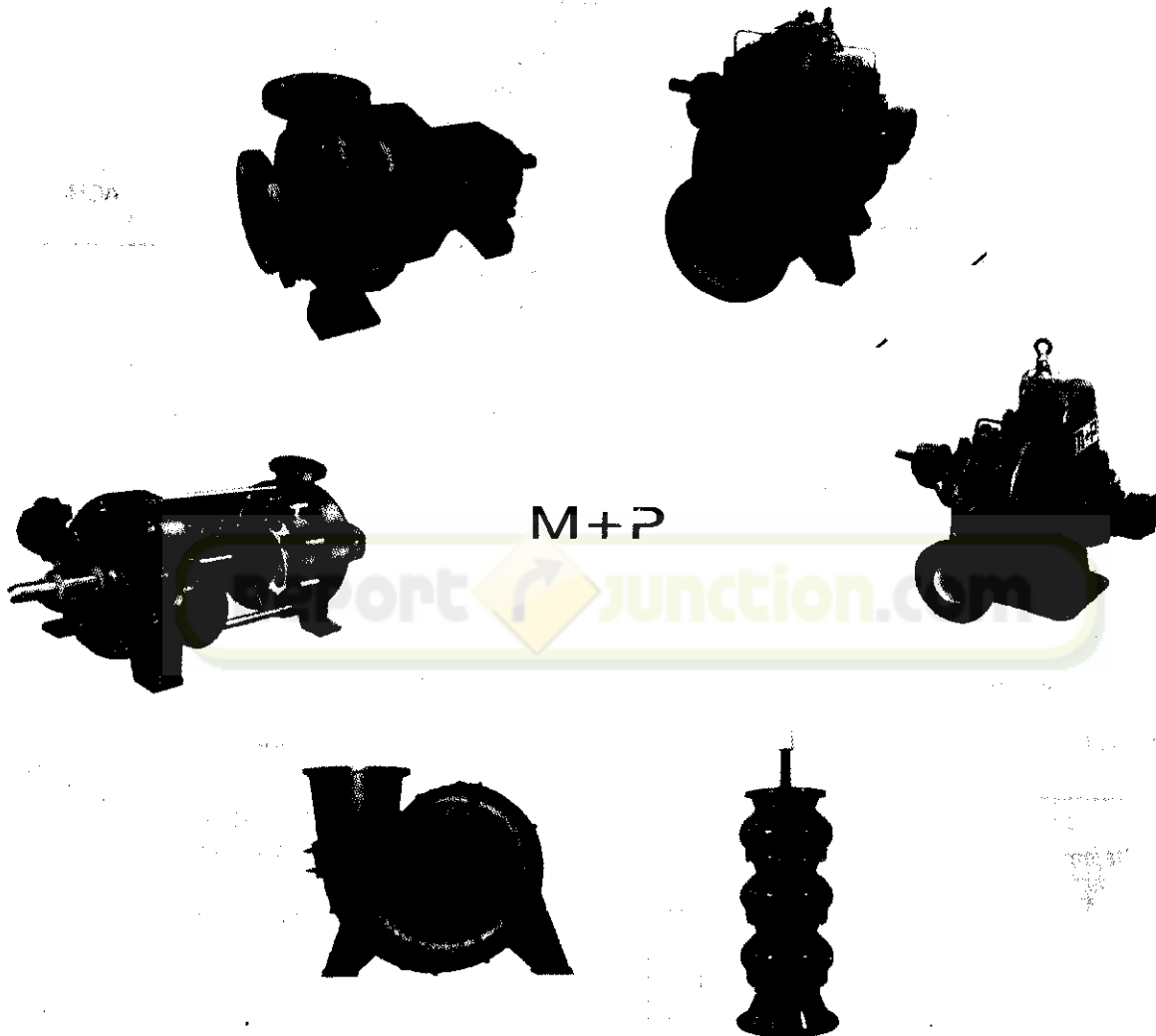




MEMBER JUMBO GROUP

**Mather+Platt**



## **MATHER AND PLATT (INDIA) LIMITED ANNUAL REPORT 1999-2000**

<b>CHAIRMAN</b>	M. R. CHHABRIA
<b>MANAGING DIRECTOR</b>	SATISH G. PILLAI
<b>DIRECTORS</b>	R. A. SHAH KOMAL C. WAZIR Y. C. LUMBA SURESH DADLANI
<b>AUDITORS</b>	LODHA & COMPANY
<b>SOLICITORS</b>	CRAWFORD BAYLEY & CO. KANGA & CO.
<b>BANKERS</b>	THE UNITED WESTERN BANK LTD. RUPEE CO-OPERATIVE BANK LTD.

