



MATHER AND PLATT FIRE SYSTEMS LIMITED

Annual Report 2010

MATHER AND PLATT FIRE SYSTEMS LIMITED

Board of Directors

Chairman	Dr. Holger Krasmann
	Mr. Gilbert Faul
	Mr. Prakash Nene
	Mr. Kiran Malhotra
	Mr. Bomi Daruwala
	Mr. Ravindra Pal Bhatia
	Mr. Eike Doelschner (w.e.f. 26.02.11)

Company Secretary

Ms. Manisha Chavan

Auditors

M/s. B S R and Co.,
Chartered Accountants

Bankers

HSBC

Registered & Corporate Office

Mumbai-Pune Road,
Chinchwad, Pune: 411019 (India)

Share Transfer Agent

Sharepro Services (I) Pvt. Ltd.
13 A-B, Samhita Warehousing Complex,
2nd Floor, Near Sakinaka Telephone Exchange,
Andheri Kurla Road, Sakinaka,
Mumbai - 400072, India.

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NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the members of Mather and Platt Fire Systems Limited will be held on Saturday, 30 April 2011 at 11.00 a.m. at Hotel Kalasagar, Plot No. P-4, Mumbai-Pune Road, Kasarwadi, Pune – 411034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31 December 2010 and the Profit and Loss Account for the financial year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravindra Pal Bhatia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Prakash Nene, who retires by rotation and being eligible, offers himself for re-appointment.
4. 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.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT Mr. Eike Doelschner, who pursuant to Section 260 of the Companies Act, 1956 and Article 113 of the Articles of Association of the Company, was appointed as an Additional Director of the Company with effect from 26 February 2011 and holds office upto the date of the 18th Annual General Meeting and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956, proposing his candidature for appointment as a director liable to retire by rotation, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

By the Order of the Board of Directors
For Mather and Platt Fire Systems Limited

Manisha Chavan
Company Secretary

Place : Pune

Date : 26 February 2011

NOTES:

1. The Register of Members/Beneficial Owners and the Share Transfer Registers of the Company will remain closed from Tuesday, 26 April 2011 to Saturday, 30 April 2011 (both days inclusive).
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIS/HER SELF. 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 FORTY-EIGHT HOURS BEFORE THE MEETING.**
3. Information on Directors retiring by rotation and seeking appointment / re-appointment is given in Annexure I hereto.
4. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of items of Special Business is given in Annexure II hereto.
5. Members are requested to notify change of address, if any, (a) to their respective Depository Participant in case of shares held in electronic form and (b) to the Registrar & Transfer Agent, M/s. Sharepro Services (I) Pvt. Ltd., at 13 A-B, Samhita Warehousing Complex, 2nd floor, Near Sakinaka Telephone Exchange, Andheri Kurla Road, Sakinaka, Mumbai - 400 072, in case of shares held in physical form.
6. Members 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.
7. Members or their Authorised Representatives/ Proxies are requested to bring their copies of Annual Report at the meeting.
8. Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate to the Company's Registrar & Transfer Agent, the ledger folios of such accounts, for consolidation of all such shareholdings into one account.
9. 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.

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ANNEXURE I TO THE NOTICE

Name	Mr. Ravindra Pal Bhatia	Mr. Prakash Nene	Mr. Eike Doelschner
Date of Birth	05.04.1952	30.07.1954	30.08.1960
Age (Years)	58	56	50
Qualifications and experience	Mechanical Engineer with 37 years experience in public and private sector companies. Before joining the company, he has worked as the Managing Director of a reputed Company	B. E. (Hons) and Master in Business Administration with 34 years experience in the field of Corporate Strategy, Corporate Finance, Restructuring, M & A and Corporate Affairs at various levels in different organizations in India and abroad.	Mechanical Engineer from University of Allied Science at Friedberg-Germany with 31 years experience in various Companies at various positions in the field of Operation, Quality Management, Information Technology, Production and Logistics. He is presently holding the position of Senior Vice President Submersible and Highflow Pumps at WILO SE, Germany
Directorships held in other companies (excluding foreign companies)	Mather and Platt Pumps Ltd.	Mather and Platt Pumps Ltd.	NIL
Memberships / Chairmanships of Committees in the Company*	Chairman of Shareholders & Investors Grievance Committee	Chairman of Audit Committee and Member of Shareholders & Investors Grievance Committee	NIL
Memberships / Chairmanships of Committees in other companies (excluding foreign companies)*	Member of Shareholders & Investors Grievance Committee – Mather and Platt Pumps Ltd.	Chairman of the Audit Committee and Member of Remuneration Committee – Mather and Platt Pumps Ltd.	NIL
Shareholding in the Company	NIL	NIL	NIL

