

MPF Systems Limited

**ANNUAL REPORT
2015-2016**

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NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the members of MPF Systems Limited will be held as under:

Day: Friday
Date: 30th September, 2016
Time: 3.30pm

Venue: Plot no. 6B, C.T.S. No.587/2/6 at Parvati
Parvati Darshan C.H.S.ltd.
Near Sane Guruji Marg
Pune-411030

To transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Statement of the Company for the financial year ended 31st March, 2016, the Reports of the Board of Directors thereon and Auditors;
2. To appoint Auditors and fix their remuneration:
To ratify the appointment of auditors of the Company and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee to the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on April 1, 2015, the appointment of M/s. Kala Jain & Co.. - Chartered Accountants (Firm Registration No. 127886W) as the Auditors of the Company to hold office till the conclusion of the AGM to be held in the calendar year 2020, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2020 as may be determined by the Audit Committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors.

SPECIAL BUSINESS:**3. Appointment of Mr. Aakesh Chopra as Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

Resolved that, pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Aakesh Chopra (DIN:01059470), who was appointed as an Additional Director of the Company by the Board of Directors with effect from September, 3rd 2016 and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Aakesh Chopra as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five years i.e. up to September 3rd, 2021, not liable to retire by rotation.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's corporate office at 105/106, Prime Plaza, Elphinston, Mumbai-400011 not less than forty eight hours before the commencement of the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 23, 2016 to Friday, September 30, 2016 (both days inclusive) for the purpose of AGM.
5. In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002 read with circular No. D&CC/FITTC/CIR-18/2003 dated February 12, 2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has already appointed M/s. Purva Sharegistry (India) Private Limited as the Registrar & Share Transfer Agent, having their office at 9, Shiv Shakti Industrial estate, J.R. Boricha Marg, opposite Kasturba, Mumbai-400011
6. Members are requested to notify immediately any change in their address:
 - a. To their Depository Participants DPs in respect of their electronic share accounts,
 - b. To the share transfer agent M/s. Purva Sharegistry (India) Private Limited as the Registrar & Share Transfer Agent, having their office at 9, Shiv Shakti Industrial estate, J.R. Boricha Marg, opposite Kasturba, Mumbai-400011 Email Id- hari@asiahrtech.com
7. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall.
8. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Board of Directors of the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. Members who are holding shares in physical form are requested to get their shares dematerialized with any depository participants in their own interest.
10. Members are requested to carry the copy of the Annual Report sent to them. Electronic copy of the Annual Report for 2015-2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a print copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode. Members are requested to register/update their email address for receiving all communication including Annual Report, Notices etc. from the Company electronically.
11. Members may also note that the notice of the 23rd Annual General Meeting and the Annual report for 2015-2016 will also be available on the Company's website www.mpfl.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days from 11.00 a.m. to 1.00 p.m. from Monday to Friday. Members are requested to bring their copies of the Annual report at the time of attending the Annual General Meeting.
12. Information required to be furnished under Regulation 36 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, in respect of the directors seeking appointment/reappointment at the AGM, is furnished below. The directors have furnished consent/declaration for their appointment/reappointment as required under the Companies Act, 2013 and the Rules thereunder.

Name of Director	Mr. Aakesh Chopra
Date of Birth	11/03/1983
Qualification	B.com
Expertise in Specific Functional Area	Accounts
Executive & Non-Executive Director	Non – Executive Director.
Promoter Group	Independent
Chairman/Member of Committees of the Board of which he/she is a Director	Nil
No. of Shares held	Nil
Other Directorship	1. Fic Life Smart Marketing Private Limited 2.Mehta Caplease Limited. 3.Free India Assurance Services Limited

Dated: 3rd September, 2016
Registered Office:
Greaves Compound,
Chinchwadworks Bombay-Pune Road,
Chinchwad (e)
Pune-411019

By Order of the Board
Sd/-
Kirti Salvi
Managing Director

Voting through Electronic Means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as per listing agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the below provisions, through the e- voting services provided by CDSL.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27th September, 2016 at 9.00 a.m. and ends on 29th September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.