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Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, as the practice of distributing copies of the Report at the Meeting has been discontinued in view of the high cost of paper and printing.

#### **REGISTERED OFFICE**

CHINCHWAD WORKS, MUMBAI PUNE ROAD  
CHINCHWAD (EAST), PUNE - 411 019

#### **CORPORATE OFFICE**

UDYOG BHAVAN, 29, WALCHAND HIRACHAND MARG,  
BALLARD ESTATE, MUMBAI - 400 001

#### **BRANCH OFFICES**

##### **CALCUTTA**

\*Nilhat House, 8th Floor,  
11, R. N. Mukherjee Road, Calcutta - 700 001

\*Wallace House, 4, Bankshall Street,  
Ground Floor, Calcutta - 700 001

##### **DELHI**

Ansal Bhavan, 8th Floor,  
16, Kasturba Gandhi Marg, New Delhi - 110 001

##### **CHENNAI**

Egmore Benefit Society Building,  
13, Flowers Road, Chennai- 600 084

##### **SECUNDERABAD**

Savaria House, 2nd Floor, Plot No. 4,  
Hyderbasti, R. P. Road, Secunderabad - 500 003

#### **FACTORIES**

##### **PUNE, CHINCHWAD WORKS (I)**

Chinchwad Works, Mumbai Pune Road,  
Chinchwad (East), Pune - 411 019

##### **PUNE, CHINCHWAD WORKS (II)**

128/A, Mumbai Pune Road,  
Chinchwad (East), Pune - 411 019

##### **KOLHAPUR**

Kolhapur Foundry Division,  
Gokhul Shirgaon, Kolhapur

Please address all your correspondence regarding Transfers/Change of Address/Dividend and other share matters to our Registrars and Share Transfer Agents :

#### **TATA CONSULTANCY SERVICES**

6, LOTUS HOUSE, SIR VITHALDAS THACKERSEY MARG,  
NEW MARINE LINES, MUMBAI - 400 020  
and **NOT** to the Company to avoid delay.

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# MATHER AND PLATT (INDIA) LIMITED

## NOTICE

NOTICE is hereby given that the Forty-first Annual General Meeting of the members of Mather and Platt (India) Limited will be held as under :

DAY : Saturday

VENUE : Poonam Hotel  
629/3,  
Deccan Gymkhana,  
Shivaji Nagar,  
Pune - 411 004.

DATE : 16th September, 2000

TIME : 12.00 Noon

to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2000, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Y. C. Lumba who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

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

"RESOLVED THAT, pursuant to the provisions of Section 257 of the Companies Act, 1956, Mr. Satish G. Pillai, be and is hereby appointed as Director of the Company, whose term of appointment would be subject to retirement by rotation."

5. To consider and if thought fit, to pass the following resolution, with or without modifications, as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to the provisions of Section 257 of the Companies Act, 1956, Mr. Suresh Dadlani, be and is hereby appointed as Director of the Company, whose term of appointment would be subject to retirement by rotation."

6. To consider and, if thought fit, to pass with or without modification(s), the following as a **Special resolution**:

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended and/or altered as under:

Article 2(1)(1) be and is hereby inserted after the existing Article 2(1) of Articles of Association.

2(1)(1) (1) "Beneficial Owner" means a person whose name is recorded as such with a Depository.

(2) "Bye-laws" means bye-laws made by a Depository under Section 26 of the Depositories Act.

(3) "Clear Days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

(4) "Depositories Act" means The Depositories Act, 1996 including any statutory modifications or re-enactments thereof for the time being in force.

(5) "Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under Sub-Section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

(6) "Member" means the duly registered holder from time to time of the shares of the Company and includes the subscriber to the Memorandum of the Company and also includes every person whose name is entered as a Beneficial Owner in the records of the Depository.

(7) "Office" means the registered office of the Company.

(8) "Participant" means a person registered as such under Section 12(1A) of The Securities and Exchange Board of India Act, 1992.