ANNEXURE II TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SUB-SECTION (2) OF THE SECTION 173 OF THE COMPANIES ACT, 1956 ITEM NO. 4

M/s. B S R and Co, Chartered Accountants, the Statutory Auditors of the Company holds the office of Auditors till the conclusion of this Annual General Meeting. M/s. B S R and Co, Chartered Accountants has expressed their unwillingness to continue as the Statutory Auditors of the Company for the year 2011. The Audit Committee of directors and the Board of Directors at their meeting held on 26 February 2011 have recommended M/s. BSR & Co, Chartered Accountants to be appointed as Statutory Auditors of the Company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting. The Company has received the eligibility certificate from M/s. BSR & Co, Chartered Accountants that their appointment if made, by the Company at the ensuing Annual General Meeting would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

ITEM NO. 5

Pursuant to Section 260 of the Companies Act, 1956 and Article 113 of the Articles of Association of the Company,

Mr. Eike Doelschner has been appointed as Additional Director with effect from 26 February 2011 and holds office upto the date of this Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing candidature of Mr. Eike Doelschner for appointment as director liable to retire by rotation. The brief resume of Mr. Eike Doelschner is given in Annexure I to the notice.

The Board of Directors is of the opinion that the association of Mr. Eike Doelschner will be beneficial to the Company and recommends his appointment as director liable to retire by rotation.

Mr. Eike Doelschner may be considered as interested in the passing of this resolution. No other Director is concerned or interested in this resolution

By Order of the Board of Directors.
For **Mather and Platt Fire Systems Limited**

Manisha Chavan
Company Secretary

Place : Pune
Date : 26 February 2011

DIRECTORS' REPORT

Dear members,

Your directors are pleased to present the 18th Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31 December 2010.

Summarised Financial Results

	(Million INR) Year ended	
	31st Dec. 2010	31st Dec. 2009
Sales & Services	0	0
Other Income	10.38	6.59
Profit / (Loss) before Interest, Depreciation and Tax	7.56	(2.24)
Less: Interest	0.13	0.47
Depreciation	0	0
Profit before Tax	7.43	(2.71)
Provision for Income Tax: Tax expense	1.44	0
Excess provision of income tax for earlier years written back	0	5.67
Profit after Tax	5.99	2.96
Balance Profit / (Loss) brought forward from previous year	(71.44)	(74.40)
Balance in Profit & Loss Account	(65.45)	(71.44)
Net Accumulated Loss carried to Balance Sheet	(65.45)	(71.44)

Review of Operations

As in the previous year, the activities of the Company have been restricted merely to completing the existing projects and recovery of dues. The Company is implementing the Scheme of Arrangement as approved by the Hon'ble High Court, Bombay vide its order dated 30 April 2007. The Second installment of the Scheme was disbursed by the Company during the year.

Dividend

In view of the accumulated losses your directors do not recommend any dividend.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Ravindra Pal Bhatia and Mr. Prakash Nene retire by rotation and being eligible have offered themselves for re-appointment at the ensuing Annual General Meeting.

Mr. Eike Doelschner has been appointed as Additional

Director with effect from 26 February 2011 and holds office upto the conclusion of the 18th Annual General Meeting. The Company has received notice under Section 257 of the Companies Act, 1956, from a member proposing the candidature of Mr. Eike Doelschner for appointment as director liable to retire by rotation. The Board recommends his appointment.

Particulars of Employees

During the year under review the Company did not have any employee falling within the purview of Section 217(2AA) of the Companies Act, 1956.

Directors' Responsibility Statement

In pursuance of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- in the preparation of annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- the directors 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 the financial year ended 31 December 2010 and of the profit of the Company for that financial year;
- the Directors have 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;
- the Directors have prepared the Annual Accounts on a going concern basis.

Conservation of Energy, Research and Development, Technology Absorption etc.

Since the activities of the Company have been restricted merely to completing the existing projects and recovery of dues, there is nothing significant to be mentioned under this head.

There is no foreign exchange earning or outgo during the financial year under review.

Corporate Governance

The report on Corporate Governance pursuant to Clause 49 of the Listing Agreement is annexed hereto as Annexure A.