- (iv) Now to cast your vote: Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <p>x Members who have not up to dated of their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</p> <p>x In case the Folio number is less then 8 digit enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Rajesh Kumar with folio number 100 ten enter RA00000100 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>x Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "MPF SYSTEMS LIMITED" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) The Company has appointed M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretaries (C.P. No. 3987 and FCS No. 5477) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- (xxii) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- (xxiii) In case of Members who are entitled to vote but have not electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING

ITEM NO. 3: The Board, at its meeting held on 03rd September 2016, appointed Mr. Aakesh Chopra as an Additional Director of the Company. He was appointed as an Independent Director of the Company for a period of five years .As per section 149(6) of the Companies Act, 2013, he has furnished a declaration that he meets with the criteria for independence to act as an Independent Director of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Aakesh Chopra will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing her candidature for the office of director.

The Company has received from Mr. Aakesh Chopra: (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and In the opinion of the Board of Directors, Mr. Aakesh Chopra - the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Aakesh Chopra as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the 23rd Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2016.

SUMMARY OF FINANCIAL RESULTS OF THE COMPANY:

(Amt. in Rs.)

PARTICULARS	STANDALONE	
	2015-2016	2014-2015
Total Income	8,34,160	110,507
Total Expenditure	2114433	5,093,406
Profit Before Interest and depreciation	(1280273)	(4,982,899)
Less: Depreciation	-	-
Interest	-	-
Tax	-	-
Net Profit/(Loss) After Tax	(1,280,273)	(4,982,899)

OPERATIONAL PERFORMANCE:

Income of the company from operations is Rs. 8,34,160/- Profit before tax is Rs.(1,280,273/-) as compared to Rs.(4,982,899) in previous year.

TRANSFER TO RESERVES:

Due to unabsorbed losses no amount has been proposed to be transferred to Reserves.

DIVIDEND:

In view of accumulated losses, your Directors did not recommend any dividend for the year.

DEPOSITS:

The company has not accepted/renewed deposits within the meaning of Section 73 of the Companies Act, 2013 and rules made there under from public or from the shareholders during the period under review.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) read with Schedule Part V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 with Stock Exchange in India, is presented in a separate Annexure -I forming part of the Annual Report.

CHANGE OF REGISTERED OFFICE:

The company has made application for change of registered office from Pune to Mumbai within the state of Maharashtra which is pending for approval with Regional Director.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company or any of its subsidiaries during the year.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the financial year the company has faced heavy losses and the company has made application for reduction of Capital with the appropriate authority, which is pending for approval.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per provision of section 2(19) and section 203 of the Companies Act, 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has to mandatorily required to appoint Chief Financial Officer (CFO). The Board, on the recommendations of the Nomination & Remuneration Committee, appointed Mr. Ambrish pal as the Chief Financial Officer (CFO) of the Company with effective from 30th March, 2016.

Mr. Yunush Ansari resigned from the post of CFO on 30th May, 2013. The Board acknowledged and took on the record of the same.

As per the provisions of Section 149(4) of the Companies Act, 2013 every listed company shall have at least one-third of the total number of directors as independent directors. The Board of the Company to comply with the aforesaid requirements

As per the Section 149(10) of the Companies Act, 2013 provides that independent director shall hold office for a term of upto five consecutive years on the Board of the Company. Further, according to the Section 149 (11) of the Companies Act, 2013, no independent director shall be eligible for appointment for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in Sub-sections (6) and (7) of Section 152 of the Act shall not apply to such independent directors.

NUMBER OF MEETINGS OF THE BOARD:

The Board met 7 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

INDEPENDENT DIRECTORS DECLARATION:

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Independent Directors under section 149(6) of the Companies Act, 2013 declared that:

1. They are not promoters of the Company or its holding, subsidiary or associate company;
2. They are not related to promoters or directors in the company, its holding, subsidiary or associate company.
3. The independent Directors have /had no pecuniary relationship with company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
4. None of the relatives of the Independent Director has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
5. Independent Director, neither himself nor any of his relatives--
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of--
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two percent. or more of the total voting power of the company; or
 - (iv) is a Chief Executive or Director, by whatever name called, of any nonprofit organization that receives twenty-five percent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
6. Independent Director possesses such qualifications as may be directed by the Board.