(9) "SEBI" means the Securities and Exchange Board of India established under Section 3 of The Securities and Exchange Board of India Act, 1992.

(10) "Record" includes the records maintained in the form of books or stored in Computer or in such other form as may be determined by regulations made by SEBI in relation to the Depository Act.

(11) "Regulations" means the regulations made by SEBI.

(12) "Security" means such security as may be specified by SEBI. Words imparting the singular number only, include the plural number and vice versa. Words imparting persons include corporations.

(13) "The Holder" in relation to shares means the member whose name is entered in the register of members as the holder of shares.

Unless the context otherwise requires, words and expressions used and not defined in this Article shall have the same meanings as respectively assigned to them in the Act.

RESOLVED FURTHER THAT "member" as defined in Article 2(1) of Articles of Association be and is hereby deleted.

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## REPORT AND ACCOUNTS 1999-2000

AND RESOLVED FURTHER THAT the following Article 24A be and is hereby inserted after the existing Article 24 in the Articles of Association.

### 24A (a) Dematerialisation of Securities

Notwithstanding anything contained in these Articles the Company shall be entitled to dematerialize its existing Securities, rematerialise its Securities, held in the Depositories and/or offer its fresh Securities in a dematerialized form pursuant to the Depositories Act and the rules framed thereunder, if any.

### (b) Options of holding securities with Depository:

Every person subscribing to or holding securities of the Company shall have the option to hold the securities with a Depository. If a person opts to hold the Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the security.

### (c) Certain sections of the Companies Act not to apply to a Depository:

All Securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

### (d) Rights of Depositories and Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (a) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights as the case may be in respect of the Securities held by it.

(iii) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities, which are held by a Depository.

### (e) Beneficial Owner deemed as Absolute Owner:

Except when ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any Share or where the name appears as the Beneficial Owner of the Security in the records of the Depository, as the absolute owner thereof. The Company shall not be bound to recognize any benami trust or equitable, contingent, future or partial interest in the Security (except where otherwise provided by the Articles) or any right in respect of the Security other than an absolute right thereto, in

accordance with these Articles on the part of any other person whether or not it has express or implied notice thereof, but the Board shall subject to the provisions of the Act, be at its sole discretion to register the Security in the joint names of any two or more persons or the survivor or survivors of them.

### (f) Cancellation of certificates upon surrender by a person:

Upon receipt of Certificate of Securities for dematerialisation in terms of the applicable provisions of appropriate Acts or rules, the Company shall cancel such certificates and substitute in its records, the name of the Depository as the owner in respect of the said Securities and shall also inform the Depository accordingly.

### (g) Option to opt out in respect of any security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company. The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

### (h) Provisions of the Act and Articles to apply to Securities held in the Depository:

All the provisions of the Act and Articles of Association of the Company, particularly the provision relating to joint holding, calls, lien, forfeiture and transfer and transmission of Securities shall also be applicable to securities held in the Depository.

### (i) Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles where securities are dealt with in a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

### (j) Distinctive number of shares held in the Depository:

The Shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provisions relating to progressive numbering shall not apply to the Shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form.

By Order of the Board  
For Mather and Platt (India) Limited

Satish G. Pillai  
Managing Director

Registered Office :  
Mather and Platt (India) Limited  
Chinchwad Works  
Mumbai Pune Road  
Chinchwad (East)  
Pune 411 019  
Dated : 29th June, 2000

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# MATHER AND PLATT (INDIA) LIMITED

## NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member. Proxies in order to be effective must be received at the Company's Registered Office at Chinchwad Works, Mumbai Pune Road, Chinchwad East, Pune-411 019, not less than forty eight hours before the meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business under Item No. 4, 5 & 6 to the Notice is annexed.
3. The Register of Members of the Company shall remain closed for a period of five days during the period from Monday, 11th September, 2000 to Friday, 15th September, 2000 (both days inclusive).
4. Members are requested to notify immediately any change in their address to the Company through the Share Transfer Agents - M/s. TATA CONSULTANCY SERVICES.
5. Members are requested to communicate to TATA CONSULTANCY SERVICES on all matters concerning share transfer at the following address, quoting invariably their folio number in all correspondence:

### Tata Consultancy Services

6, Lotus House,  
Sir Vithaldas Thackersey Marg,  
New Marine Lines,  
Mumbai 400 020.

Mr. Satish G. Pillai shall be deemed to be interested in the passing of the said resolution.

