

Annual Report 2011

MATHER AND PLATT FIRE SYSTEMS LIMITED

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. Hemant Watve (w.e.f. 30.07.11)

Company Secretary Ms. Manisha Chavan

Auditors M/s. B S R & 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 19th Annual General Meeting of the members of Mather and Platt Fire Systems Limited will be held on Saturday, 28 April 2012 at 10.30 a.m. at the registered office of the Company at Chinchwad Works, Mumbai Pune Road, Chinchwad, Pune 411 019 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31 December 2011 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 Dr. Holger Krasmann, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gilbert Faul, 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. Hemant Watve, 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 30 July 2011 and holds office upto the date of the 19th 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

Place : Pune
Date : 11 February 2012

Manisha Chavan
Company Secretary

NOTES:

1. The Register of Members/Beneficial Owners and the Share Transfer Registers of the Company will remain closed from Tuesday, 24 April 2012 to Saturday, 28 April 2012 (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	Dr. Holger Krasmann	Mr. Gilbert Faul	Mr. Hemant Watve
Date of Birth	15.09.1961	02.05.1967	03.12.1965
Age (Years)	50	44	46
Qualifications and experience	Mechanical Engineer having a doctorate from Braunschweig Technical University and a wealth of experience in technical and management roles. He has a 14 years of experience in Pump Industry at various positions. He has also worked for 6 years at Fluid Mechanics Research Institute. He is also a member of Management Board of WILO SE, Germany	Engineer ENSTA- Paris with an experience of 22 years at various capacities in the field of manufacturing and management. He is responsible for Asia Pacific business of WILO SE. He is also a member of Management Board of WILO SE, Germany	Masters degree in Mechanical Engineering and Masters of business Administration with 23 years of experience in various Companies at various positions in the field of Operations
Directorships held in other companies (excluding foreign companies)	Mather and Platt Pumps Ltd.	Mather and Platt Pumps Ltd.	Mather and Platt Pumps Ltd.
Memberships / Chairmanships of Committees in the Company+	NIL	NIL	NIL
Memberships / Chairmanships of Committees in other companies (excluding foreign companies) +	Member of Audit Committee- Mather and Platt Pumps Ltd.	NIL	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. 5

Pursuant to Section 260 of the Companies Act, 1956 and Article 113 of the Articles of Association of the Company, Mr. Hemant Watve has been appointed as Additional Director with effect from 30 July 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. Hemant Watve for appointment as director liable to retire by rotation. The brief resume of Mr. Hemant Watve is given in Annexure I to the notice.

The Board of Directors is of the opinion that the

association of Mr. Hemant Watve will be beneficial to the Company and recommends his appointment as director liable to retire by rotation.

Mr. Hemant Watve 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 : 11 February 2012

DIRECTORS' REPORT

Dear members,

Your directors are pleased to present the 19th Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31 December 2011.

Summarized Financial Results

	(Million INR)	
	Year ended	
	31 Dec. 2011	31 Dec. 2010
Sales & Services	0	0
Other Income	1.55	10.38
Profit / (Loss) before Interest, Depreciation and Tax	0.01	7.56
Less: Interest	0.02	0.13
Depreciation	0	0
Profit before Tax	(0.01)	7.43
Provision for Income Tax:		
Tax expense	0	1.44
Excess provision of income tax for earlier years written back	(1.25)	0
Profit after Tax	1.24	5.99
Balance Profit / (Loss) brought forward from previous year	(65.45)	(71.44)
Balance in Profit & Loss Account	(64.21)	(65.45)
Net Accumulated Loss carried to Balance Sheet	(64.21)	(65.45)

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.

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, Dr. Holger Krasmann and Mr. Gilbert Faul retire by rotation and being eligible, have offered themselves for re-appointment at the ensuing Annual General Meeting.

Mr. Hemant Watve has been appointed as Additional

Director with effect from 30 July 2011 and holds office upto the conclusion of the 19th Annual General Meeting. The Company has received notice under Section 257 of the Companies Act, 1956, from a member proposing the candidature of Mr. Hemant Watve 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 2011 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 & Co, Chartered Accountants, auditors of the Company holds office till the conclusion of the 19th Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

The Board of Directors recommends their re-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 2011-2012 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

Hemant Watve
Director

Place : Pune
Date : 11 February 2012

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 Six 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. Ravindra Pal Bhatia*	OD	1	0/0
Mr. Eike Doelschner**	PD	1	0/0
Mr. Hemant Watve***	OD	1	0/0
Mr. Prakash Nene	ID	2	0/2
Mr. Kiran Malhotra	ID	1	2/0
Mr. Bomi Daruwala	ID	1	2/0

* Resigned w.e.f. 15.04.2011

** Resigned w.e.f. 29.10.2011

*** Additional Director w.e.f. 30 July 2011

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

+ As on 31 December 2011/ date of resignation, excluding directorships / committee positions held in private companies, foreign companies / bodies corporate.