7. The Company & the Independent Directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013.

BOARD EVALUATION:

SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors should be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results alongwith evaluation done by the Nomination and Remuneration Committee.

PERFORMANCE OF THE BOARD AND COMMITTEES:

During the year under review, the performance of the Board & Committees and Individual Director(s) based on the below parameters was satisfactory:

- (i) All Directors had attended the Board meetings;
- (ii) The remunerations paid to Executive Directors are strictly as per the Company and industry policy.
- (iii) The Independent Directors only received sitting fees.
- (iv) The Independent Directors contributed significantly in the Board and committee deliberation and business and operations of the Company and subsidiaries based on their experience and knowledge and Independent views.
- (v) The Credit Policy, Loan Policy and compliances were reviewed periodically;
- (vi) Risk Management Policy was implemented at all critical levels and monitored by the Internal Audit team who places report with the Audit committee and Board.

MEETING OF INDEPENDENT DIRECTORS:

Pursuant of the provision of Section 149 (8) of the Companies Act, 2013 read with Schedule IV and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Independent Directors of the Company held their meeting on 11th February, 2016, reviewed the performance of non-independent directors and the Board as a whole including the Chairperson of the Company, views expressed by the executive directors and non-executive directors at various level, and quantified the quality, quantity and timeliness of flow of information between the Company, management and the Board and expressed satisfaction.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As on 31st March, 2016, the Board consists of 4 members. Out of which one is the Managing Director, two are independent Directors and one is non-executive director.

The policy of the Company on directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board and are stated in this Board report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

COMMITTEES OF THE BOARD:

Currently, the Board has Four Committees: 1) Audit Committee, 2) Nomination and Remuneration Committee, 3) Stakeholders Relationship Committee, 4) Shares Transfer Committee,

A detailed note on the Board and its Committees is provided under the Corporate Governance Report that forms part of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to the Section 178 of the Companies Act, 2013, the Company has set up a Nomination and Remuneration and Stakeholders Relationship Committee. A detailed note on the composition of the Committees is provided in the corporate governance report section of this Annual Report.

The Key Features of the Policy of the said committee are as follows:

For Appointment of Independent Director (ID):

- a. Any person who is between the age of 25 years and below 75 years eligible to become Independent Director (ID);
- b. He has to fulfill the requirements as per section 149 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement;
- c. Adhere to the code of conduct as per Schedule IV to the Companies Act, 2013;
- d. Strictly adhere to the Insider Trading Regulation of the SEBI and Insider Trading policy of the Company;
- e. Independent Director should have adequate knowledge and reasonably able to contribute to the growth of the Company and stakeholders;
- f. Independent Director should be able to devote time for the Board and other meetings of the company;
- g. Entitled for sitting fees and reasonable conveyance to attend the meetings; and
- h. Able to review the policy, participate in the meeting with all the stakeholders of the company at the Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the Section 134(3)(c) and Section 134 (5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirm:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2016 on a 'going concern' basis.
- (v) The internal financial controls are laid and have been followed by the company and that such controls are adequate and are operating effectively. Such controls means controls and policies and procedures adopted and adhered by the company for orderly and efficient conduct of the business for safeguarding assets, prevention and detection of frauds and errors and maintenance of accounting records and timely preparation of financial statements and review its efficiency.
- (vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

In terms of the provisions of Section 177(9) of the Companies Act, 2013, the Company has implemented a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any, in staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to Board.

STATUTORY AUDITORS:

At the Annual General Meeting held on June 30, 2015 M/s. Kala Jain & Co., Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2020.

In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Kala Jain & Co., Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders.

In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

AUDITORS REPORT:

The Auditors have not made any qualification to the financial statement. Their reports on relevant notes on accounts are self-explanatory and do not call for any comments under section 134 of the companies Act, 2013.