### Item no. 5

Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Suresh Dadlani was appointed as Additional Director of the Company with effect from 29th June, 2000, and his terms comes to an end at on the ensuing Annual General Meeting.

Pursuant to the provisions of Section 257 of the Companies Act, 1956 and Article 133 of the Articles of Association of the Company, a notice along with a deposit of Rs. 500/- has been received from a member proposing the name of Mr. Suresh Dadlani as a Director of the Company at the ensuing Annual General Meeting. The Board recommends his appointment as a Director of the Company.

Mr. Suresh Dadlani shall be deemed to be interested in the passing of the said resolution.

### Item no. 6

The Securities and Exchange Board of India (SEBI) has listed the Company's scrips for compulsory demat trading with effect from 29th January, 2001.

In view of this, it is proposed to amend the Article of Association of the Company, which requires the approval of the Members.

A copy of Memorandum and Article of Association of the Company together with the proposed amendments is available for inspection by the members of the Company at the Registered Office between 11.00 a.m. to 1.00 p.m. on any working day of the Company

None of the Directors are concerned or interested in the passing of the said resolution.

By Order of the Board  
For Mather and Platt (India) Limited

Satish G. Pillai  
Managing Director

**Registered Office :**  
Mather and Platt (India) Limited  
Chinchwad Works  
Mumbai Pune Road  
Chinchwad (East)  
Pune 411 019

Dated : 29th June, 2000

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SUB SECTION(2) OF SECTION 173 OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING.

#### Item no. 4

Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Satish G. Pillai was appointed as Additional Director of the Company with effect from 6th December, 1999, and his terms comes to an end at on the ensuing Annual General Meeting.

Pursuant to the provisions of Section 257 of the Companies Act, 1956 and Article 133 of the Articles of Association of the Company, a notice along with a deposit of Rs. 500/- has been received from a member proposing the name of Mr. Satish G. Pillai as a Director of the Company at the ensuing Annual General Meeting. The Board recommends his appointment as a Director of the Company.

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# REPORT AND ACCOUNTS 1999-2000

## DIRECTORS' REPORT

The Directors are pleased to present the Forty-first Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2000.

### SUMMARISED FINANCIAL RESULTS

	(Rs. in Lacs)	
	Year ended 31.3.2000	Year ended 31.3.1999
Profit before Interest and Depreciation	418	388
Less : Interest	209	181
Depreciation	83	100
Profit before Tax	126	107
Tax Provision	58	65
Profit after Tax	68	42
Balance brought forward from previous year	78	248
Profit available for appropriation	146	290
Proposed Dividend	-	189
Tax on Dividend	-	21
Transfer to General Reserve	-	2
Balance in Profit & Loss Account	146	78

### THE YEAR UNDER REVIEW

The engineering industry in general witnessed a downtrend as a result of recession prevailing in the economy. However, the budget this year has offered several incentives to the infrastructure industries. With a reasonably healthy order book, your Company can look forward to further improvement in its performance in the coming years.

Despite the recession in the industry, the overall performance of the Company has been satisfactory. Though the total income of the Company was lower at Rs. 6327 Lacs as compared to previous year Rs. 6904 Lacs, the net profit after depreciation and provision for tax for the year ended 31st March, 2000 was Rs. 68 Lacs as compared to Rs. 42 Lacs in the previous year.

To fully reap the benefits offered by the continuing liberalisation of the economy and in anticipation of an improvement in the overall performance of the Company, and also to focus attention on the individual business of the Company, it has been proposed to spin off the Fluid Engineering Division and the Fire and Security Engineering Division into separate companies. Members have accorded their approval to the scheme of arrangement. This will help streamline the process of development of the respective businesses.

### DIVIDEND

As per the terms of the Scheme of Arrangement for demerger, the Company cannot pay out any dividend from the profits of the divisions proposed to be demerged. Hence, your Directors regret their inability to declare any dividend for the period ended 31st March, 2000. We do hope our shareholders will understand the situation. The retained profits will be utilised to meet the increased fund requirements for the growth plans.

### EXTRAORDINARY GENERAL MEETING

During the year, the members of the Company have approved the appointment and remuneration of Mr. Satish G. Pillai, as Managing Director of the Company at an Extraordinary General Meeting of the Company held on February 2, 2000. The members have also accorded their approval to the Scheme of Arrangement for the proposed demerger. The Scheme of Arrangement is awaiting the sanction of the High Court as on the date of this report.