++ As on 31 December 2011/ 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 2011, four Board Meetings were held on 26 February 2011, 30 April 2011, 30 July 2011 and 29 October 2011. 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 30.04.2011	Number of Board Meetings attended during 01.01.2011 to 31.12.2011
Dr. Holger Krasmann	Yes	2
Mr. Gilbert Faul	Yes	4
Mr. Ravindra Pal Bhatia*	Not Applicable	1
Mr. Eike Doelschner**	Yes	2
Mr. Prakash Nene	Yes	3
Mr. Kiran Malhotra	Yes	4
Mr. Bomi Daruwala	No	2
Mr. Hemant Watve***	Not Applicable	2

* Resigned w.e.f. 15 April 2011

** Resigned w.e.f. 29 October 2011

*** Appointed w.e.f. 30 July 2011

3. Audit Committee:

Audit Committee consisted of Mr. Prakash Nene, as Chairman, Mr. Bomi Daruwala and Mr. Kiran Malhotra as members. During the financial year ended 31 December 2011, the Audit Committee met four times on 26 February 2011, 30 April 2011, 30 July 2011 and 29 October 2011. The particulars of attendance at the Audit Committee meetings are as under:

Name of the Director	No. of meetings attended
Mr. Prakash Nene	3
Mr. Kiran Malhotra	4
Mr. Bomi Daruwala	2

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. Prakash Nene, Chairman
- (b) Mr. Kiran Malhotra, Member
- (c) Mr. Bomi Daruwala, Member

During the financial year ended 31 December 2011 the Committee met four times on 26 February 2011, 30 April 2011, 30 July 2011 and 29 October 2011 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. Prakash Nene	3
Mr. Kiran Malhotra	3
Mr. Bomi Daruwala	1

During the financial year ended 31 December 2011, 2 investor complaints were received and resolved. There was no pending investor complaint as on 31 December 2011.

6. General Body Meetings:

Details of last three Annual General Meetings held

Meeting	Venue of the meeting	Date and Time
18 th Annual General Meeting	Hotel Kalasagar, Plot No. P-4, Mumbai-Pune Road, Kasarwadi, Pune – 411 034	Saturday, 30 April 2011 at 11.00 a.m.
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.

Special Resolutions passed in last three Annual General Meetings

Meeting	Subject matter of Special Resolution
18 th Annual General Meeting	No Special Resolution was passed
17 th Annual General Meeting	No Special Resolution was passed
16 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 2011, 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 2011 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, 28 April 2012 at 10.30 a.m.
 Venue : Registered office of the Company at Chinchwad Works, Mumbai Pune Road, Chinchwad, Pune – 411 019

b) Financial Calendar (tentative)

1 January to 31 December 2012
 First Quarter Results : Fourth week of April, 2012
 Second Quarter / Half year Results : Fourth week of July, 2012
 Third Quarter Results : Fourth week of October, 2012
 Last Quarter / Annual Results : Fourth week of February, 2013

c) Dates of Book Closure

Tuesday, 24 April 2012 to Saturday 28 April 2012 (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 2011-12 have been paid to both the stock exchanges.

e) ISIN No.

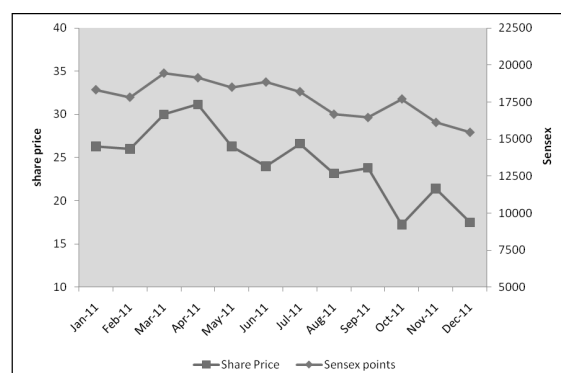
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f) Market Price Data for the year ended on 31 December 2011:

Bombay Stock Exchange Limited

Month	Open (INR)	High (INR)	Low (INR)	Close (INR)	No. of Shares	No. of Trades	Net Turnover (INR)
January 2011	30.80	33.65	26.30	26.30	9807	82	310,018
February 2011	25.10	27.60	22.80	26.00	2122	58	53,843
March 2011	27.30	34.30	25.55	30.00	38775	149	1,128,228
April 2011	30.90	34.75	25.60	31.15	12287	97	372,007
May 2011	29.00	31.30	24.75	26.30	14341	117	408,416
June 2011	25.75	27.00	23.25	24.00	9753	106	246,886
July 2011	25.10	27.45	23.50	26.60	17697	113	450,048
August 2011	27.25	28.85	22.15	23.15	6974	56	166,645
September 2011	22.00	25.00	21.90	23.80	25348	69	592,675
October 2011	22.65	22.65	17.20	17.25	5728	36	112,983
November 2011	18.10	23.35	18.10	21.40	17849	42	381,218
December 2011	20.50	20.50	17.25	17.50	2659	21	49,058

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.