SECRETARIAL AUDITORS AND THEIR REPORT:

M/s. Ramesh Chandra Mishra & Associates, Company Secretary in Practice was appointed to conduct the secretarial audit of the Company for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for F.Y. 2015-16 is Annexure-II to this Board's Report.

The Board has re-appointed M/s. Ramesh Chandra Mishra & Associates, Company Secretary in Practice, as secretarial auditor of the Company for the financial year 2016-17.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/REGULATORS:

There are no orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

The details of Conversion of Energy, Technology Absorption are not applicable in the case of the company. However the company took adequate steps to conserve the energy and used the latest technology. During the year under review there were no foreign Exchange Earnings. The Foreign Exchange outgo is Nil

RELATED PARTY TRANSACTIONS/CONTRACTS:

The Company has implemented a Related Party Transactions policy for the purposes of identification and monitoring of such transactions. All the transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURNS:

Pursuant to the Section 134(3)(a) of the Companies Act, 2013, the details forming part of the extract of the Annual Return in Form MGT-9 is Annexure-III.

CORPORATE GOVERNANCE:

A Report on Corporate Governance along with a Certificate from M/s. Ramesh Chandra Mishra & Associates, regarding compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with Stock Exchange read with the relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 forms part of this Report and Annexure-IV to this Board's Report.

BANK AND FINANCIAL INSTITUTIONS:

Directors are thankful to their bankers for their continued support to the company.

ACKNOWLEDGMENTS:

Your Directors convey their sincere thanks to the Government, Banks, 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 teamwork, high degree of professionalism and enthusiastic effort displayed by them during the year.

Place: Pune
Dated: 3rd September, 2016

On behalf of the Board of Directors
Sd/-
Kirti Salvi
Managing Director

Annexure I Management Discussion and analysis Report

Industry Structure and Developments

Your Company is engaged in business of fire engineers in all its branches and partially such portion as relates to the detection extinguishing control or prevention or protection or proofing against fire with automatic detectors mechanical electric electronic or of any any other kind.

Opportunities and Threats

Your Management is evaluating various business opportunities and threats. Fluctuating market conditions still remain a major threat to the company. New investments opportunities in equity linked instruments and mutual funds are being given importance.

Business Outlook.

Your Company is evaluating various options to raise low cost funds for investments in core sectors where growth is assured in the long term at a reasonable return on investment and risks are low.

Your Company's strategy going forward would be to diversify into core areas where risks are limited and prospects of long term growth in the sector is well established. Decrease in market fluctuations and risks associated with the company's business have provided the company with opportunities of growth and diversification. Diversification of investments will be given due importance. Keeping in mind the positive sentiment in the stock market in the past year.

Internal Control Systems And Adequacy

As part of the effort to evaluate the effectiveness of the internal control systems, your Company reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures. Steps are been taken to upgrade the internal control systems from time to time.

Human Resources

At the moment there are not many employees but as the Company plans to diversify, importance on proper manpower recruitment with the required skill sets will be emphasized.

Resources / Industrial Relations

The company recognizes the importance of Human resource development. The company has an adequate pool of professionals who are qualified and experienced and recruitment will be made as and when required.

By Order of Board
For MPF Systems Limited

Sd/-

Kirti Salvi
Managing Director

Annexure- II
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MPF Systems Limited
Pune

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MPF Systems Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of::

1. The Companies Act, 2013 (the Act) and the rules made thereunder and certain provisions of Companies Act, 1956 and rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.
The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
5. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
6. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
7. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
8. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
9. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);
10. Securities and Exchange Board of India (Listing Obligation Disclosure Requirements, Regulation 2015)

Other laws applicable specifically to the company namely:

1. Explosives Act, 1884
2. Gas Cylinder Rules, 2004 (amended)
3. Air (Prevention and control of Pollution) Act, 1981

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

I report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above.

I further report that, there were no actions / events in pursuance of:

1. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998,

Further based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the course and conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner as required under the various provisions of Companies Act, 2013, SEBI Act, 1992 and all other laws and applicable provisions there under.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws.