### OPERATIONS REVIEW

#### Fluid Engineering Group

Even though major orders were in hand at the beginning of the year, execution could be taken up only during the third and fourth quarters due to the paucity of funds with customers and clients. Towards the last quarter, 17 pumps for the Maharashtra Krishna Valley Development Corporation, were executed. The Company also booked and despatched 137 pumps for GEWS, Iraq. The business focus underwent a change and the Company concentrated on sale of standard pumps, after sales service and spares business. This helped maximise profits of the Company in the last quarter.

Despite the sluggish trends, the Fluid Engineering Division has had a profitable year. The division has booked prestigious orders such as large horizontal split casing pumps for Indian Oil Corporation Ltd. and HMWSSB, fire pumps for EIL-GAIL, pump sets for Bharat Cooking Coal Ltd. etc. Major export orders to Iraq and Thailand were also procured.

The division has also manufactured valves under the technical collaboration with Bopp and Reuther, Germany and the Company is proud to report that these valves are made to international standards.

#### Process Machinery Division

During the year the Process Machinery Division has laid thrust on promotion of exports of its products. Major orders were received from the Atlantic and Holborn - Nigeria. On the domestic front, the division has also received prestigious orders from Indian Oil Corporation Limited and BRIT - Department of Atomic Energy.

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## MATHER AND PLATT (INDIA) LIMITED

The Division has been successfully turned around this year and has recorded a modest operational profit. The Division has also been successful in pruning its operational expenses by almost 25% and this has been one of the major reasons for the turnaround.

### Fire and Security Engineering Division

The Fire and Security Engineering Division has had a successful year of operation wherein notable orders such as PDIL A/c JNPT, Indal, BPCL - LPG plants, DVC, IOCL - Barauni, ITC - Saharanpur, Bongaigaon and Numaligarh Refineries have been booked and executed. The performance of the division has improved substantially over the previous year.

The division continues focus on rationalising its operational overheads and administrative expenses. With the revival of the Power sector, the Company is expecting a reasonably good order book in the coming year. With the growing awareness towards the need for safety, the installation of fire systems is being made mandatory not only in industries but also in public places. The management foresees increased opportunities in this business. A major turnaround in the operations of the division in the forthcoming year is envisaged.

### INDUSTRIAL RELATIONS

Industrial relations continue to be cordial. The Union and the Company have reached a Memorandum of Settlement dated 18th February, 2000.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

As required by the Companies (Disclosure of Particulars in the Report of Board Of Directors) Rules, 1988 the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure "A" to this report.

### FIXED DEPOSITS

The total amount of fixed deposits held by the Company as on 31st March, 2000 was Rs. 580 Lacs from 4495 depositors, and 34 deposits aggregating to Rs. 3.75 Lacs which had matured during the year remained unpaid pending instructions from the depositors. Out of above, 4 deposits aggregating to Rs. 0.59 Lacs have been paid or renewed by the date of this report.

### DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Y. C. Lumba, Director retires by rotation and being eligible offers himself for re-appointment.

During the year, Mather & Platt (II) Ltd., the holding Company, has nominated the names of Mr. M. R. Chhabria and Mrs. Komal Chhabria Wazir pursuant to clause 112 of the

Articles of Association. Mr. M. R. Chhabria and Mrs. Komal Wazir shall not, henceforth, be liable to retire by rotation as per the terms of the said clause.

During the year, Mr. Satish G. Pillai and Mr. Suresh Dadlani have been appointed as Additional Directors. The Board recommends their appointment as Directors of the Company. They will be liable to retire by rotation.

During the year Mr. P. U. K. Menon, and Mr. R. K. Jain ceased to be Directors of the Company.

### DISINVESTMENT IN SUBSIDIARY COMPANY - GILBERT INVESTMENTS LIMITED

During the year, your Company has disinvested its entire holding in the shares of Gilbert Investments Limited and as such, it is no more a Subsidiary of your Company.

### DEMATERIALIZED SECURITIES

Securities Exchanges Board of India vide its circular SMDRP/ POLICY/CIR-/2000, dated 29-05-2000, named the scrips of your Company for compulsory trading as dematerialised securities effective from 29th January, 2001. The Company is taking appropriate steps to comply with the necessary requirements in this regard.

