Business Support Services	99859990	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Name and Address of the Company	CIN/ Registration No	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
NOT APPLICABLE				

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 2019				No. of Shares held at the end of the year 2020				% Change during the year
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>	427406	-	427406	74.78	427406	-	427406	74.78	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>427406</b>	<b>-</b>	<b>427406</b>	<b>74.78</b>	<b>427406</b>	<b>-</b>	<b>427406</b>	<b>74.78</b>	<b>-</b>
(2) <b>Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>427406</b>	<b>-</b>	<b>427406</b>	<b>74.78</b>	<b>427406</b>	<b>-</b>	<b>427406</b>	<b>74.78</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year 2019				No. of Shares held at the end of the year 2020				% Change during the year
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	7703	4	7707	1.35	7393	4	7397	1.29	0.06
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>7703</b>	<b>4</b>	<b>7707</b>	<b>1.35</b>	<b>7393</b>	<b>4</b>	<b>7397</b>	<b>1.29</b>	<b>0.06</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	2499	-	2499	0.44	2692	-	2692	0.47	0.03
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	119023	9039	128062	22.41	119096	8966	128062	22.41	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
NRIs	57	-	57	0.01	59	-	59	0.01	
Clearing Member	193	-	193	0.03	-	-	-	-	-0.03
Hindu Undivided Family	5653	-	5653	0.99	5961	-	5961	1.04	0.05
<b>Sub-total (B)(2)</b>	<b>127425</b>	<b>9039</b>	<b>136464</b>	<b>23.88</b>	<b>127808</b>	<b>8966</b>	<b>136774</b>	<b>23.93</b>	<b>0.05</b>
<b>Total Public Shareholding B)=(B)(1)+ (B)(2)</b>	<b>135128</b>	<b>9043</b>	<b>144171</b>	<b>25.23</b>	<b>135201</b>	<b>8970</b>	<b>144171</b>	<b>25.22</b>	<b>0.01</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>562534</b>	<b>9043</b>	<b>571577</b>	<b>100</b>	<b>562607</b>	<b>8970</b>	<b>571577</b>	<b>100.00</b>	<b>-</b>

**ii) Shareholding of Promoters**

Shareholders Name	Shareholding at the beginning of the year 01-04-2019			Shareholding at the end of the year 31-03-2020			% change in shareholding during the year
	No of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
Milan Dalal	427406	74.78	0.00	427406	74.78	0.00	0.00
<b>Total</b>	<b>427406</b>	<b>74.78</b>	<b>0.00</b>	<b>427406</b>	<b>74.78</b>	<b>0.00</b>	<b>0.00</b>



**iii) Change in Promoters Shareholding**

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	No of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>Milan Dalal</b>				
At the beginning of the year				
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease				
At the end of the year				
<b>NONE</b>				

No changes in other promoters' shareholding during the year.

**iv) Shareholding Pattern of Top Ten Shareholders (Other Than Directors, Promoters and Holders of GDRs and ADRs)**

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2019		Shareholding at the end of the year 31-03-2020	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Bala Aggarwal	16000	2.79	16000	2.79
Avdhesh Khunteta	8900	1.56	8900	1.56
Vaibhav Jain	8000	1.40	8000	1.40
Sonia Bassi	7523	1.32	7523	1.32
Life Insurance Corporation of India	7549	1.32	7549	1.32
Tina Khunteta	5700	0.52	5700	0.52
Rahul A Mehta	3752	0.64	3752	0.64
H Shivaprasad Rao	3344	0.59	3344	0.59
VINOD FOJMALJI KOTHARI H.U.F .	3200	0.56	3200	0.56
Tanu Tamby	3000	0.52	3000	0.52

**v) Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of Shares	% of total share of the company	No of Shares	% of total shares of the Company
<b>Mr. Milan Dalal, Chairman</b>				
At the beginning of the year	427406	74.78	427406	74.78
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase / decrease				
At the end of the year	427406	74.78	427406	74.78

**V. INDEBTEDNESS: NIL**
**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr.No	Particulars of Remuneration	Mrs. Veena Dalal Whole Time Director	Total Amount (₹)
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	30,00,000	30,00,000
	(b) Value of perquisites under section 17(2) Income tax Act, 1961	-	-
	(c) Profit in lieu of salary under section 17(3) Income tax act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others specify	-	-
5	Others , please specify- Retrials	-	-
	<b>Total (C)</b>	30,00,000	30,00,000

**B. Remuneration to other Directors:**

**1. Independent Directors**

Sr.No	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		Mr. Keshav Jetsey	Mr. K. Krishnamoorthy	Mr. Prabhakar Shevade	Mr. Radheshyam Swami	
1.	Fees for attending Board/ Committee Meetings	52,000	46,000	25,000	11,000	1,34,000
2.	Commission	-	-	-	-	-
3.	Others, please specify	-	-	-	-	-
					<b>Total (B) (1)</b>	<b>1,34,000</b>

**2. Other Non- Executive Directors**

Sr.No	Particulars of Remuneration	Name of Directors	Total Amount (₹)
		Mr. Milan Dalal	
1.	Fees for attending Board/ Committee Meetings	42,000	42,000
2.	Commission	-	-
3.	Others, please specify	-	-
		<b>Total (B) (2)</b>	<b>42,000</b>
<b>Total (B)= (B)(1)+(B) (2)</b>			<b>1,76,000</b>
Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the net profit of the Company. The Company may pay sitting fees to the Directors for attending Board/ Committee Meetings as may be decided by the Board of Directors.		

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**

Sr.No	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Deepak Sheth Chief Financial Officer*	Ms. Hinal Kothari Company Secretary	Total Amount (₹)
1	Gross Salary		6,57,000	6,57,000
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under section 17(2) Income tax Act, 1961	-	-	-
	(c) Profit in lieu of salary under section 17(3) Income tax act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others specify	-	-	-
5	Others , please specify- Retrials	-	-	-
<b>Total (C)</b>			<b>6,57,000</b>	<b>6,57,000</b>

\*Mr. Deepak Sheth was appointed as Chief Financial Officer w.e.f November 30, 2017 without any remuneration

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties/ punishment/ compounding of offence for the breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year

**ANNEXURE-2 TO BOARD'S REPORT****SECRETARIAL AUDIT REPORT FOR THE PERIOD 01-04-2019 TO 31-03-2020****FORM NO. MR-3 FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

**MPIL CORPORATION LIMITED**

Udyog Bhavan, 2<sup>nd</sup> Floor,  
29, Walchand Hirachand Marg,  
Ballard Estate, Mumbai – 400001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MPIL CORPORATION LIMITED (CIN: L74299MH1959PLC163775)** (hereinafter called **the company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period covering 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 ("the Reporting Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time; ;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and as amended from time to time; **(Not applicable during the period under review)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable during the period under review)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and as amended from time to time; **(Not applicable during the period under review)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable during the period under review)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable during the period under review)**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company

Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars, guidance and notifications issued there under and applicable to Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards i.e. SS-1 and SS-2 issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except there was delay in filing of Few Statutory Forms with the concerned Authorities.

**We further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

**We further report that** during the reporting period, following changes took place in the management of the Company.

- Reappointment of Mr. Prabhakar Shevade as Independent Director of the Company for a period of five years w.e.f 09/08/2019.
- Cessation of Late Mr. Prabhakar Shevade as Independent Director of the Company w.e.f 05/09/2019, due to his sad demise.
- Appointment of Mr. Radheshyam Swami as Additional Independent Director of the Company w.e.f 25/01/2020.

**For Ragini Chokshi & Co**

**Makarand Patwardhan  
(PARTNER)**

**Membership No: 11872**

**CP No: 9031**

**UDIN: A01187213000628125**

Place: Mumbai

Date: 20<sup>th</sup> June, 2020

***This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.***

**'Annexure -1'**

To,  
The Members,

**MPIL CORPORATION LIMITED**

Udyog Bhavan, 2<sup>nd</sup> Floor,  
29, Walchand Hirachand Marg,  
Ballard Estate, Mumbai – 400001.

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

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

**For Ragini Chokshi & Co.**

**Makarand Patwardhan**

(Partner)

C.P. No. 9031

ACS No. 11872

Place: Mumbai

Date: 20<sup>th</sup> June, 2020

**ANNEXURE-3 TO THE BOARD’S REPORT**

**FORM NO. AOC.2**

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transactions under third proviso thereto**

*(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*

**1. Details of contracts or arrangements or transactions not at arm’s length basis:**

There are no transactions or arrangements or contracts with Related Parties which were not at arm’s length basis during the period under review.