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Mumbai
Date: 30th May, 2016

For Ramesh Chandra Mishra & Associates
Sd/-
Ramesh Mishra
FCS: 5477
PCS: 3987

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2014
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L65999PN1993PLC014500
ii	Registration Date	7/2/1993
iii	Name of the Company	MPF Systems Limited
iv	Category/Sub-category of the Company	Public Company/Limited by shares
v	Address of the Registered office & contact details	Greaves Compound, Chinchwadworks Bombay-Pune Road, Chinchwad (e), Pune-411019
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	PurvaSharegistry (I) Pvt.Ltd. 9, Shiv Shakti Industrial Estate, Sitaram Mill Compound, J.R.Boricha Marg, Lower Parel, Mumbai-400011

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	a.	C6	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NA				

Share holding pattern (equity share capital breakup as percentage of total equity)

IV (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	1887697	0	1887697	55.48	1889159	0	1889159	55.52	0.04
e) Banks/FI									
f) Any Other..									
Sub-total (A) (1):-	1887697	0	1887697	55.48	1889159	0	1889159	55.52	0.04
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1887697	0	1887697	55.48	1889159	0	1889159	55.52	0.04
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	218	218	0.01	0	218	218	0.01	0.00
b) Banks/FI	18	876	894	0.03	18	876	894	0.03	0.00
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	17137	0	17137	0.50	17137	0	17137	0.50	0.00
g) FIs	0	67	67	0.00	0	67	67	0.00	0.00
h) Foreign Portfolio-Corp.									
i) Foreign Venture Capital Funds									
j) Others (specify)									
Sub-total (B)(1):-	17155	1161	18316	0.54	17155	1161	18316	0.54	0.00
2. Non-Institutions									
a) Bodies Corp.	59296	13114	72410	2.13	41181	13114	54295	1.60	-0.53
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	573568	532372	1105940	32.50	591004	526362	1117366	32.84	0.34
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	311536	0	311536	9.16	314441	0	314441	9.24	0.09
c) Others (specify)									
Non Resident Indians	6398	350	6748	0.20	3720	350	4070	0.12	-0.08
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
NBFCs registered with RBI					5000		5000	0.15	0.15
Sub-total (B)(2):-	950798	545836	1496634	43.98	955346	539826	1495172	43.94	-0.04
Total Public Shareholding (B) = (B)(1) + (B)(2)	967953	546997	1514950	44.52	972501	540987	1513488	44.48	-0.04
TOTAL (A)+(B)	2855650	546997	3402647	100.00	2861660	540987	3402647	100.00	0.00
C Shares held by Custodians and against which Depository Receipts have been issued									
Promoter and Promoter Group									
Public									
GRAND TOTAL (A)+(B)+(C)	2855650	546997	3402647	100.00	2861660	540987	3402647	100.00	

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	ROYAL NIRMAN PRIVATE LIMITED	1887697	55.48		1889159	55.52		-0.04
	Total	1887697	55.48		1889159	55.52		-0.04

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):				
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	RADHIKA TARUN SHETH	56247	1.65	0	0.00
2	NITIN MANSUKHLAL SHAH KARTA (NITIN M SHAH)	38600	1.13	0	0.00
3	MITA DIPAK SHAH	36000	1.06	0	0.00
4	RAHUL NITIN SANGHAVI KARTA (RAHUL SANGHAVI HU	34311	1.01	0	0.00
5	NITIN MANSUKHLAL SHAH	34107	1.00	0	0.00
6	BHANWAR LAL MOHATTA	26412	0.78	0	0.00
7	RAHUL NITIN SHAH	18731	0.55	0	0.00
8	CHANDRA PRABHA GANDHI	17993	0.53	0	0.00
9	LIFE INSURANCE CORPORATION OF INDIA	17137	0.50	0	0.00
10	BHAGWAN LAL GOYAL	13550	0.40	0	0.00
	Date wise Increase/Decrease in Share holding during the year as per the specifying the reasons for increase/decrease (e.g. allotment/ annexure transfer/ bonus/sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				
1	RADHIKA TARUN SHETH	56247	1.65		
2	NITIN MANSUKHLAL SHAH KARTA (NITIN M SHAH)	38600	1.13		
3	MITA DIPAK SHAH	36000	1.06		
4	RAHUL NITIN SANGHAVI KARTA (RAHUL SANGHAVI HU	34311	1.01		
5	NITIN MANSUKHLAL SHAH	34107	1.00		
6	BHANWAR LAL MOHATTA	26412	0.78		
7	RAHUL NITIN SHAH	18731	0.55		
8	CHANDRA PRABHA GANDHI	17993	0.53		
9	LIFE INSURANCE CORPORATION OF INDIA	17137	0.50		
10	BHAGWAN LAL GOYAL	13550	0.40		