### AUDITORS' REPORT

Relevant notes on accounts are self explanatory and are as per Annexure to the Auditors' Report.

### PERSONNEL

A statement containing the particulars of employees as required by Section 217(2A) of the Companies Act, 1956 and the rules framed thereunder is given in Annexure "B" to this Report.

### AUDITORS

M/s. Lodha & Company, Chartered Accountants, retire as Auditors and have expressed their willingness to hold office, if re-appointed.

### ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to the Government, Financial Institutions, Banks, Depositors, Shareholders and customers for their continued support extended to the Company at all times.

The Directors further express their deep appreciation to all employees for commendable team work, high degree of professionalism and enthusiastic effort displayed by them during the year.

On behalf of the Board of Directors

**Satish G. Pillai**  
Managing Director

**Y. C. Lumba**  
Director

Place : Mumbai  
Dated : 29th June, 2000

**Mather + Platt**

# REPORT AND ACCOUNTS 1999-2000

## ANNEXURE "A" TO THE DIRECTORS' REPORT

Particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31st March, 2000.

### A. CONSERVATION OF ENERGY

Energy Conservation being an ongoing process, the following measures have been undertaken during the year :-

- A programme for redefining the processes on Machine tools by implementation of DNC linking on the CNC machines, has been undertaken to bring about considerable reduction in the downtime and idle time on machines.
- Close monitoring and control of input voltage has also helped in energy saving.
- Continuous efforts are made to bring awareness of energy saving at all quarters through circulars, posters, etc.
- A programme has been launched for identifying areas wherever energy savers could be introduced. Efforts have been made to implement efficient tubes, electronics chokes, sodium vapour lamps, introduce timers for reduction in idle time in air compressors, maximum utilisation of natural lighting through use of transparent roof sheets, using of differential timers for switching ON/OFF yard lighting according to requirement etc.
- The Company is in the process of appointing an energy consultant who will further assist in energy conservation.

### B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

#### 1. Activities

Continuous efforts are being made to improve reliability and quality through in-house R & D efforts. Some of the major efforts have been in the following specific areas :

- The technology transfer under the technical collaboration agreement with Bopp & Reuther, Germany, is under progress.
- A prototype from proposed water pumps range suitable for 10 bar rating is designed to supplement the existing 16 bar pumps.
- A computer software has been designed to streamline technical offers to regional offices.
- An import substitute has been developed for break and lift cylinder for butterfly valves.
- New vertical mixed flow pumps have been developed.

#### 2. Benefits derived

The above referred R & D activities have resulted in :-

- A cost effective range of water handling pumps will be added in existing range of products.
- Accurate and timely response to enquiries and tenders is possible due to the in-house software developed.
- There has been a widening in the range of sewage and vertical pumps.

- Competitive techno-commercial offer is possible with indigenous parts.

### 3. Future plan of action

The future plans include implementation of information/ advantages gained from these activities. It is further planned that projects for continuous improvement of existing products as well as development of new products will be taken up.

The Company is in the process of revamping the existing range of process pumps in order to add several additional features so as to widen the scope of application. Packages for Sugar Industry and Fire pump applications are under development. The Company also proposes to carry out the updation of existing Vertical Turbine Pumps to meet market demands.

### 4. Expenditure on Research and Development

(Rs. in Lacs)

(a) Capital	Nil
(b) Recurring	4.43
(c) Total	4.43
(d) Total R & D expenditure as a percentage of turnover	0.07%

### 5. Technology absorption, adoption and innovation

As already outlined above, assimilation and adoption of technology for the products in all divisions is an ongoing process.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- Activities relating to exports, initiatives taken to increase export, development of new export markets for products and services and export plans:-

The Company continues to lay importance on exports and is continuously engaged in developing new markets. During the year, the Company has effected exports worth Rs. 1030 Lacs to various countries.