**2. Details of material contracts or arrangement or transactions at arm’s length basis:**

<b>Sr. No.</b>	<b>Name(s) of the related Party and nature of relationship</b>	<b>Nature of the transaction/ contract/ arrangement</b>	<b>Duration of the contract/ transaction</b>	<b>Salient terms of the contract/ arrangement/ transaction including the value, if any</b>	<b>Date(s) of the approval by Board, if any</b>	<b>Amount paid as advance, if any</b>
1	Foods and Inns Limited	Business Support Services	3 years	Business support charges	April 02, 2018	2.50 crores

**ANNEXURE – 4 TO THE BOARD’S REPORT**

**Information under section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

a) The ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the financial year.

Directors are entitled to sitting fees and commission. However, it may be noted that the directors were not paid commission in the last three financial years. The median remuneration is ₹ 18,13,000

b) The percentage increase in Remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year- Remuneration of the Company Secretary has been increased to 20% w.e.f. 1<sup>st</sup> January, 2020.

c) The percentage increase in the median remuneration of employees in the financial year was- Nil

d) The number of permanent employees on payroll of the Company was **2** in number.

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

There is no increase or decrease in average percentile in the year 2019-20.

l) Affirmation that the remuneration is as per the remuneration policy of the company.

The Remuneration paid is as per the remuneration policy adopted by the Company.



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company believes that corporate governance is a journey towards sustainable value creation. Corporate Governance is based on the principles of integrity, fairness, equity, maintaining high standards of transparency, timely disclosures and dissemination of price sensitive information, ensuring meticulous compliance with applicable laws and regulations and conducting business in the best ethical manner, accountability and commitment to value in all facets of its operations and in its interactions with all its stakeholders including shareholders and the employees. Adequate disclosures and information are provided to the Board as well as its committees.

In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at work place have been institutionalized. The Company recognizes that good governance is a continuing exercise and adhere to ethical standards is committed to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the company has adopted various codes and policies to carry out duties in an ethical manner. The following codes and policies have been adopted by the Company.

- Code of Conduct
- Code of Internal Procedure and Conduct for Insider Trading
- Whistle Blower Policy
- Related Party Transactions Policy
- Sexual Harassment Policy
- Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Board Performance Evaluation Policy
- Risk Management Policy
- Policy for determination of materiality of any event/ information
- Policy on Preservation of Documents
- Archival Policy for any Material Event/ Information disclosed to the Stock Exchange.

The Board of Directors of the Company has an optimum combination of Executive and Independent Non- Executive Directors who has in depth knowledge of business, in addition to the expertise in their areas of specialization. The Board provides leadership, strategic guidance and an independent view to the Company's management.

The Company follows the Code of Conduct approved by the Board of Directors, which are applicable to members of the Board and senior management cadre. The Code has been circulated to all the members of Board and the senior management and affirmation is received from all the members of Board and the senior management staff regarding compliance.

### 2. BOARD OF DIRECTORS:

#### A. Board Composition, attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships/ Memberships of Committees of each Director in various Companies:

- (i) The composition of the Board and category of Directors is as follows:

Category	Name of the Director
Whole-time Director	Veena Dalal
Non-Executive Non-Independent Directors	Milan Dalal
Non-Executive Independent Directors	Prabhakar Shevade (expired on 05-09-2019) K. Krishnamoorthy Keshav Jetsey Radheshyam Swami (appointed w.e.f 25-01-2020)

- (ii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he or she is a Director. Necessary disclosures regarding Directorship/Committee positions in other public companies as on 31<sup>st</sup> March, 2020 have been made by the Directors.

(iii) Attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships/Memberships of Committees of each Director as on 31<sup>st</sup> March, 2020 in various companies is given below:

Name of Director	No. of Other Directorships	No. of Committees of which he/she is a member	No. of Committees of which he/she is Chairperson	Attendance	
				Board Meetings	Last AGM 09.08.2019
Veena Dalal	-	-	-	4	Yes
Milan Dalal	7	2	-	4	Yes
Prabhakar Shevade	1	1	1	2	Yes
K Krishnamoorthy	2	1	-	4	Yes
Keshav Jetsey	-	-	-	4	Yes
Radheshyam Swami	-	-	-	1	N.A

The above does not include any Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies. Memberships/ Chairmanships of only the Audit Committees and Shareholders'/ Investors' Grievance Committees of Public Limited Companies have been considered.

#### Directors' Profile

Details of the Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting, as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been given along with the annexure to the Notice of the Annual General Meeting.

#### B. Board Meetings held during the year

Four meetings of the Board of Directors were held during the year ended 31<sup>st</sup> March, 2020, and the gap between two consecutive meetings did not exceed four months. The details of the Board meetings held are as under:

##### Board Meetings held during the year

Sr No	Dates	Total Strength of the Board	No of Directors present
1	May 30, 2019	5	5
2	August 09, 2019	5	5
3	November 11, 2019	4	4
4	January 25, 2020	5	5

#### 3. Audit Committee

The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The Committee consists of the following members:

Name	Category
Prabhakar Shevade (Chairman) (upto 05-09-2019)	Non-Executive Independent Director
K. Krishnamoorthy (Chairman ) (w.e.f 25-01-2020)	Non-Executive Independent Director
Keshav Jetsey	Non-Executive Independent Director
Radheshyam Swami (w.e.f. 25-01-2020)	Non-Executive Independent Director

Mr. Prabhakar Shevade, an independent Non-Executive Director and a Practising Chartered Accountant, is the Chairman of the Committee upto 05-09-2019. Mr. K. Krishnamoorthy, an independent Non-Executive Director, is a Qualified Company Secretary and w.e.f from 25-01-2020 appointed as the Chairman of the Committee. Mr. Keshav Jetsey is a Fellow Member of the Institute of Chartered Accountants of India. Mr. Radheshyam Swami is appointed as the Member of the committee w.e.f 25-01-2020. Ms. Hinal Kothari, Company Secretary acts as the Secretary to the Audit Committee.

Four Audit Committee meetings were held during the year. The composition of the Audit Committee as at 31<sup>st</sup> March, 2020 and details of the Members' participation at the Meetings of the Committee are as under:

Name of member	Attendance at the Audit Committee Meetings			
	30.05.2019	09.08. 2019	11. 11. 2019	25.01. 2020
Prabhakar Shevade	✓	✓	N.A	N.A
K. Krishnamoorthy	✓	✓	✓	✓
Keshav Jetsey	✓	✓	✓	✓
Radheshyam Swami	N.A	N.A	N.A	✓

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 requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies.

The terms of reference of the Audit Committee are broadly as under:

- Reviewing the financial reports and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed in the reports.
- Recommending the appointment and removal of external auditors, fixation of audit fee and other payments.
- Reviewing the financial statements and draft audit report, including quarterly/half yearly financial information.
- Reviewing with the management and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit charter, approval of the audit plan and its execution, coverage and frequency of internal audit and discussions with internal auditors of any significant findings and follow-up thereon.
- Reviewing with management the quarterly and annual financial statements before submission to the Board focusing primarily on:
  - any changes in accounting policies and practices;
  - major accounting entries based on exercise of judgment by management;
  - qualifications in draft audit report;
  - significant adjustments arising out of audit;
  - the going concern assumption;
  - compliance with accounting standards;
  - compliance with stock exchange and legal requirements concerning financial statements;
  - related party transactions as per Accounting Standard 18;
  - reviewing the Company's financial and risk management policies;
  - disclosure of contingent liabilities.

#### 4. Nomination and Remuneration Committee

The Committee consists of the following members:

Name	Category
Keshav Jetsey (Chairman)	Non-Executive Independent Director
Prabhakar Shevade (upto 05-09-2019)	Non-Executive Independent Director
Milan Dalal	Non-Executive Non Independent Director
K. Krishnamoorthy (w.e.f 25-01-2020)	Non-Executive Independent Director

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To carry out any other function as is mandated by the Board from time to time.