v. Shareholdings of Directors and KMP

Sl. No.	Name of Directors	Shareholding at the 3/31/2015		Cumulative 3/31/2016		Reason
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
	NA					

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount		0		0
ii) Interest due but not paid		0		0
iii) Interest accrued but not due		0		0
Total (i+ii+iii)		0		0
Change in Indebtedness during the financial year				
Additions		435963		435963
Reduction		0		0
Net Change		435963		435963
Indebtedness at the end of the financial year				
i) Principal Amount		435963		435963
ii) Interest due but not paid		0		0
iii) Interest accrued but not due		0		0
Total (i+ii+iii)		435963		435963

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole time director and/or Manager:**

(amt in lakhs)

SI.No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	Gross salary	KIRTI SALVI		
	(a) Salary as per provisions			
	(b) Value of perquisites u/s 17(2)			
	(c) Profits in lieu of salary under			
2	Stock option			
3	Sweat Equity			
4	Commission			
	as % of profit			
	others (specify)			
5	Others, please specify			
	Total (A)	NIL		
	Ceiling as per the Act			

B. Remuneration to other directors:

(amt in lakhs)

SI.No	Particulars of Remuneration	Name of the Directors		TOTAL AMOUNT
1	Independent Directors	ANIL KOTHARI	SHAIENDRA PATNI	
	(a) Fee for attending board			
	(b) Commission			
	(c) Others, please specify			
	Total (1)			
2	Other Non Executive Directors			
	(a) Fee for attending			
	(b) Commission			
	(c) Others, please specify.			
	Total (2)			
	Total (B)=(1+2)	NIL	NIL	
	Total Managerial Remuneration			
	Overall Cieling as per the Act.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(amt in lakhs)

SI. No.	Particulars of Remuneration	Key Managerial Personnel	
1	Gross Salary	Mr. AMBRISH PAL	Total
	(a) Salary as per provisions	NIL	NIL
	(b) Value of perquisites u/s 17(2)		
	(c) Profits in lieu of salary under		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others, specify		
5	Others, please specify		
	Total	NIL	NIL

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY- NIL					
Penalty					
Punishment					
Compounding					
B. DIRECTORS - NIL					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT - NIL					
Penalty					
Punishment					
Compounding					

ANNEXURE - IV CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE:

MPF Systems Limited management constantly strives towards improving, systems and process that promote the values of transparency, professionalism, accountability and compliance. The Company remains firmly committed to this central theme and endeavors to improve these values on an ongoing basis. We have an obligation towards our stakeholders including shareholders, employees, customers, suppliers and communities to be honest, fair and forthright in our business activities.

Good corporate governance is the basis for decision-making and control processes and comprises responsible, value-based management and monitoring focused on long-term success, goal-orientation and respect for the interests of our stakeholders.

Recent amendments of Companies Act, 2013 are effective from October 1, 2014. The amended rules require Companies to get shareholders' approval for related party transactions, establish whistleblower mechanisms, elaborate disclosures on pay packages and have at least one Woman Director on their boards. The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 2nd September, 2015, replacing the earlier Listing Agreement (w.e.f. 1st December, 2015). The amended norm is aligned with the provisions of the Companies Act, 2013 and is aimed to encourage Companies to 'adopt best practices on corporate governance.