Management Discussion and Analysis Report

The report on Management Discussion and Analysis

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pursuant to Clause 49 of the Listing Agreement is annexed hereto as Annexure B.

Auditors

M/s. B S R and Co, Chartered Accountants, auditors of the Company will retire at the conclusion of the ensuing annual general meeting. M/s. B S R and Co, Chartered Accountants has expressed their unwillingness to continue as the Statutory Auditors of the Company for the year 2011. The Audit Committee of directors at their meeting held on 26 February 2011 have recommended M/s. BSR & Co, Chartered Accountants to be appointed as Statutory Auditors of the Company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting. The Company has received the eligibility certificate from the M/s. BSR & Co, Chartered Accountants that their appointment if made, by the Company at the ensuing Annual General Meeting would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

The Board of Directors recommends their appointment.

The information and explanation with respect to the remarks in audit report is given hereunder.

Para 10 of the Annexure to the Audit Report;

The accumulated losses of the Company have exceeded 50% of its net worth at the end of the financial year. The Company has incurred cash losses in the current financial year and in the immediately preceding financial year.

Listing

The equity shares of the Company are listed at Bombay Stock Exchange Limited and Pune Stock Exchange Limited. Listing fees for the year 2010-2011 have been paid to both the Stock Exchanges.

Acknowledgement

Your Directors convey their sincere gratitude to the Customers, Shareholders, Creditors, Government and Statutory Authorities, Banks and Employees for the continued support to the Company.

For and on behalf of the Board of Directors

Ravindra Pal Bhatia

Director

Place : Pune

Date : 26 February 2011

ANNEXURE A TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

1. Company Philosophy on Corporate Governance:

Corporate Governance relates to systems and processes that directs corporate resources and management strategies towards maximizing value for stakeholders while ensuring accountability, probity and openness in the conduct of business within the acceptable legal and ethical framework. A good governance process should thus provide sufficient transparency over corporate policies, strategies and decision making process while strengthening internal control system and building relationship with all the stakeholders, including employees and shareholders. The adherence to good governance practices in true spirit, not just in letter, will help align interest of stakeholders and enhance investor confidence.

2. Board of Directors:

The Board of Directors of your Company consists of Seven Directors. The composition of the Board of Directors and the number of other Directorships and Committee Memberships / Chairmanships of the Directors are given below:

Name of the Director	Category	Number of other Directorships +	Number of other Committee Memberships / +Chairmanships ++
Dr. Holger Krasmann Chairman	PD	1	1/0
Mr. Gilbert Faul	PD	1	0/0
Mr. Eike Doelschner*	PD	1	0/0
Mr. Ravindra Pal Bhatia	OD	1	1/0
Mr. Prakash Nene	ID	2	0/1
Mr. Kiran Malhotra	ID	1	1/1
Mr. Bomi Daruwala	ID	1	2/0

PD – Non-Executive Promoter Director, ID – Non-Executive Independent Director, OD – Other Non-Executive Director

* - Additional Director w.e.f. 26 February 2011

+ As on 31 December 2010/ date of resignation, excluding directorships / committee positions held in private companies, foreign companies / bodies corporate.

++ As on 31 December 2010/ date of resignation, committee includes Audit Committee and Shareholders'/Investors' Grievance Committee of public limited companies only, excluding committee positions held in private companies, foreign companies / bodies corporate.

None of the Director is relative of any other Director.

During the financial year ended on 31 December 2010, four Board Meetings were held on 27 February 2010, 24 April 2010, 31 July 2010 and 30 October 2010. The attendance of the Directors at the Board Meetings and at the last Annual General Meeting are as follows:

Name of Director	Attendance at Last Annual General Meeting held on 24.04.2010	Number of Board Meetings attended during 01.01.2010 to 31.12.2010
Dr. Holger Krasmann	No	1
Mr. Gilbert Faul	No	2
Mr. Eike Doelschner*	Not Applicable	0
Mr. P. M. Nene	Yes	4
Mr. Kiran Malhotra	Yes	4
Mr. Bomi Daruwala	Yes	4
Mr. Ravindra Pal Bhatia	Yes	4

* Appointed w.e.f. 26 February 2011

3. Audit Committee:

Audit Committee consisted of Mr. P. M. Nene, as Chairman, Mr. Bomi Daruwala and Mr. Kiran Malhotra as members. During the financial year ended 31 December 2010, the Audit Committee met four times on 27 February 2010, 24 April 2010, 31 July 2010 and 30 October 2010. The particulars of attendance at the Audit Committee meetings are as under:

Name of the Director	No. of meetings attended
Mr. Prakash Nene	4
Mr. Kiran Malhotra	4
Mr. Bomi Daruwala	4

The terms of reference of the Audit Committee cover the areas mentioned in the Listing Agreement, the Companies Act, 1956 and also other terms as may be referred to it by the Board of Directors. The role of the Committee includes, inter alia, reviewing financial statements, internal control systems, reports of the auditors, etc.