Four meetings of Nomination and Remuneration Committee were held during the year. The composition of the Committee as at March 31, 2020 and details of the Members participation at the Meetings of the Committee are as under:

Name of member	Attendance at the Nomination and Remuneration Committee Meetings			
	30.05.2019	09.08.2019	11.11.2019	25.01.2020
Keshav Jetsey (Chairperson)	✓	✓	✓	✓
Prabhakar Shevade	✓	✓	N.A	N.A
Milan Dalal	✓	✓	✓	✓
K. Krishnamoorthy	N.A	N.A	N.A	✓

## Details of Remuneration and other terms of appointment of Directors:

No Directors are paid any salary or perquisites. Mrs. Veena Dalal (DIN 00062873) was appointed as Whole Time Director of the Company w.e.f. 28<sup>th</sup> August, 2017 for a period of five years with a remuneration of ₹ 2.50 lakhs per month. The non-executive directors are paid sitting fees of ₹ 7000 for attending each meeting of the Board. The Audit Committee members are paid sitting fees of ₹ 3500 for attending each meeting of the Audit Committee. The Nomination & Remuneration Committee members are paid sitting fees of ₹ 2000 for attending each meeting of the Nomination & Remuneration Committee. No sitting fees are paid for attending Stakeholders' Relationship Committee meetings and Risk Management Committee Meetings.

The details of remuneration of the Non-Executive Directors during the year ended 31<sup>st</sup> March, 2020 are as follows:

### Sitting fees paid to Non-Executive Directors for the financial year 2019-20

Name of Director	(₹)
Prabhakar Shevade	25000
K. Krishnamoorthy	46000
Milan Dalal	42000
Keshav Jetsey	52000
Radheshyam Swami	11000
<b>Total</b>	<b>176000</b>

The Company has not given any stock options or performance linked incentive to its Directors.

The policy for selection and appointment of Directors and their appointment is posted on the Company's website

<http://www.mpilcorporation.com/data/Nomination%20and%20Remuneration%20Policy%20&%20Board%20Evaluation%20Policy.pdf>

## 5. Stakeholders' Relationship Committee

The Composition of the Committee and details of the Members participation at the Meetings of the Committee are as under:

Name of Member	Category	Attendance at the Meeting held on 06.03.2020
Keshav Jetsey (Chairperson) (w.e.f 25-01-2020)	Non-Executive Independent Director	✓
Veena Dalal	Whole Time Director	✓
Prabhakar Shevade (Chairperson) (upto 05-09-2019)	Non-Executive Independent Director	N.A
Milan Dalal	Non-Executive Non- Independent Director	✓

The broad terms of reference of the Stakeholders Relationship Committee are as under:

- Oversee and review all matters connected with the transfer of the Company's securities
- Consider, resolve and monitor redressal of investors'/ shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable and perform such other functions as may be necessary or appropriate for the performance of its duties.

The Board has delegated the power of approving transfer of shares/issue of duplicate share certificates, etc., to the Stakeholders' Relationship Committee. Ms. Hinal Kothari, Company Secretary is designated as Compliance Officer for complying with the requirements of SEBI regulations and with the Stock Exchanges in India and overseeing the investors' grievances.

During the year, no complaints were received. As on 31<sup>st</sup> March, 2020, no request for share transfer or dematerialization was pending for approval.

**6. Risk Management Committee**

The composition of the Risk Management Committee as at March 31, 2020 and the details of Members’ participation at the Meetings of the Committee are as under:

Name of Member	Category	No meeting held
Milan Dalal (Chairman)	Non-Executive Non- Independent Director	1
Prabhakar Shevade (upto 05-09-2019)	Non-Executive Independent Director	1
Keshav Jetsey	Non-Executive Independent Director	1
K Krishnamoorthy (w.e.f 25-01-2020)	Non-Executive Independent Director	1

Business Risk Evaluation and Management is an ongoing process within the Company. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise:

- Oversight of risk management;
- Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
- Reviewing risks and evaluating treatment including initiating mitigation actions;
- Reviewing the Risk Management Policy and framework in line with local legal requirements and SEBI guidelines

**7. Independent Directors’ Meeting**

A meeting of the Independent Directors of the Company was held on 25<sup>th</sup> January, 2020 to review the performance of non-independent Directors and Chairman of the Company and had accessed the quality, quantity and timeliness of flow information between the Company Management and the Board.

**FAMILIARISATION PROGRAMME FOR DIRECTORS**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, Listing Regulations and other various statutes. The newly appointed Director is familiarized with the Company’s operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters covering the Company, various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company’s website – [http://www.mpilcorporation.com/data/Fimilarisation%20Program\\_for%20Directors.pdf](http://www.mpilcorporation.com/data/Fimilarisation%20Program_for%20Directors.pdf)

**8. Board Evaluation/ Performance Evaluation**

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Performance Evaluation Policy of the Company is posted on the Company’s Website <http://www.mpilcorporation.com/data/Nomination%20and%20Remuneration%20Policy%20&%20Board%20Evaluation%20Policy.pdf>

**9. CODE OF BUSINESS CONDUCT & ETHICS**

The Board of Directors of the Company has adopted the Code of Business Conduct & Ethics (‘the Code’) applicable to all Directors and senior management personnel.

The Company’s Board of Directors and Senior Management Personnel are responsible for conduct of the business, and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. The Code has been circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually. A copy of the Code has been put on the Company’s website <http://www.mpilcorporation.com/data/Code%20of%20Internal%20procedure.pdf>

A declaration signed by the Whole time Director of the Company to confirm that the Company has adopted a Code of Conduct for its Directors and employees of the Company is given below:

**Compliance with the Code of Conduct**

I Veena Dalal, Whole-time Director of MPIL Corporation Limited do hereby confirm that the Company has, in respect of the financial year ended March 31, 2020 received from the senior management team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

*Veena Dalal*  
Whole-Time Director  
(DIN 00062873)



## 10. GENERAL BODY MEETINGS:

Details of location and time of holding the last three year's Annual General Meeting and the Special resolution passed thereat:

Financial Year	AGM/ EGM	Location	Date & Time	Special Resolution
2018-19	60 <sup>th</sup> AGM	Kilachand Conference Room, 2 <sup>nd</sup> Floor, Indian Merchant Chambers, Churchgate, Mumbai 400020	09-08-2019 1.30 p.m	<ul style="list-style-type: none"> <li>• Reappointment of Mr. Prabhakar Shevade as Independent Director</li> </ul>
2017-18	59 <sup>th</sup> AGM	Kilachand Conference Room, 2 <sup>nd</sup> Floor, Indian Merchant Chambers, Churchgate, Mumbai 400020	14-08-2018 12.00 p.m	<ul style="list-style-type: none"> <li>• Remuneration to Mrs. Veena Dalal as Whole Time Director</li> <li>• Borrowing Limits of the Company</li> <li>• Reclassification of Promoters</li> </ul>
2016-17	58 <sup>th</sup> AGM	Hotel Host Inn International, Opp. Marol Fire Brigade, Off Andheri Kurla Road, Andheri(E), Mumbai 400059	28-09-2017 9.30a.m	<ul style="list-style-type: none"> <li>• Appointment of Mrs. Veena Dalal as Whole Time Director</li> <li>• Appointment of Mr. Milan Dalal as Director</li> <li>• Appointment of Mr. Keshav Jetsey as Independent Director</li> </ul>

## 11. DISCLOSURES

### Related Party Transactions

All transactions entered into with Related Parties during the financial year were in the ordinary course of business and on an arms-length pricing basis.

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Attention of the Shareholders is drawn to the disclosures of transactions with the related parties set out in Notes on Financial Statements, forming part of the Annual Report.

The Company has formulated a policy on dealing with the Related Party Transactions. The policy is available on the Company's Website [http://www.mpilcorporation.com/data/Related\\_Party%20transactions%20policy.pdf](http://www.mpilcorporation.com/data/Related_Party%20transactions%20policy.pdf)

### Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

### Internal Controls

The Company has a formal system of internal control which examines operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

### CEO & MD / CFO Certification

The Whole Time Director and the CFO have certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

### Vigil Mechanism / Whistle Blower Policy

The Company has formulated Whistle Blower Policy for Vigil Mechanism of Directors and employees to report to the management about any alleged unethical behaviour, fraud or violation of company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees who use such mechanism and makes provision for direct access to the Chairperson of the Audit committee in exceptional cases. Vigil Mechanism/ Whistle Blower Policy is available on the Company's website <http://www.mpilcorporation.com/data/Whistle%20Blower%20Policy.pdf>

During the year, under review none of the personnel of the Company has been denied access to the Audit committee.

### Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**12 Means of Communication**

The quarterly, half-yearly and yearly financial results of the Company are sent to Stock Exchanges immediately after they are approved by the Board. These are normally published in the newspapers viz. Free Press Journal and Navshakti in accordance with requirements of the Listing Agreement. The said financial results and official news release are displayed on the website of Bombay Stock Exchange viz. [www.bseindia.com](http://www.bseindia.com).

Annual Results: Annual Report containing inter alia, Audited Annual Accounts, Board' Report, Auditors' Report, Notice of Annual General Meeting with explanatory notes and other important annexure/ information is circulated to members and others entitled thereto.

**SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies/ RTA and online viewing by investors of actions taken on the complaint and its current status.

**BSE Corporate Compliance & Listing Centre (the 'Listing Centre')**

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**13. General Shareholder's Information**
**1. Annual General Meeting scheduled to be held:**

Date	: 28 <sup>th</sup> September, 2020
Time	: 11.00 a.m.
Venue	: Through Video Conference ("VC")/ other Audio Visual Means ("OAVM")

**2. Book Closure :**

21<sup>st</sup> September, 2020 to 28<sup>th</sup> September, 2020 (Both days inclusive)

**3. Financial Calendar (tentative):**

Financial Reporting for the Financial Year 2020-21	Tentative month of reporting
Un-audited Financial Results for the quarter ending 30 <sup>th</sup> June, 2020.	August, 2020
Un-audited Financial Results for the half year ending 30 <sup>th</sup> September, 2020.	November, 2020
Un-audited Financial Results for the quarter ending 31 <sup>st</sup> December 2020.	February, 2021
Audited Financial Results for the year ending 31 <sup>st</sup> March 2021.	May, 2021

**4. Listing of Equity Shares on Stock Exchange :**

Equity Shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE). An annual listing fee for the year 2020-21 has been paid to the Bombay Stock Exchange Limited, Mumbai.

**5. Stock Code:**

- Bombay Stock Exchange Limited, Mumbai (BSE): 500450
- ISIN : INE844C01027
- CIN: L74299MH1959PLC163775

**6. Stock Price Data:**

Month wise high and low price of the Company's Shares at Bombay Stock Exchange Limited (BSE) from April, 2019 to March, 2020

Month	Bombay Stock Exchange Limited (BSE)	
	High (₹)	Low (₹)
April 2019	134.00	122.00
May 2019	162.00	128.75
June 2019	168.25	165.00
July 2019	168.00	168.00
August 2019	-	-
September 2019	-	-
October 2019	-	-
November 2019	-	-
December 2019	168.00	161.40
January 2020	160.00	142.50
February 2020	143.45	113.00
March 2020	173.00	153.60

## 7. Address For Correspondence:

Shareholders can correspond to: Secretarial Department, Udyog Bhavan, 2<sup>nd</sup> Floor, 29 Walchand Hirachand Marg, Ballard Estate, Mumbai 40001

Link Intime India Private Limited: C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083, Tel: 022-49186000, email: mumbai@linkintime.co.in

Shareholders holding shares in electronic mode should address their Correspondence to their respective Depository Participants.

## 8. Share Transfer System

98% of the shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company.

Shares received for transfer in physical form are registered and returned by the Company's Registrar and Share Transfer Agent within the statutory time limit from the date of receipt of the documents, provided the documents are found in order. Shares under objections are returned within two weeks. The Board has delegated the authority for approving transfer, transmission of shares to the shareholders to Investors Grievances Committee.

In compliance with the listing Agreement/ SEBI Guidelines,

- A practicing Company Secretary carries out Secretarial Audit on "Dematerialised shares and shares in Physical form" every quarter and the necessary reports issued by him are filed with the Stock Exchanges.
- The Shares in dematerialised form and Physical form tally with the issued/ paid up capital of the Company.
- A practicing Company Secretary carries out a Due Diligence survey, pertaining to share transfers, transmissions etc, every six months and necessary certificates to that effect are issued and the same are filed with the Stock Exchanges in compliance with the Listing Agreement.

## 9. Distribution of Shareholding as on March 31, 2020

Category	No. of Shareholders	% of total Shareholders	Share Amount (Rs)	% of Total shares
From 1 to 5000	2216	98.5327	515030	9.0107
Between 5001 to 10000	12	0.5336	88350	1.5457
Between 10001 to 20000	6	0.2668	74750	1.3078
Between 20001 to 30000	5	0.2223	126350	2.2106
Between 30001 to 50000	3	0.1334	105230	1.841
Between 50001 to 100000	5	0.2223	373620	6.5367
100001 and above	2	0.0889	4432440	77.5476
<b>Total</b>	<b>2249</b>	<b>100.00</b>	<b>57,15,770</b>	<b>100.00</b>

## 10. Shareholding Pattern as on March 31, 2020

Cat. Code	Category of Shareholder	Total No. of Shares held	% Share Holding
A.	Shareholding of Promoter and Promoter Group		
1	Indian	427406	74.78
(a)	Individuals / Hindu Undivided Family	-	-
(b)	Central Govt. / State Govt.	-	-
(c)	Bodies Corporate	-	-
(d)	Financial Institutions / Banks	-	-
(e)	Any other	-	-
	Sub Total – A(1)	427406	74.78
2	Foreign		
(a)	Non Resident Individuals / Foreign Individuals	-	-
(b)	Bodies Corporate	-	-
(c)	Institutions	-	-
(d)	Any other	-	-
	Sub Total A(2)	-	-
	<b>Total Shareholding of Promoter Group</b>	<b>427406</b>	<b>74.78</b>

<b>Cat. Code</b>	<b>Category of Shareholder</b>	<b>Total No. of Shares held</b>	<b>% Share Holding</b>
(B)	Public Shareholding		
1	Institutions	-	-
(a)	Mutual Funds / UTI	-	-
(b)	Financial Institutions / Banks	7243	1.27
(c)	Central Govt. / State Govt.	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	154	0.03
(f)	Foreign Institutional Investors	-	-
(g)	Foreign Venture Capital Investors	-	-
(h)	Any other	-	-
(h1)	NRI Banks	-	-
	Sub Total B(1)	7397	1.30
2	Non Institutions		
(a)	Individuals		
(a1)	Individuals-shareholders holding normal Share Capital up to Rs. 2 Lac	128062	22.41
(a2)	Individuals-shareholders holding normal Share Capital in excess of Rs. 2 Lac	-	-
(b)	NBFCs Registered with RBI	-	-
(c)	Employee Trusts	-	-
(d)	Overseas Depositories (holding DRs)	-	-
(c)	Any other (specify)		
(c1)	NRI	59	0.01
(c2)	NRN	-	-
(c3)	Clearing Member	-	-
(c4)	Directors/ Relatives	-	-
(c5)	Trust	-	-
(c6)	Hindu Undivided Family	5961	1.04
(c7)	Bodies Corporate	2692	0.47
	Sub Total B(2)	136774	23.93
	<b>Total Public Shareholding B(1) + B(2)</b>	<b>144171</b>	<b>25.23</b>
C	Shares held by Custodians and against which Depository receipts have been issued	-	-
	<b>Grand Total</b>	<b>571557</b>	<b>100.00</b>

**Declaration regarding affirmation and Compliance of Code of Business Conduct and Ethics**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2020.

On behalf of Board

**Milan Dalal**

Chairman  
(DIN:00062453)

Place: Mumbai  
Date: 25<sup>th</sup> August, 2020

**ANNEXURE TO CORPORATE GOVERNANCE REPORT****CEO/ CFO Certification under Regulation 17(8) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

We, the undersigned, in our respective capacity as Whole Time Director and Chief Financial Officer of MPIL Corporation Limited, to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2020 and that to the best of our knowledge and belief, we state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2020 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
- (i) there has not been any significant changes in internal control over financial reporting during the year;
  - (ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) there has not been any instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai,  
Date: 29<sup>th</sup> June, 2020

**Veena Dalal**  
Whole Time Director  
(DIN 00062873)

**Deepak Sheth**  
Chief Financial Officer

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined the compliance of conditions of Corporate Governance by MPIL CORPORATION LIMITED ("the company") for the year ended March 31, 2020 as stipulated in Clause 34 and Schedule IV (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In my opinion and to the best of our information and according to the explanations given to us and based on the representations given by the management of the Company, we verify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We 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 M D PANDYA & ASSOCIATES**  
**Chartered Accountants**  
Reg. no. 107325W

**A. D. PANDYA**  
**Partner**  
Membership No.: 033930

Place: Mumbai  
Date: 29<sup>th</sup> June, 2020

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of MPIL CORPORATION LIMITED.**

**Report on the Audited Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **MPIL CORPORATION LIMITED** which comprises of Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss, Statement of changes in equity and the Cash Flow Statement for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ( hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the Standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies ( Indian Accounting Standards) Rules 2015 as amended , ('Ind AS') and other accounting principles generally accepted in India, of state of affairs of the Company as at March 31, 2020 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Information Other than the Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors are responsible for the other information. The other information comprises of the information included in the Board's Report including Annexures to the Board's report, Management Discussion and Analysis Report and Business Responsibility Report but does not include Standalone financial statements and our report thereon.

