



**MEMBER JUMBO GROUP**

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*Annual Report*  
*2006 - 2007*

**MPIL CORPORATION LIMITED**

[formerly Mather and Platt (India) Limited]

# MPIL CORPORATION LIMITED

## [Formerly Mather and Platt (India) Limited]

### Board of Directors

Ms. Komal Chhabria Wazir

Mr. Sanjeev Jain

Mr. Ravindra K Raje

Mr. G S Nayak

Mr. Hemant Jain

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### Registered Office

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

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### Registrar & Share Transfer Agents

M/s Sharepro Services  
3<sup>rd</sup> Floor, Satam Industrial  
Estate, Cardinal Gracious  
Road, Chakala,  
Andheri (East)  
Mumbai - 400 099

**NOTICE**

**NOTICE** is hereby given that the Forty Eighth Annual General Meeting of the Members of MPIL Corporation Limited [formerly Mather and Platt (India) Limited] will be held on Thursday, 27<sup>th</sup> September 2007 at The All India Plastics Manufacturers' Association, AIPMA House, A-52, Road No.1, M.I.D.C., Marol, Andheri (E), Mumbai – 400 093 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2007 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sanjeev Jain, 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 fix their remuneration.

By Order of the Board of Directors  
**For MPIL Corporation Limited**  
**[formerly Mather and Platt (India) Ltd.]**

**R D MEHTA**  
**Company Secretary**

Registered Office:

Udyog Bhavan, 2<sup>nd</sup> floor,  
29, Walchand Hirachand Marg,  
Ballard Estate, Mumbai - 400 001  
Date : 29th June, 2007.

**NOTES:**

1. The Register of Members/Beneficial Owners and the Share Transfer Registers relating to the Equity Shares of the Company will remain closed from 20<sup>th</sup> September 2007 to 27<sup>th</sup> September 2007 (both days inclusive).
2. **A MEMBER / BENEFICIAL OWNER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
3. Mr. Sanjeev Jain, Director of the Company retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment. As required by Clause 49 of the Listing Agreement with the Stock Exchanges, his brief resume and other details are given as under:  
  
Mr. Sanjeev Jain, aged 45 years, is a Chartered Accountant and has over 21 years' experience at various levels in the field of finance and corporate laws. He is presently on the Board of GWL Properties Limited, Jerom Trading & Investment Ltd., MPIL Corporation Ltd., Orson Video Pvt. Ltd. and Hundwara Finance & Investment Co. Pvt. Ltd. He does not hold any shares in the company as on 31<sup>st</sup> March 2007.
4. Members/Beneficial Owners are requested to notify change of address, ECS mandate and bank details, if any, (a) to their respective Depository Participant in case of shares held in

electronic form and (b) to the Registrar & Transfer Agents, M/s Sharepro Services, at Satam Industrial Estate, 3<sup>rd</sup> floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099, in case of shares held in physical form.

5. Any Member/Beneficial Owner desirous of obtaining any information pertaining to the Accounts may forward such queries in writing to the Finance & Accounts Department at the Registered Office at least 7 days prior to the Meeting in order to enable the Company to keep the information ready to the extent possible.
6. Members/Beneficial Owners or their Authorised Representatives/Proxies are requested to bring their copies of Annual Report at the Meeting.
7. Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate to the Company's Registrar & Transfer Agents, the ledger folios of such accounts, for consolidation of all such shareholdings into one account.
8. Members intending to dematerialise their shareholdings may approach any Depository Participant for opening a Beneficiary Demat Account. For any additional information / clarification, members may contact National Securities Depositories Ltd. or Central Depository Services (India) Ltd.
9. In terms of the provisions of Section 109A read with 109B of the Companies Act, 1956, a Member may nominate, at any time, in the prescribed manner, a person to whom his/her shares in a Company shall vest in the event of his/her death. The prescribed Nomination Form No. is 2B. (Vide Rules 4CCC and 5D of the Companies Central Government's General Rules and Forms, 1956) This form may be sent to the Company Secretary at the Registered Office of the Company, duly completed.

# ANNUAL REPORT 2006 - 2007

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 48<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2007.

## SUMMARISED FINANCIAL RESULTS

	Rs. in Lakhs	
	Year ended 31.3.2007	Year ended 31.3.2006
Other Income	81.07	1697.55
Less: Expenditure	199.50	160.95
Profit/(Loss) before Tax	(118.43)	1536.60
Provision for Taxation		
Current	0.22	134.00
Fringe Benefit Tax	3.11	2.04
	3.33	136.04
Tax Adjustments for earlier years	(22.39)	—
Profit/(Loss) after Tax	(99.37)	1400.56
Profit/(Loss) brought forward from last year	276.71	(1123.85)
Profit/(Loss) carried to Balance Sheet	177.34	276.71

## REVIEW OF OPERATIONS

During the year under review, the Company incurred a Loss of Rs.99.37 lakhs after Tax. The Company has already discontinued its activities relating to design, development, installation and servicing of textile and food machinery.