- Total foreign exchange used and earned:

(Rs. in Lacs)

	Year ended 31.3.2000	Year ended 31.3.1999
1. Imports - C.I.F. Value of Raw Materials, Components & Spare Parts and Capital Goods.	127.74	448.06
2. (a) Technical knows-how Fees	32.85	17.62
(b) Others	20.33	20.92
3. Dividend remitted to Non-Resident Shareholders	96.40	70.34
4. Earnings in Foreign Exchange Exports - 'F.O.B.' Value	1030.43	1027.51
5. Other Income towards Freight and Insurance.	62.60	63.45

On behalf of the Board of Directors

Satish G. Pillai  
Managing Director

Y. C. Lumba  
Director

Place : Mumbai  
Dated : 29th June, 2000

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# MATHER AND PLATT (INDIA) LIMITED

## AUDITORS' REPORT

TO THE MEMBERS OF  
MATHER AND PLATT (INDIA) LIMITED

We have audited the attached Balance Sheet of **MATHER AND PLATT (INDIA) LIMITED** as at March 31, 2000 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 (hereinafter referred to as the "Act"), we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report have been prepared in compliance with the accounting standards referred to in section 211 (3C) of the Act, to the extent applicable.

(e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note 16 (a) (iii) in Schedule K of the "Significant Accounting Policies and Notes on accounts" regarding payment of excess managerial remuneration of Rs. 7.95 lacs, for which the Central Government's approval is being obtained and read together with note 7 in Schedule K regarding extraordinary/non-recurring items vis-a-vis profit for the year and Note 8 in respect of diminution in the value of long term quoted investments and other notes appearing in the said Schedule and elsewhere in the accounts, give the information required by the Act, in the manner so required and give a true and fair view :-

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2000; and
- ii) in the case of the Profit and Loss account, of the profit of the Company for the year ended on that date.

**For LODHA & COMPANY**  
Chartered Accountants

**N. KISHORE BAFNA**  
Partner

Place : Mumbai  
Date : 29th June, 2000

**Mather + Platt**

# REPORT AND ACCOUNTS 1999-2000

## ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph (1) of our report of even date to the Members of **MATHER AND PLATT (INDIA) LIMITED** on the accounts for the year ended March 31, 2000.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us, we state that :

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. The assets are being verified in accordance with a phased programme designed to cover all assets once in three years. This frequency of verification is considered reasonable, having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a physical verification was conducted and no material discrepancies were noticed between the book records and physical assets. Certain patterns lying with third parties have been verified with reference to confirmation, received from most of the parties.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished goods, raw materials and components, stores & spares and loose tools have been physically verified by the management at reasonable intervals during the year. Stocks in possession and custody of third parties have been verified with reference to confirmations or statements of account or correspondence with third parties and subsequent receipt of goods.
4. In our opinion, the procedures of physical verification of above referred stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. There were no material discrepancies noticed on physical verification of stocks referred to above as compared to book records and the same have been properly dealt with in the books of account.
6. In our opinion and on the basis of our examination of the stock records, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. In our opinion, the rate of interest and other terms and conditions, of loans taken from companies listed in the register maintained under section 301 of the Act and / or to the companies under the same management as defined under section 370 (1B) (non operative) of the Act, are, prima facie, not prejudicial to the interest of the Company. The Company has not taken any loan from firms or other parties listed in the said register.
8. In our opinion, the rate of interest, wherever applicable and other terms and conditions, wherever specified of loans, secured or unsecured, given to companies, firms or other parties listed in the register maintained under section 301 of the Act and /or to the companies under the same management as defined under section 370 (1B) (non operative) of the Act, are, prima facie, not prejudicial to the interest of the Company.
9. The parties to whom loans and advances in the nature of loans have been given by the Company are generally repaying the principal amounts as stipulated from time to time and are also regular in payment of interest, wherever applicable. There are, however, certain cases of loans and advances in the nature of loans (principal amounts since recovered), where no interest is chargeable, according to the terms of the loans and advances concerned (Refer Note 10 (i) and (ii) of Schedule K).
10. In our opinion and according to the information and explanations given to us, having regard to the explanations that in certain cases of purchases where the items are of special nature and hence, quotations are not invited, there is an adequate internal control procedure commensurate with the size of the Company and nature of its business for purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.
11. In our opinion and according to the information and explanations given to us, the transactions of sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rs. 50,000 or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices of such goods, materials, or services or the prices at which transactions for similar goods or services have been made with other parties, wherever applicable. There are no transactions of purchases of goods and materials with such parties during the year.
12. In our opinion and according to the information and explanations given to us, the Company has a regular procedure for the determination of unserviceable or damaged stores, raw materials and finished goods and adequate provisions have been made in the accounts for the loss arising on the items so determined.

**Mather + Platt**