BOARD OF DIRECTORS:

At present the Board of the Company is adequately equipped and well represented by Women Director and Independent Directors of high repute. The Chairman of the Board and Audit Committee is headed by Independent Director(s). As per the Listing Regulations, it is mandatory for the company with a executive director as a chairperson to have at least one-third of the independent directors. The following composition of board of directors of the company as follows:

COMPOSITION OF BOARD AS ON 31st MARCH, 2016:

SR.NO	NAME OF DIRECTOR	CATEGORY	DESIGNATION
1	Mrs. Kirti Salvi	Executive	Managing Director/ Chairman
2	Mr. Anil Kothari	Independent, Non- Executive	Director
3	Mr. Shailendra Kumar Patni	Independent , Non Executive	Director
4	Mr. Bijay kumar Dokania	Promoter, Executive	Director

MEETINGS AND ATTENDANCE DURING THE YEAR 2015-2016:

Annual General Meeting was held on 30th June, 2015 (details of last year AGM)

Board Meetings were conducted 8 (Eight) (times during the year as follows:

Sr. No	Date	Board Strength	No. Of. Directors Present
1	17.03.2015	4	4
2	01.04.2015	4	4
3	14.08.2015	4	4
4	14.09.2015	4	4
5	13.11.2015	4	4
6	19.12.2015	4	4
7	11.02.2016	4	4
8	08.02.2016	4	4

The record of Attendance at Board Meetings and Membership of Board of Directors as on 31st March, 2016:

Sr. No	Name of Directors	No of Board Meetings attended during the Year	Attendance at the AGM
1	Mrs. Kirti Salvi	8	P
2	Mr. Anil Kothari	8	P
3	Mr. Shailendra Kumar Patni	8	P
4	Mr. Bijay kumar Dokania	8	P

NOTES:

- The Board evaluated each of Independent Directors participation in the Board and their vast experience, expertise and contribution to the Board and Company. Each and every related party transactions very well scrutinized and checks were made so that the Company is a beneficiary.
- The Independent Directors held a meeting on 11th February, 2016, without the attendance of Non-Independent Directors and members of Management. All Independent Directors were present at the meeting and they have reviewed the performance of non-independent directors and the Board, performance of the Chairman and information flow structure of the Company.
- During the period the Company received notices/declarations from the Independent Directors as per Schedule IV and section 149 (6) of the Companies Act, 2013.
- Ms. Kirti Salvi is a women director to the Board.
- The Directors also set up a Whistleblower mechanism in line with the policy of the company and as per SEBI notification CIR/CFD/POLICY CELL/2/2014 read with section 177 of Companies Act, 2013.

AUDIT COMMITTEE:**Brief description and terms of reference:**

To oversee the Company's Financial Report process, internal control systems, reviewing the accounting policies and practices, and financial statements audited by the statutory auditors. The audit committee is duly constituted in accordance with Clause 49 of the Listing Agreement read with Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and of Section 177 of the Companies Act, 2013.

Composition of Audit Committee as on 31st March, 2016:

Sr.No.	Name of Members	Category	Designation
1.	Mr. Anil Kothari	Independent Director	Chairman
2.	Mr. Shailendra Patni	Independent Director	Member
3.	Mr. Bijay Dokania	Non executive	Member

Company has conducted 6(Six) Audit Committee Meeting during the year.

April – June	July – September	October – December	January – March
01.04.2015, 03.06.2015	19.09.2015	13.11.2015, 19.12.2015	08.02.2016

Meetings and Attendance of the Audit Committee during the year:

Sr.No	Name of Member	No. of Meeting Held During the Year	No. of Meeting Attended
1	Mr. Anil Kothari	6	6
2	Mr. Shailendra Patni	6	6
3	Mr. Bijay Dokania	6	6

The Audit Committee meetings are also attended by CFO & Director Finance, Internal Auditors and Statutory Auditors as invitees.

