

DIRECTORS' REPORT

Dear Members,

Your Directors present their 6th Annual Report and the Company's Audited Accounts for the financial year ended March 31, 2023.

FINANCIAL RESULTS:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales and other Income	1,592,193,261	1,426,183,036
Expenses	1,616,025,047	1,416,822,950
Profit for the year before tax	(23,831,786)	9,360,087
Less: Tax Expense		
- Current tax	-	1,460,174
- Deferred Tax	19,020,492	5,166,677
- Previous Tax	(472,017)	
Profit After Tax	(42,380,261)	2,733,236
Earnings per share	(90.41)	5.83

DIVIDEND AND RESERVES:

The Board of Directors have not recommended any amount to be paid by way of dividend for FY 2022-23. Amounts transferred to reserves are detailed in the notes to accounts.

OPERATIONS:

Sales and other income of the company during the year under review is Rs. 1,592,193,261/- (Previous year Rs. 1,426,183,036/-) and Loss after tax for the year was Rs. (42,380,261)/- (Previous year profit Rs. 2,733,236/-)

SHARE CAPITAL:

The paid-up Equity Share Capital as on 31st March, 2023 was **Rs. 46,876,800/-** having 468,768 equity shares of Rs. 100/- each. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

DEPOSITS:

During the year under review the Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance or Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the current financial year, the Company has not given any Loan, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013.

HUMAN RESOURCES:

The Company lays a lot of emphasis in the training and development of skills of human resources. The Employees include executives, skilled / semi-skilled staff, probationers, trainees, apprentices, and employees under contract. Industrial relations throughout the year continued to remain cordial.

JOINT VENTURE, SUBSIDIARIES AND ASSOCIATES:

The Company does not have any Subsidiary Company or Associate Company. The Company continues to be a wholly owned subsidiary of Mitsubishi Chemical Corporation, Japan.

VIGIL MECHANISM:

The Company has not established a Vigil Mechanism Committee as it is not applicable to the Company as per section 177(9) of the Companies Act, 2013.

ANNUAL RETURN:

The Annual Return in Form MGT-7 for the financial year ended 31st March, 2023, is available on the website of the Company at www.mcpp-india.com.

PARTICULARS ON CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to the Conservation of Energy, Technology Absorption as per Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in **Annexure 1** to this report.

RELATED PARTY TRANSACTIONS:

The transactions entered into with related parties during the financial Year were in the ordinary course of business and on an arm's length pricing basis as defined under the Companies Act, 2013 and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company. Details of the transactions on arm's length basis are attached as **Annexure 2**.

DIRECTORS:

The Board of Directors is duly constituted as per the provisions of The Companies Act, 2013.

DETAILS OF APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, the changes in the composition of the Board of Directors were in compliance with the provisions of the Companies Act, 2013. The changes were as follows:

Appointment of Mr. Franck Olivier Roger Ruel (DIN 09759134) as Additional Director on 01/12/2022.

Regularization of Mr. Shintaro Yajima (DIN 09496357) & Mr. Norihiko Sumihiro (DIN 09507149) as Directors on 12/08/2022.

Resignation of Mr. Hiroki Matsuo and Mr. Tomohiko Ogata as directors on 31/07/2022 and 01/04/2022 respectively.

MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors held 4 meetings during the year under review. The dates are as follows: 26-05-2022, 29-07-2022, 16-11-2022, 08-03-2023.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013, with respect to the Directors' responsibility statement, it is hereby confirmed that

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departure.
- b. The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The directors had prepared the annual accounts on a going concern basis; and
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company is not required to have Independent Directors.

SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY' OPERATION:

To the best of our knowledge, the Company has not received any such orders from Regulations, Courts or Tribunals during the year, which may impact the going concern status or the Company's operations in future.

STATUTORY AUDITORS:

Pursuant to the Section 139, 142 and other applicable provisions of the Companies Act 2013, the Board of Directors appointed M/s Udyen Jain & Associates, Chartered Accountants, Pune (Firm Reg No. 116336W) as a Statutory Auditors of the Company for a period of 5 years from conclusion of the Annual General Meeting held in 2019 till the conclusion of the Annual General Meeting to be held in the year 2024.