The Company Secretary of the Company acts as Secretary of the Committee. The representatives of the Internal Auditors and Statutory Auditors attended the meetings of the Committee.

4. Directors' Remuneration:

The Company has not paid any sitting fees or other remuneration in any form whatsoever to any of its Directors. None of the Directors have been granted or entitled to any stock option.

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5. Shareholders' / Investors' Grievance Committee:

The Shareholders' / Investors' Grievance Committee presently comprises of the following members of the Board:

- (a) Mr. Ravindra Pal Bhatia, Chairman
- (b) Mr. P. M. Nene, Member

During the financial year ended 31 December 2010 the Committee met four times on 27 February 2010, 24 April 2010, 31 July 2010 and 30 October 2010 to consider inter-alia the matters relating to transfer / transmission / splitting of shares and issue of new Share certificates etc. and shareholders' / investors' grievances. The Company Secretary of the Company acts as a Secretary of the Committee.

Name of the Director	No. of meetings attended
Mr. Ravindra Pal Bhatia	4
Mr. P. M. Nene	4

During the financial year ended 31 December 2010, 7 investor complaints were received and resolved. There was no pending investor complaint as on 31 December 2010.

6. General Body Meetings:

Details of last three Annual General Meetings held

Meeting	Venue of the meeting	Date and Time
17 th Annual General Meeting	Hotel Kalasagar, Plot No. P-4, Mumbai-Pune Road, Kasarwadi, Pune – 411 034	Saturday, 24 April 2010 at 11.15 a.m.
16 th Annual General Meeting	Hotel Kalasagar, Plot No. P-4, Mumbai-Pune Road, Kasarwadi, Pune – 411 034	Saturday, 25 April 2009 at 11.15 a.m.
15 th Annual General Meeting	Hotel Kalasagar, Plot No. P-4, Mumbai-Pune Road, Kasarwadi, Pune – 411 034	Saturday, 26 April 2008 at 11.00 a.m.

Special Resolutions passed in last three Annual General Meetings

Meeting	Subject matter of Special Resolution
17 th Annual General Meeting	No Special Resolution was passed
16 th Annual General Meeting	No Special Resolution was passed
15 th Annual General Meeting	No Special Resolution was passed

No Special Resolution was put through postal ballot last year nor is any resolution now proposed through postal ballot.

7 Disclosures:

- a) During the financial year ended on 31 December 2010, there was no materially significant related party transactions that may have a potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in the Notes to Accounts annexed to and forming part of Annual Financial Statements.
- b) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years ended on 31 December 2010 and hence the question of penalties or strictures being imposed on the Company by the Stock Exchanges or Securities & Exchange Board of India or any Statutory Authority, does not arise.
- c) The Company has complied with the Clause 49 of the Listing Agreement with Stock Exchanges on Corporate Governance.
- d) None of the Directors of the Company is holding any share in the Company.

8. Means of Communication:

The quarterly, half-yearly and annual financial results are regularly submitted by the Company to the Bombay Stock Exchange Ltd. and Pune Stock Exchange Ltd. and are also published in the newspapers, viz., Financial Express and Punya Nagri, in accordance with the provisions of the Listing Agreement. The said financial results and official news release are displayed by the Bombay Stock Exchange Limited on its website viz. www.bseindia.com

9. General Shareholders' Information:

a) Annual General Meeting

Date and time : Saturday 30 April 2011 at 11.00 a.m.

Venue : Hotel Kalasagar, Plot No. P-4, Mumbai-Pune Road, Kasarwadi, Pune-411 034.

b) Financial Calendar (tentative)

1 January to 31 December 2011

First Quarter Results : Fourth week of April, 2011

Second Quarter / Half year Results : Fourth week of July, 2011

Third Quarter Results : Fourth week of October, 2011

Last Quarter / Annual Results : Fourth week of February, 2012

c) Dates of Book Closure

Tuesday, 26 April 2011 to Saturday, 30 April 2011 (both days inclusive)

d) Equity Shares listed on

Bombay Stock Exchange Ltd. (Code: 532470)

Pune Stock Exchange Ltd. (Code: MATPF-660286)

The Listing fees for the year 2010-11 have been paid to both the stock exchanges.