## DIVIDEND

The Directors do not recommend any dividend for the year under review.

## FIXED DEPOSITS

The Company has not accepted any deposits from the public and does not have any fixed deposits as at the date of the Balance Sheet.

## SUBSIDIARY COMPANY

The Company does not have any Subsidiary Company.

## HOLDING COMPANY

Jumbo Investments Limited (formerly Mather and Platt II Limited) continues to be the Holding Company.

## DIRECTORS

Ms. Vidya M Chhabria, Chairperson, resigned as a Director of the Company on 29<sup>th</sup> June, 2007. The Directors wish to place on record their appreciation of services rendered by the Chairperson for her contribution in the progress and development of the Company during her tenure as Director and Chairperson of the Company.

In accordance with the provisions of the Companies Act, 1956, and the Articles of Association of the Company, Mr. Sanjeev Jain, Director retires by rotation, and being eligible, offers himself for reappointment.

Brief resume of the Directors proposed to be appointed/reappointed, nature of their expertise in specific functional areas and names of Companies in which they hold directorship and membership/chairmanship of Committees of the Board, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are given in the section on Corporate Governance in the Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- in the preparation of Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- the Directors had 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 the financial year ended 31<sup>st</sup> March, 2007 and of the Loss of the Company for that year;
- the Directors had, as far as possible, taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, to the best of their knowledge and ability.
- the Directors had prepared the Annual Accounts on a going concern basis.

## LISTING

The shares of the Company are listed on Bombay Stock Exchange Limited (BSE), Pune Stock Exchange Limited and the Calcutta Stock Exchange Association Limited.

## AUDITORS

M/s Lodha & Company, Chartered Accountants, who hold office upto the conclusion of ensuing Annual General Meeting, have signified their willingness to be reappointed as Statutory Auditors and have confirmed that their reappointment, if made, would be within the prescribed limit under section 224(1-B) of the Companies Act, 1956, and that they are not disqualified for such appointment/reappointment within the meaning of Section 226 of the said Act.

## COMPLIANCE CERTIFICATE

The Company has appointed a full-time Company Secretary w.e.f. 1-7-2006, though as per Section 383A of the Companies Act, 1956, it is not required to have one in view of the paid up capital of the Company being less than Rs. 2 crores.

As per General Circular no. 35/2003 dated 11<sup>th</sup> December 2003 issued by the Dept. of Corporate Affairs, such company which is not required to appoint a Whole-time Company Secretary, but has nevertheless voluntarily employed a Whole-time Company Secretary is not required to obtain a compliance certificate form a Company Secretary in practice. In view of the same, no Compliance Certificate has been obtained by the Company.

**MANAGEMENT DISCUSSION & ANALYSIS****Financial Review:**

During the year under review, the Company recorded Other Income amounting to Rs. 81.07 lakhs primarily on account of interest income. However, the Company was required to settle disputed claims to the tune of Rs. 42.71 lakhs relating to the erstwhile textile and food machinery business and the decretal amount in respect of the differential rent for a tenanted office premises. After making provision for Depreciation and Income Tax, the loss for the year after tax was Rs.99.37 lakhs.

**Outlook:**

The Company has discontinued its activities relating to design, development, installation and servicing of textile and food machinery etc. However, the Company remains committed to fulfilling all its earlier contractual obligations under warranty or otherwise. Given the current boom in the Indian economy, the Company is exploring various opportunities for investment and has appointed a consultant to carry out feasibility studies. The report is awaited.

**Internal Control System:**

The Company has an appropriate system of internal control to ensure that all activities are properly monitored and controlled. The Company ensures adherence to internal control policies and procedures. Internal audit is conducted to review internal controls and operations. The Audit Committee of the Board of Directors also reviews the adequacy of internal control system.

**Human Resource Development:**

Consequent to the Demerger and restructuring of its operations, the Company has rationalized its human resources. Pending finalization of concrete plans for future business, the Company maintains a lean team to maintain the existing assets.

**Cautionary Statement:**

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

**CORPORATE GOVERNANCE**

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report. Certificate from the Auditors of the Company, M/s Lodha & Company, confirming compliance of the conditions of the aforesaid Corporate Governance, is annexed to and forms part of the Directors' Report.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION ETC.**

The provisions of Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption do not apply to the Company.