Our opinion on the Standalone financial statements does not cover the information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during course of our audit or otherwise appears to be materially misstated.

If, based on the work we performed, we conclude that there is a material misstatement of the other information , we are required to report the fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND As and other accounting principles generally accepted in India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



## Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 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 Section (11) of section 143 of the Act (hereinafter referred to as the "Order") and on 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 a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought 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 appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss Account and Cash Flow statement and the statement in Changes in Equity dealt with by this report are in agreement with the relevant books of account;

- d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors, as on 31st March, 2020, and taken on record by the Board of Directors, we  
Report that none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we refer to our separate Report in "Annexure B ". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rule 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations on its financial position its standalone financial statements ;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M D PANDYA & ASSOCIATES**  
**Chartered Accountants**  
Reg. no. 107325W

**A. D. PANDYA**  
**Partner**  
Membership No.:033930

Mumbai,  
Dated : 29<sup>th</sup> June, 2020.

**ANNEXURE A TO IN TO THE INDEPENDENT AUDITORS' REPORT OF THE EVEN DATE ON THE IND AS FINANCIALS STATEMENTS OF MPIL CORPORATION LIMITED**

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- i. b. The Fixed Assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- i. c. The title deeds of immoveable properties taken on lease are held in the name of the company.
- ii. The Company does not have inventory, therefore Para 3 (ii) of the Order are not applicable to the Company.
- iii. a. During the year the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act, therefore Para 3(iii) of the order is not applicable to the Company.
- iv. According to the information and explanation to given to us the company has complied with the provisions of section 185 & 186 of the Companies Act, 2013 in respect of loans given and investments made by it.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year and the provisions of Sections 73 to 76 are not applicable and hence reporting under clause 3 (v) of the Order is not applicable.
- vi. The Central Government has not prescribed maintenance of Cost Records under Section 148 of the Act.
- vii. According to the information and explanations given to us in respect of statutory dues :
  - a. The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income tax, Goods and Services, Value Added tax and material statutory dues applicable to it to the appropriate authorities.
  - b. There were no undisputed statutory dues payable in respect of Provident Fund, Income tax, Goods and Services, Value Added tax and material statutory dues in arrears as at 31<sup>st</sup> March, 2020 for a period more than six months from the date they became payable.
  - c. There are no dues in respect Provident Fund, Employee's State Insurance, Income tax, Value Added tax, Wealth tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues which have not been deposited as at 31<sup>st</sup> March, 2020 on account of any dispute with the relevant authorities.
- viii. In our opinion and according to the information and explanations given to us. the Company has not defaulted in the repayment of loan to bank. The Company has not taken any loan or borrowing from financial institution, government or debenture holders.
- ix. The company has not raised funds by way of public issue/ follow-on offer (including debt instruments) during the year and has not taken any term loans. Therefore clause 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company. Therefore the clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed in the Ind AS financial statements are required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xv. According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with Directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For **M D PANDYA & ASSOCIATES**  
**Chartered Accountants**  
Reg no ; 107325W

**A. D. PANDYA**  
**Partner**  
Membership No.:033930

Mumbai,  
Dated : 29<sup>th</sup> June, 2020

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

Referred to Para 2(f) of the Independent Auditors; Report of even date to the members of the Company on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2020.

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **MPIL CORPORATION LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 Controls Over Financial Reporting issued by the ICAI.

For **M D PANDYA & ASSOCIATES**  
**Chartered Accountants**

**A. D. PANDYA**  
**Partner**

Membership No.:033930

Mumbai,  
Dated: 29<sup>TH</sup> June, 2020

**BALANCE SHEET AS AT 31st MARCH, 2020**

Particulars	Note	As at March 31, 2020 ₹	As at March 31, 2019 ₹
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant and equipments	2	<b>16,663,647</b>	14,992,188
(b) Other non current assets	3	<b>152,508,763</b>	110,939,823
Total non current assets		<b>169,172,410</b>	125,932,011
<b>Current assets</b>			
Financial assets			
(a) Current Investments		<b>12,318,000</b>	12,881,740
(b) Cash and Cash equivalents		<b>202,847</b>	617,060
(c) Short Term Loans and Advances		<b>38,147,000</b>	63,983,186
Other Current Assets	7	<b>796,833</b>	582,969
Total current assets		<b>51,464,680</b>	<b>78,064,955</b>
<b>TOTAL</b>		<b>220,637,090</b>	203,996,966
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	8	<b>5,715,770</b>	5,715,770
(b) Other Equity	9	<b>145,139,936</b>	142,471,099
Total Equity		<b>150,855,706</b>	148,186,869
<b>Non Current Liabilities</b>			
Borrowings : Vehicle loan from bank		<b>2,463,842</b>	-
<b>Current Liabilities</b>			
(a) Trade Payables		-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises.	10	<b>2,461,616</b>	3,038,796
(b) Other Financial Liabilities	11	<b>63,829,273</b>	51,873,283
(c) Short Term Provisions	12	<b>1,026,653</b>	898,018
Total Current Liabilities		<b>67,317,542</b>	<b>55,810,097</b>
<b>TOTAL</b>		<b>220,637,090</b>	203,996,966
Summary of Significant Accounting Policies	1	-	
Notes 1-26 form an integral part of the Financial Statements			

As per our attached report of even date

**For M D Pandya & Associates**  
Chartered Accountants  
Firm Registration No. 107325W

**For and on behalf of Board of Directors**

**Atul Pandya**  
Partner  
Membership No. 033930

**Milan Dalal**  
Chairman  
(DIN 00062453 )

**Veena Dalal**  
Whole time Director  
(DIN 00062873 )

**Keshav Jetsey**  
Director  
(DIN 07491995)

**Deepak Sheth**  
Chief Financial Officer

Place : Mumbai  
Date: 29.6.2020

**Hinal Kothari**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020**

Particulars	Note	As at	As at
		March 31, 2020	March 31, 2019
		₹	₹
Other Income	13	<b>21,551,292</b>	13,834,019
<b>Total Revenue</b>		<b>21,551,292</b>	13,834,019
Employee Benefits Expense	14	<b>3,788,094</b>	4,801,907
Finance charges	15	<b>3,871,802</b>	2,536,862
Depreciation	2	<b>769,379</b>	462,952
Other Expenses	16	<b>8,219,552</b>	4,154,934
<b>Total expenses</b>		<b>16,648,827</b>	11,956,655
<b>Profit / (Loss) for the year</b>		<b>4,902,465</b>	1,877,364
<b>Tax Expenses</b>			
<b>Current Tax</b>		<b>1,200,000</b>	360,000
- Adjustment for Tax of previous years		-	-
<b>Profit/(Loss) for the year</b>		<b>3,702,465</b>	1,517,364
Earning per equity share of ₹10 each			
Basic & Diluted	19	6.48	2.65
Notes 1-26 form an integral part of the Financial Statements			