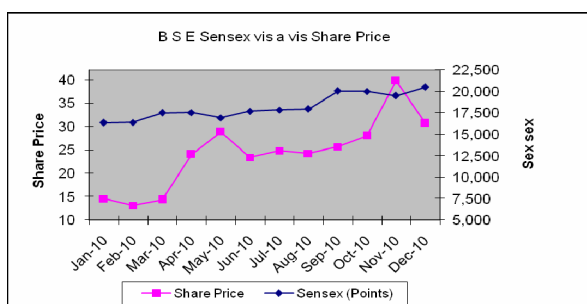
e) ISIN No. INE095E01014

f) Market Price Data for the year ended on 31 December 2010:

Bombay Stock Exchange Limited

Month	Open (INR)	High (INR)	Low (INR)	Close (INR)	No. of Shares	No. of Trades	Net Turnover (INR)
January 2010	14.15	17.12	14.00	14.55	59633	391	9,34,724
February 2010	14.90	15.10	12.50	13.15	18366	174	2,53,112
March 2010	12.70	16.68	10.70	14.35	38372	276	5,15,693
April 2010	14.35	26.07	13.00	24.05	145944	612	31,03,031
May 2010	24.70	29.80	23.00	28.85	94537	465	24,90,747
June 2010	27.90	29.95	22.10	23.45	47156	239	12,04,372
July 2010	22.45	24.90	20.00	24.85	51808	239	11,94,382
August 2010	26.00	27.40	22.85	24.30	51096	299	13,00,618
September 2010	25.50	31.75	23.50	25.70	37105	324	10,08,604
October 2010	24.50	28.90	23.10	28.00	26069	220	6,92,307
November 2010	26.55	51.30	24.40	39.75	172716	1426	73,60,011
December 2010	37.20	42.00	30.55	30.65	23767	177	8,24,119

g) Stock performance in comparison to BSE Sensex.



h) Registrar and Share Transfer Agent:

M/s. Sharepro Services (India) Pvt. Ltd.

Unit: Mather and Platt Fire Systems Ltd.

13 A-B, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange, Andheri Kurla Road, Sakinaka, Mumbai 400 072.

• Tel.: +91 22 6772 0300/ 67720400, • Fax.: +91 22 28591568 / 285028927

i) Share Transfer System

Application for transfer of shares held in physical form is received at the office of the Registrar and Share Transfer Agent of the Company. Applications which are in order are processed and share certificates are dispatched within the time prescribed under the Listing Agreement/SEBI Guidelines.

Shares held in dematerialised form are electronically traded in the Depositories and the Registrar and Share Transfer Agent of the Company periodically receives from the Depositories the beneficiary holdings so as to enable them to update their records and to send all corporate communications to the shareholders.

j) Shareholding Pattern as on 31 December 2010

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Shares	% to Total No. of Shares
(A)	Shareholding of Promoter and Promoter Group			
(A1)	Indian	0	0	0.00
(A2)	Foreign: Bodies Corporate	1	1887697	55.48
(A)	Total Shareholding of Promoter and Promoter Group (A)= (A1)+(A2)	1	1887697	55.48
(B)	Public shareholding			
(B1)	Institutions			
(a)	Mutual Funds/ UTI	2	218	0.01
(b)	Financial Institutions / Banks	20	894	0.03
(c)	Central Government/ State Government(s)	0	0	0.00
(d)	Venture Capital Funds	0	0	0.00
(e)	Insurance Companies	2	29663	0.87
(f)	Foreign Institutional Investors	1	67	0.00
(g)	Foreign Venture Capital Investors	0	0	0.00
(h)	Any Other (specify)	0	0	0.00
	Sub-Total (B1)	25	30842	0.90
(B2)	Non-institutions			
(a)	Bodies Corporate	204	78070	2.29
(b)	Individuals:			
	Individual shareholders holding nominal share capital up to Rs. 1 lakh	26232	1131564	33.26
	Individual shareholders holding nominal share capital in excess of INR 1 lakh.	11	274474	8.07
	Sub-Total (B2)	26447	1484108	43.62
(B)	Total Public Shareholding (B)= (B1)+(B2)	26472	1514950	44.52
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0.00
	GRAND TOTAL (A)+(B)+(C)	26473	3402647	100.00