AUDITORS QUALIFICATION:

Observations, if any, made by the Auditors in their reports read with relevant notes as given in the Notes on Accounts annexed to the Accounts, are self-explanatory and therefore do not call for any further comments under Section 134(3)(f) of the Companies Act, 2013.

EXPLANATION OR COMMENTS ON AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks or disclaimer made by the statutory auditors in their audit report. Secretarial audit is not applicable to the Company.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

The Auditors of the Company have not reported any frauds under Sub-section (12) of Section 143.

COST RECORD AND/OR COST AUDIT

The Company has to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Consequently, the Company has maintained cost records and has appointed M/s Rahul Ganesh Duggal & Co, as Cost Auditors of the Company for F.Y. 2022-23. It is proposed to re-appoint M/s Rahul Ganesh Duggal & Co as Cost Auditors of the Company for F.Y. 2023-24

INTERNAL FINANCIAL CONTROL

The Company has adequate internal financial control with reference to Financial Statements. The Board reviews the internal control systems with the management and Statutory Auditors.

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

During the year under review, no complaints/grievances were filed for sexual harassment and there are no pending cases.

CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there has been no change in the nature of business of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of CSR are not applicable to the Company since it does not meet the threshold limits as specified in the Act.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There were no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

RISK MANAGEMENT POLICY

The Company has adopted a risk management policy to set a mechanism to identify, monitor and mitigate various risks. The risks would be addressed by the Board and they will periodically review the adequacy and effectiveness of the policy.

ACKNOWLEDGEMENTS:

The Directors would like to thank all clients, Bankers for the un-stinted support received from them during the year. The Directors would also like to place on record their appreciation for the dedicated efforts and services put in by the employees of the Company.

<p>For and on behalf of the Board MCPP India Private Limited</p> <p>Noriyasu Nishina Managing Director DIN: 08689105 Place: Mumbai Date:</p>	<p>For and on behalf of the Board MCPP India Private Limited</p> <p>Paresh Mehta Director DIN: 00141586 Place: Mumbai Date:</p>
---	--

ANNEXURE - 1

Information under Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy: NIL
- (ii) the steps taken by the company for utilizing alternate sources of energy: The company has installed solar system in its plant.
- (iii) the capital investment on energy conservation equipment's: NIL

(B) Technology absorption-

- (i) the efforts made towards technology absorption: NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL
- (iv) the expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

Rupees in Crores

Particulars	2022-23	2021-22
Total Foreign Exchange Received (F.O.B. Value of Export)	2.34	2.40
Business Support Services	1.69	1.03
Total Foreign Exchange used:		
i) Raw Materials	63.49	40.88
ii) Consumable Stores	Nil	Nil
iii) Capital Goods	Nil	0.01
iv) Foreign Travels	Nil	Nil
v) Others	1.80	3.70

<p>For and on behalf of the Board MCPP India Private Limited</p> <p>Noriyasu Nishina Managing Director DIN: 08689105 Place: Mumbai Date:</p>	<p>For and on behalf of the Board MCPP India Private Limited</p> <p>Paresh Mehta Director DIN: 00141586 Place: Mumbai Date:</p>
---	--

ANNEXURE – 2

FORM AOC-2

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

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.

Details of Contracts or arrangement or transactions not at arm's length basis

There were no contracts or arrangements, or transactions entered into during the year end 31st March, 2023, which were not at arm's length basis.

Details of Contracts or arrangement or transactions at arm's length basis:

Name of party and nature of contracts/arrangements / transactions	Nature of Relationship and Salient Terms of Transaction	Duration	Amount (Rs. in Lakhs)
MITSUBISHI CHEMICAL INDIA PVT LTD	Common Director		49.55
Availing of Business Support Services			22.48
Providing of Support Services			27.07
WELSET PLAST EXTRUSIONS PVT LTD	Common Director		44.46
Purchase of Raw Materials			43.93
Sales of Goods			0.53

<p>For and on behalf of the Board M CPP India Private Limited</p> <p>Noriyasu Nishina Managing Director DIN: 08689105 Place: Mumbai Date:</p>	<p>For and on behalf of the Board M CPP India Private Limited</p> <p>Paresh Mehta Director DIN: 00141586 Place: Mumbai Date:</p>
---	--