As per our attached report of even date

**For M D Pandya & Associates**  
**Chartered Accountants**  
 Firm Registration No. 107325W

**For and on behalf of Board of Directors**

**Atul Pandya**  
 Partner  
 Membership No. 033930

**Milan Dalal**  
 Chairman  
 (DIN 00062453 )

**Veena Dalal**  
 Whole time Director  
 (DIN 00062873 )

**Keshav Jetsey**  
 Director  
 (DIN 07491995)

**Deepak Sheth**  
 Chief Financial Officer

Place : Mumbai  
 Date:29.6.2020

**Hinal Kothari**  
 Company Secretary



**CASH FLOW STATEMENT FOR THE ENDED MARCH 31, 2020**

Particulars	Year ended March 31, 2020 ₹	Year ended March 31, 2019 ₹
<b>A. Cash Flow from Operating Activities</b>		
Profit/(Loss) before tax	4,902,465	1,877,364
<u>Non-Cash Adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation	769,379	462,952
Profit on Sale of fixed assets	-9,493,312	-
Net Gain on Financial Asset Remeasured at FVPL	2,408,305	-
Interest Income	-12,774,302	(12,506,161)
<b>Operating Profit/(Loss) before Working Capital changes</b>	<b>-14,187,465</b>	<b>(10,165,845)</b>
<b>Movements in working capital:</b>		
Increase/(Decrease) in Trade Payables	-577,180	(1,902,788)
Increase/(Decrease) in Short-Term Provisions	128,635	(2,219,575)
Increase/(Decrease) in Other Current Liabilities	11,955,990	50,953,038
(Increase)/Decrease in Long-Term Loans and Advances	-41,568,940	(45,255,504)
(Increase)/Decrease in Short-Term Loans and Advances	25,836,186	9,146,094
(Increase)/Decrease in Other Current Assets	-213,864	(372,076)
<b>Cash used in Operating Activities</b>	<b>-18,626,638</b>	<b>183,344</b>
Direct taxes paid/(refund)	1,200,000	360,000
<b>Net Cash used in Operating Activities (A)</b>	<b>-19,826,638</b>	<b>(176,656)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Current Investments	-1,844,565	-
Proceeds from sale of Current Investments	-	(10,430,275)
Sale of Fixed assets	10,500,000	-
Purchase of Fixed Assets	-3,447,524	(1,619,161)
Interest Received	12,774,302	12,506,161
<b>Net Cash generated from Investing Activities (B)</b>	<b>17,982,213</b>	<b>456,725</b>
<b>C. Cash Flow from Financing Activities</b>		
<b>Vehicle loan</b>	<b>2,463,842</b>	<b>-</b>
<b>Dividend paid</b>	<b>-1,033,628</b>	<b>1,033,628</b>
<b>Net Cash used in Financing Activities (C)</b>	<b>1,430,214</b>	<b>1,033,628</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>-414,213</b>	<b>(753,559)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>617,060</b>	<b>1,370,619</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>202,847</b>	<b>617,060</b>

**Notes:**

- The above Cash Flow Statement has been prepared by using the Indirect Method as set out in Ind AS-7 - Statement of Cash Flows.
- Previous year's figures have been regrouped/reclassified, wherever necessary.

As per our attached report of even date

**For M D Pandya & Associates**  
**Chartered Accountants**  
 Firm Registration No. 107325W

**For and on behalf of Board of Directors**
**Atul Pandya**  
 Partner  
 Membership No. 033930

**Milan Dalal**  
 Chairman  
 (DIN 00062453 )

**Veena Dalal**  
 Whole time Director  
 (DIN 00062873 )

**Keshav Jetsey**  
 Director  
 (DIN 07491995)

**Deepak Sheth**  
 Chief Financial Officer

 Place : Mumbai  
 Date: 29.6.2020

**Hinal Kothari**  
 Company Secretary

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020**

**A EQUITY SHARE CAPITAL**

Particulars	Note	Amount
<b>As at 1st April , 2018</b>		5,715,770
Movements during the year		-
<b>Balance as at 31st March, 2019</b>		5,715,770
Movements during the year		-
<b>Balance as at 31st March, 2020</b>		5,715,770

**B OTHER EQUITY**

Particulars	Note	Security Premium	Revaluation reserve	Retained Earnings
<b>Balance as at 1st April, 2018</b>		109,258,475	13,090,574	19,638,314
Add: Other Comprehensive Income		0	0	0
<b>Balance as at 1st April, 2018</b>		109,258,475	13,090,574	19,638,314
Depreciation on revalued assets transferred		-	-373,468	373,468
Add: Profit for the year		0	0	1,517,364
Less: Dividend				1,033,628
<b>Balance as at 31st March , 2019</b>		109,258,475	12,717,106	20,495,518
Depreciation on revalued assets transferred		-	-373,468	373,468
Add: Profit for the year		-	0	3,702,465
Less: Dividend				1,033,628
<b>Balance as at 31st March , 2020</b>		109,258,475	12,343,638	23,537,823

Notes form Integral part of these Financial Statements

As per our attached report of even date

**For M D Pandya & Associates**  
**Chartered Accountants**  
 Firm Registration No. 107325W

**For and on behalf of Board of Directors**

**Atul Pandya**  
 Partner  
 Membership No. 033930

**Milan Dalal**  
 Chairman  
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**Veena Dalal**  
 Whole time Director  
 (DIN 00062873 )

**Keshav Jetsey**  
 Director  
 (DIN 07491995)

**Deepak Sheth**  
 Chief Financial Officer

Place : Mumbai  
 Date:29.6.2020

**Hinal Kothari**  
 Company Secretary

## Notes forming Integral Part of Financial Statements

### Note 1:

#### Company Information

MPIL Corporation Limited ("the Company") was established in 1959 under the Companies Act, 1956 as Mather Greaves Private Limited. In 1979, the name of the Company was changed to Mather and Platt (India) Limited and in 2006, the name of the Company was again changed to MPIL Corporation Limited. The Company is registered in Mumbai (Maharashtra) under registration No.L74299MH1959PLC163775. The registered office of the Company is at Udyog Bhavan, 2nd Floor, 29 WalchandHirachandMarg, Ballard Estate, Mumbai- 400001. The activities of the company comprise of business support services and leasing.

#### 1A. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### a) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards((Ind-AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (the Rules) issued as amended and notified under Section 133 of the Companies Act, 2013 ( the "Act") and other relevant provision of the act.

##### b) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at re-valued amounts

The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities. All expenses and income to the extent considered payable and receivable, respectively, with reasonable certainty are accounted for on accrual basis.

##### c) Income Tax:

Provision for current tax is made on the basis of relevant provisions of the Income tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual or reasonable certainty that these would be realized in future.

##### d) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft.

##### e) Financial assets:

###### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

###### Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

###### Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Derecognition of financial assets**

A financial asset is derecognised only when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**Income recognition***Interest income*

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

*Dividend*

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**f) Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**g) Financial liabilities:****Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Borrowings**

Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

**Trade and other payable**

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are subsequently measured at amortised cost using the effective interest method.

**Derecognition**

A Financial liability is derecognised when the obligation under the liability is discharged or expires.

## h) Property, Plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and cost can be measured reliably. The carrying amount of any component accounted for as a separate assets is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

### **Depreciation methods, estimated useful lives and residual value**

Depreciation on additions/ deletions to Tangible and Intangible Assets is calculated on pro-rata basis from the month of such additions/ deletions. The Company provides depreciation on straight line method at the rates and manner specified under Schedule II to the Companies Act, 2013.

In respect of re-valued assets, the incremental depreciation attributable to the re-valued amount is transferred from Revaluation Reserve to Surplus.

## i) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

## j) Employee Benefits

### **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined Benefits Plans:

- (a) Gratuity: Provision for Gratuity is made on the basis of actuarial valuation on projected Unit Credit Method as at the end of the year.
- (a) Long term compensated absences: Provision for Leave Encashment is made on the basis of actuarial valuation as at the end of the year.

Actuarial gains/losses at the end of the year accrued to the defined benefit plans are taken to Statement of Profit and Loss for the respective financial year and are not deferred.

## k) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

## l) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

## 1B. Critical Estimates and Judgements

The Preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. This note indicates existence of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different that those originally assessed.