During the year under review, there were no Foreign Exchange Earnings or Outgo during the year under review.

**PARTICULARS OF EMPLOYEES**

None of the employee of the Company is in receipt of remuneration exceeding the limit prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975. Therefore, the information required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is not applicable to the Company.

**ACKNOWLEDGEMENT**

Your Directors would like to express their gratitude to various government authorities, banks, shareholders and employees for their continued support.

For and on behalf of the Board of Directors

**SANJEEV JAIN**  
Director

**R. K. RAJE**  
Director

Mumbai  
29<sup>th</sup> June, 2007

# ANNUAL REPORT 2006 - 2007

## REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India, the compliances by the Company are as under:

### 1. Company's Philosophy on Corporate Governance

The Company follows sound Corporate Governance practices and believes in ethical business conduct and integrity. The company's philosophy on corporate governance is to attain the highest level of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders including shareholders, employees, government and the lenders. The Board of Directors has adequate number of independent Directors. For effective discharge of its functions and proper deliberations, Board has constituted various business committees from time to time. Adequate disclosures and information are provided to the Board as well as its committees. Active participation of its independent Directors at the Board and Committee Meetings has always been the norm.

### 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:

- The Company had a Non-Executive Chairperson who resigned w. e. f. 29<sup>th</sup> June, 2007. It has an optimum combination of Non Executive and Independent Directors, which is in conformity with the requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges.
- None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the companies in which he/she is a Director. The Directors have made necessary disclosures regarding Committee positions in other public Companies as at March 31, 2007.
- 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 is given below. Other directorships do not include alternate directorships, directorships of private limited companies, directorships in companies registered under Section 25 of the Companies Act, 1956, and in companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Directors	Category	No. of other Directorships	No. of Committees		Attendance	
			Member	Chairperson	Board Meetings	Last AGM (25.9.2006)
Mrs. Vidya M. Chhabria* Chairperson <sup>1</sup>	NED	4	-	-	2	No
Ms. Komal Chhabria Wazir*	NED	3	-	1	1	No
Mr. Sanjeev Jain	NED	2	2	-	4	Yes
Mr. Ravindra K Raje	NED	8	1	-	4	Yes
Mr. G S Nayak*	NED(I)	1	-	1	2	Yes
Mr. Hemant Jain*	NED(I)	1	1	-	2	Yes

Note:

1. Ceased to be Director w.e.f. 29.06.2007, \* Obtained leave of absence for rest of the Board Meetings.

NED – Non Executive Director and NED (I) –Non Executive Independent Director

Brief Resume of the Directors being appointed / reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and the membership of the committee of the Board are furnished hereunder:

- Mr. Sanjeev Jain, aged 45 years, is a Chartered Accountant and has over 21 years' experience at various levels in the field of finance and corporate laws. He is presently on the Board of GWL Properties Ltd., Jerom Trading & Investment Ltd., MPIL Corporation Ltd., Orson Video Pvt. Ltd. and Hundwara Finance & Investment Co. Pvt. Ltd. He does not hold any shares in the company as on 31<sup>st</sup> March, 2007.

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

During the year ended 31<sup>st</sup> March, 2007 the Company has held six meetings of the Board of Directors. The details of the meetings held are as under:

Sr. No.	Date	Board Strength	No. of Directors Present
1	25 <sup>th</sup> April 2006	06	03
2	30 <sup>th</sup> June 2006	06	03
3	29 <sup>th</sup> July 2006	06	02
4	30 <sup>th</sup> October 2006	06	02
5	29 <sup>th</sup> November 2006	06	02
6	31 <sup>st</sup> January 2007	06	03

### 3. Audit Committee

The Audit Committee comprises of three Non-Executive Directors viz., Mr. G S Nayak, Mr. Hemant Jain and Mr. Sanjeev Jain. Mr. G S Nayak an independent Non-Executive Director is the Chairman of the Committee.

Mr. G S Nayak and Mr. Hemant Jain are independent Non-Executive Directors and are practicing Chartered Accountants.

Mr. Sanjeev Jain possesses sound financial and accounting knowledge; he is an associate member of the Institute of Chartered Accountants of India.

Mr. R D Mehta, Company Secretary acts as Secretary to the Audit Committee.

The head of finance function, internal auditors and the representatives of Statutory Auditors were invited to be present at the Audit Committee Meetings.

Attendance of each Member at the Audit Committee meetings held during the year:

Sr. No.	Name	No. of meetings attended
1	Mr. G S Nayak	4
2	Mr. Hemant Jain	4
3	Mr. Sanjeev Jain <sup>1</sup>	1
4	Mr. Ravindra K Raje <sup>2</sup>	0