The major areas involving critical estimates or judgements are:

- Estimation of Provisions & Contingent Liabilities
- Estimated useful life of tangible and intangible assets
- Estimation of defined benefit obligation
- Impairment of trade receivables
- Estimated fair value of financial instruments

## Notes Forming Integral Part of Financial Statements

## Note 2 : Fixed Assets

## Tangible Assets

	Gross Block (At Cost / Revalued Amount)			Depreciation / Amortisation			Net Block		
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2019
Buildings*	23,970,406	-	1,790,101	22,180,305	9,429,580	402,459	783,415	9,048,624	13,131,681
	-22,409,735	-1,560,671	-	-23,970,406	-9,026,968	-402,612	-	-9,429,580	-14,540,826
Furnitures & Fixtures & Office Equipments	10,172,135	33,594	-	10,205,729	9,720,773	69,069	-	9,789,842	451,362
	-10,113,645	-58,490	-	-10,172,135	-9,660,433	-60,340	-	-9,720,773	-451,362
Vehicles	-	3,413,930	-	3,413,930	-	297,851	-	297,851	3,116,079
<b>Total</b>	34,142,541	3,447,524	1,790,101	35,799,964	19,150,353	769,379	783,415	19,136,317	16,663,647
<b>Previous Year</b>	32,523,380	1,619,161	-	34,142,541	18,687,401	462,952	-	19,150,353	-14,992,188

## Notes:

- a) \*i) Cost of Buildings includes ₹ 250 (Previous year: ₹ 250) being cost of shares in a co-operative housing society.
- ii) Buildings includes property with a Gross Block 2,06,19,634 and Net Block 1,26,86,338/- the title deed of which is in the erstwhile name of the company.
- b) \* The Company had revalued the Buildings as on March 31, 1993 based on independent Valuer's report and the net increase was credited to Revaluation Reserve Account. The revalued amount of ₹ 22,171,368 (previous year ₹ 22,171,368) stands substituted for historical cost of ₹ 367,340 (previous year ₹ 3,67,340)



**Notes Forming Integral Part of Financial Statements**

	As at March 31, 2020 ₹	As at March 31, 2019 ₹
<b>Note 3 : Other non current assets</b>		
<i>(Unsecured, Considered Good)</i>		
Security Deposit	41,198	16,198
Capital Advances (Refer Note 18 B)	151,125,230	109,468,656
Advance Tax /TDS [Net of provision of ₹ 40,10,000 (Previous Year: ₹ 28,10,000)]	1,342,335	1,454,969
<b>Total</b>	<b>152,508,763</b>	<b>110,939,823</b>
<b>Note 4 : Current Investments</b>		
<b>Investments in Equity (Non Trade and Quoted)</b>		
Foods & Inns Limited		
2,46,360 ( Previous year 71,367) Equity shares of Rs 1/- each fully paid ( includes 1,42,734 bonus shares received during the year)	12,318,000	12,881,740
	12,318,000	12,881,740
Total Investments	12,318,000	12,881,740
<b>Note 5 : Cash and Cash Equivalent</b>		
Cash on hand	58,148	16,301
Balance with banks:		
On current accounts	144,699	600,759
In Fixed Deposits	-	-
<b>Total</b>	<b>202,847</b>	<b>617,060</b>
<b>Note 6 : Short Term Loans and Advances</b>		
<i>(Unsecured, Considered Good)</i>		
Intercompany Deposits	37,970,000	63,703,186
Other Advances	177,000	280,000
<b>Total</b>	<b>38,147,000</b>	<b>63,983,186</b>
<b>Note 7 : Other Current Assets</b>		
Other Receivables	796,833	582,969
<b>Total</b>	<b>796,833</b>	<b>582,969</b>

**Note 8 : Share Capital**

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹	No. of Shares	₹
<b>(I) Authorised</b>				
Equity Shares of ₹ 10 each	25,000,000	250,000,000	25,000,000	250,000,000
<b>Total</b>	<b>25,000,000</b>	<b>250,000,000</b>	<b>25,000,000</b>	<b>250,000,000</b>
<b>(II) Issued, Subscribed and Paid up</b>				
Equity Shares of ₹ 10 each Fully paid up	571,577	5,715,770	571,577	5,715,770
<b>Total</b>	<b>571,577</b>	<b>5,715,770</b>	<b>571,577</b>	<b>5,715,770</b>
<b>(III) Reconciliation of the number of shares outstanding at the beginning and at the end of the year</b>				
Equity Shares				
Shares outstanding at the beginning of the year	<b>571,577</b>	<b>5,715,770</b>	571,577	5,715,770
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	<b>571,577</b>	<b>5,715,770</b>	571,577	5,715,770

**(IV) Rights, preference and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(V) Statement of shareholders holding more than 5 percent shares**

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Milan Dalal	427,406	74.78	427,406	74.78
<b>Total</b>	<b>427,406</b>	<b>74.78</b>	<b>419,606</b>	<b>74.78</b>

	As at March 31, 2020 ₹	As at March 31, 2019 ₹
<b>Note 9 : Other Equity</b>		
<b>Securities Premium Account:</b>		
Balance as per the last financial statement	109,258,475	109,258,475
<b>Sub-Total</b>	<b>109,258,475</b>	<b>109,258,475</b>
<b>Revaluation Reserve:</b>		
Balance as per the last financial statement	12,717,106	13,090,574
Less: Depreciation on revalued assets transferred to Surplus	-373,468	-373,468
<b>Sub-Total</b>	<b>12,343,638</b>	<b>12,717,106</b>
<b>Surplus:</b>		
Balance as per the last financial statement	20,495,518	19,638,314
Add: Net Gain on financial assets	-	-
Depreciation on Revalued assets transferred from Revaluation Reserve	373,468	373,468
Add: Profit for the current year	3,702,465	1,517,364
	24,571,451	21,529,146
Less: Appropriations		
Dividend on Equity shares	857,365	857,365
Tax on dividend	176,263	176,263
	1,033,628	1,033,628
<b>Sub-Total</b>	<b>23,537,823</b>	<b>20,495,518</b>
<b>Total</b>	<b>145,139,936</b>	<b>142,471,099</b>

	As at March 31, 2020 ₹	As at March 31, 2019 ₹
<b>Note 10 : Trade Payables</b>		
- Dues to Micro, Small and Medium Enterprises (Refer Note 24)	-	-
- Dues to Creditors other than Micro Small and Medium enterprises	2,461,616	3,038,796
<b>Total</b>	<b>2,461,616</b>	<b>3,038,796</b>
<b>Note 11 : Other Current Liabilities</b>		
Statutory Dues	721,772	553,434
Security Deposit received	26,250,000	25,500,000
Intercompany deposit received	36,017,123	25,000,000
Others	840,378	819,849
<b>Total</b>	<b>63,829,273</b>	<b>51,873,283</b>
<b>Note 12: Short Term Provisions</b>		
Provision for Income tax ( Net of Advance tax)	-	-
Provision for Employee Benefits: (Refer Note 21)		
- Gratuity	140,936	79,770
- Leave Encashment	135,717	68,248
Other Provisions (Net of Advances)	750,000	750,000
<b>Total</b>	<b>1,026,653</b>	<b>898,018</b>
	As at March 31, 2020 ₹	As at March 31, 2019 ₹
<b>Note 13 : Other Income</b>		
Interest Income	12,774,302	12,506,161
Business Support Services	600,000	600,000
Rent Income	1,040,322	-
Dividend Income	49,272	20,345
Profit on sale of fixed assets	9,493,312	-
Net Gain on Financial Asset Remeasured at FVPL	-2,408,305	700,514
Miscellaneous Income	2,389	6,999
<b>Total</b>	<b>21,551,292</b>	<b>13,834,019</b>
<b>Note 14 : Employee Benefit Expense</b>		
Salaries, Wages and Bonus	3,657,000	4,793,871
Provision for Gratuity and Leave Entitlement	128,635	6,859
Staff Welfare	2,459	1,177
<b>Total</b>	<b>3,788,094</b>	<b>4,801,907</b>
<b>Note 15 : Finance Charges</b>		
Interest paid	3,871,802	2,536,862
<b>Total</b>	<b>3,871,802</b>	<b>2,536,862</b>

	As at March 31, 2020 ₹	As at March 31, 2019 ₹
<b>Note 16 : Other Expenses</b>		
Electricity charges	1,129,455	806,834
Repairs & Maintenance		
-Building	331,988	245,354
-Others	1,240,282	212,543
Rent, Rates & Taxes	365,848	340,329
Vehicle Expenses	136,394	-
Travelling and Conveyance	372,159	457,492
Communication Expenses	104,293	123,170
Legal & Professional Charges	898,700	444,818
Security Service Charges	339,700	138,289
Advertising	42,385	44,220
Annual General Meeting (AGM) Expenses	15,578	10,758
Printing & Stationary	70,905	65,421
Share Listing Fees	300,000	309,000
Auditors' Remuneration (Refer Note 25)	115,000	115,000
Directors' Sitting Fees	165,500	156,500
Share Registrar and Transfer Agent Charges	5,000	20,000
Donation given	1,500,000	-
Miscellaneous Expenses	1,086,365	665,206
<b>Total</b>	<b>8,219,552</b>	<b>4,154,934</b>

**17. Fair Value Measurements**
**a) Financial instrument by category**

	31/3/2020	31/3/2020	31/3/2019	31/3/2019
Particulars	FVPL	Amortised	FVPL	Amortised
Financial assets				
Investment in Mutual funds	-	-	-	-
Investments in Equity shares	1,23,18,000	-	1,28,81,740	-
Cash and Cash equivalents	-	2,02,847	-	6,17,060
Other financial assets	-	3,89,43,833	-	6,45,66,155
<b>Total Financial assets</b>	<b>1,23,18,740</b>	<b>3,91,46,680</b>	<b>1,28,81,740</b>	<b>6,51,83,215</b>
Financial Liabilities				
Trade financial liabilities	-	24,63,842	-	-
Trade payables	-	24,61,616	-	30,38,796
Other financial liabilities	-	6,38,29,273	-	5,18,73,283
<b>Total Liabilities</b>	<b>-</b>	<b>6,87,54,731</b>	<b>-</b>	<b>5,49,12,079</b>

## b) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the accounting standards below:

**Level - 1** Hierarchy includes financial instruments measured using quoted price. This includes mutual funds & listed Equity shares that have quoted price. The mutual funds are valued using the closing NAV and listed equity shares are valued at closing market price on the date of reporting.

**Level - 2** The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

**Level - 3** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### Financial Risk Management

#### Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds and equity shares etc. The Company avoids concentration of credit risk by spreading them over different counter parties which have good credit ratings, good reputation and hence the risk is reduced.

#### Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

#### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

#### Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

#### Currency risk

The company's operations are such that all activities are confined to India only.

## 18 Contingent Liabilities and Commitments not provided for

	March 31, 2020 ₹	March 31, 2019 ₹
<b>A. Contingent Liability</b>		
Claims against the Company not acknowledged as debts regarding claims by:		
– Vendors and Service Providers	<b>79,71,099</b>	79,71,099
<b>Total</b>	<b>79,71,099</b>	79,71,099
The Company's petitions are pending with various Courts against eviction of premises and claims for mesne profits by a landlord of leasehold premises occupied by the Company. Amount not ascertainable as the matter is sub-judice.		
<b>B. Estimated amount of contracts to be executed on Capital account</b>	1,05,00,000	1,05,00,000
Net of advance of ₹14,06,25,230 (Previous year ₹9,89,68,656)*		

\* The above advances includes ₹5,00,000 (P.Y ₹5,00,000), where the Company entered into a Memorandum of Understanding "MoU" with WatumullTrust ("Vendor") on April 12, 2006 for purchase of the office premises at Udyog Bhavan, Ballard Estate, Mumbai. However, the vendor has disputed the MoU. A legal suit has been filed by the Company in February, 2008 against the Vendor in the High Court Judicature of Bombay. The vendor has filed a notice of motion on March 31, 2013 before the Hon. High Court for increase in the rent which is not accepted by the Company in view of the MoU. Amount of rent arrears is not ascertainable as the matter is sub-judice.

The Company's pending litigations comprise mainly claims against the Company, property disputes, proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcomes of these proceedings to have a material impact on its financial statements.

**19. Earnings Per Share (Basic & Diluted) -**

Earnings Per Share is as under:

	March 31, 2020	March 31, 2019
Profit/(Loss) after Tax	37,02,465	15,17,364
Weighted average number of equity shares	571,577	571,577
Nominal value of share	10	10
Basic and diluted Earning per share	6.48	2.65

**20. Deferred Tax**

Deferred Tax Assets arising from timing difference and/or carry forward business loss and unabsorbed depreciation have not been recognised as a matter of prudence and absence of virtual certainty of having sufficient taxable income in future, as the case may be.

**21. Employees Benefit plan**

The Company has determined the liability for Gratuity and Leave Encashment as at March 31, 2020 in accordance with the defined benefit plan :

Defined Benefit plan	Gratuity (Non Funded)		Leave Encashment (Non Funded)	
	March 31, 2020(₹)	March 31, 2019(₹)	March 31, 2020(₹)	March 31, 2019 (₹)
<b>Expenses for the year recognized in the Statement of Profit &amp; Loss included in Note 14)</b>				
Current Service Cost	23,489	15,954	73,287	(8,863)
Interest Cost	6,182	4,954	5,289	5,986
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (Gain)/Loss	31,495	(5,059)	(11,107)	(6,113)
<b>Amount recognized</b>	<b>61,166</b>	15,849	<b>67,469</b>	(8,990)
<b>Liabilities recognized in the Balance Sheet</b>				
Present Value of Obligation as at April 01	79,770	63921	68,248	77,238
Interest Cost	6,182	4,954	5,289	5,986
Current Service Cost	23,489	15,954	73,287	(8,863)
Benefits Paid	-	-	-	-
Actuarial (Gain)/Loss on Obligation	31,495	(5,059)	(11,107)	(6,113)
Present Value of Obligation as on March 31	1,40,936	79,770	1,35,717	68,248
Less: Fair Value of Plan Assets as on March 31	(-)	(-)	(-)	(-)
<b>Amount recognized</b>	<b>140,936</b>	79,770	<b>1,35,717</b>	68,248
<b>Actual Return on Plan Assets</b>	-	-	-	-
<b>Break up of Plan Assets</b>	-	-	-	-
<b>Principal Actuarial Assumptions</b>				
Mortality	LIC (1994-96) Ultimate		LIC (1994-96) Ultimate	
Discount Rate	6.75%	7.75%	6.75%	7.75%
Rate of Increase	8.00%	8.00%	8.00%	8.00%

**22 Segment Reporting**

The Company has not carried out any manufacturing activity during the year and therefore no separate segment reporting is required as per Accounting Standard (AS - 17) – Segment Reporting.



## 23 Related Party Disclosures

a. Parties where control / significant influence exist :

Western Press Private Limited

Food & Inns Limited

b. Group Companies: Nil

c. Key management personnel: Mr. Milan Dalal - Chairman

Mrs. Veena Dalal - Whole time Director

Mr Deepak Sheth Chief Financial Officer

Ms Hinal Kothari – Company Secretary

the list of related parties above has been limited to entities with whom transactions have taken place

Details of Transactions during the year with related parties and balances at year end:

	March 31 2020		March 31, 2019	
	Key Management	Others	Key Management	Others
<b>Transaction during the year</b>				
Directors sitting fees	165,500	-	156,500	-
Printing & Stationery	61,568	-	61,568	-
Reimbursement of expenses	324,914	-	359,728	600,000
Other Income	-	6,00,000	-	-
Remuneration	36,57,000	-	36,26,000	4,09,568
<b>Balance at the year</b>	740	4,09,568	740	-
Trade payables	-	2,55,00,000	-	2,55,00,000
Other current liabilities				

24. In the absence of any intimation from vendors regarding the status of their registration under the 'Micro, Small and Medium Enterprises Development Act, 2006' the Company is unable to comply with the disclosures required to be made under the said Act.

## 25 Auditors' Remuneration

	March 31, 2020 (₹)	March 31, 2019 (₹)
Audit Fees	115,000	115,000
Certification and other matters	0	0
Out of pocket expenses	0	0
<b>Total</b>	<b>1,15,000</b>	1,15,000

26 Previous year's figures have been reclassified / regrouped to confirm to this year's classification.

As per our attached report of even date

**For M D Pandya & Associates**

**Chartered Accountants**

Firm Registration No. 107325W

**For and on behalf of Board of Directors**

**Atul Pandya**

Partner

Membership No. 033930

**Milan Dalal**

Chairman

(DIN 00062453 )

**Veena Dalal**

Whole time Director

(DIN 00062873 )

Place : Mumbai

Date: 29.06.2020

**Keshav Jetsey**

Director

(DIN 07491995)

**Deepak Sheth**

Chief Financial Officer

**Hinal Kothari**

Company Secretary



**COURIER / REGISTERED POST**

*If undelivered, please return to:*

**MPIL Corporation Ltd.**

Registered Office:

Udyog Bhavan, 2<sup>nd</sup> Floor, 29 Walchand Hirachand Marg,  
Ballard Estate, Mumbai - 400 001

CIN: L74299MH1959PLC163775

Tel No.: +022 67476080

Website: [www.mpilcorporation.com](http://www.mpilcorporation.com)