Powers of the Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE:**Brief description and terms of reference:**

The objective of Nomination and Remuneration Committee is to assess the remuneration payable to our Managing Director/Whole Time Directors; sitting fee payable to our Non-Executive Directors; remuneration policy covering policies on remuneration payable to our senior executives. The Nomination and Remuneration Committee is duly constituted and the matters specified in accordance with under Clause 49 of the Listing Agreement read with Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and of Section 178 of the Companies Act, 2013.

Composition of Nomination and Remuneration Committees as on 31st March, 2016:

Sr. No.	Name of Members	Category	Designation
1	Mr. Shailendra Patni	Independent Director	Chairman
2	Mr. Anil Kothari	Independent Director	Member
3	Mr. Bijay Dokania	Executive Director	Member

ROLE OF THE COMMITTEE:

The role of Nomination and Remuneration Committee is as follows:

- determining/recommending the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- determining/recommending the criteria for qualifications, positive attributes and independence of Directors;
- identifying candidates who are qualified to become Directors and who may be appointed in Senior Management and recommending to the Board their appointment and removal;
- reviewing and determining all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonus, stock options, pension, etc.;
- reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria;
- determining policy on service contracts, notice period, severance fees for Directors and Senior Management;
- evaluating performance of each Director and performance of the Board as a whole;

SHARES TRANSFER COMMITTEE:**Brief description and Terms of Reference:**

The Board has delegated the powers to a committee to approve transfer/transmission of shares and attend to all other matters related thereto. The Share Transfer Committee is duly constituted as follows:

Composition of Shares Transfer Committee as on 31st March, 2016:

Sr. No.	Name of Members	Category	Designation
1	Ms. Kirti Salvi	Managing Director	Chairman
2	Mr. Anil Kothari	Non-Executive Director	Member
3	Mr. Shailendra Patni	Non-Executive Director	Member

STAKEHOLDER RELATIONSHIP COMMITTEE:**Brief description and Terms of Reference:**

To specifically look into redressal of complaints like transfer of shares, non- receipt of dividend, non-receipt of annual report etc. received from shareholders/ investors and improve efficiency. The Committee performs such other functions as may be necessary or appropriate for the performance of its duties. The Stakeholder Relationship Committee is duly constituted and the matters specified in accordance with Clause 49 of the Listing Agreement read with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and of Section 178 of the Companies Act, 2013

Composition of Stakeholder Relationship Committee as on 31st March, 2016:

Sr. No.	Name of Members	Category	Designation
1	Mr. Shailendra Patni	Independent Director	Chairman
2	Mr. Anil Kothari	Independent Director	Member
3	Mr. Bijay Dokania	Executive Director	Member

MANAGEMENT REVIEW AND RESPONSIBILITY:**FORMAL EVALUATION OF OFFICERS:**

The Remuneration Committee of the Board approves the compensation and benefits for all executive Board members. Another committee, headed by the MD, reviews, evaluates and decides the annual compensation of our officers from the level of executive upwards.

DISCLOSURES:**1. RELATED PARTY DISCLOSURES:**

The Company has not entered into any materially significant related party transactions with its Promoters, Directors, or Management. The Company had formulated and adopted a policy with related party transaction and same is displayed on the Company's website www.mpfsl.co.in

2. COMPLIANCE BY THE COMPANY:

The Company has complied with the requirement of regulatory authorities on matters related to capital market and no penalties/ stricture have been imposed against the Company during the last three years.

3. ACCOUNTING TREATMENT:

The account treatments are in accordance with the applicable accounting standard. The company has not altered or adapted any new standard.

4. VIGIL MECHANISM / WHISTLE BLOWER:

The Company has implemented a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement. The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. All personnel have affirmed that they have not been denied access to the Chairman of the audit committee.

5. NON-MANDATORY REQUIRMENTS:

Shareholder's Rights: The half yearly financial results are published in leading newspapers and also displayed on the Company's website www.mpfsl.co.in .

6. PREVENTION OF INSIDER TRADING:

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prevention of Insider Trading) Regulation, 2015 and the same is available on the Company's website 'www.mpfsl.co.in' . This policy also includes practices and procedures for fair disclosures of unpublished price-sensitive information, initial and continual disclosures.

7. CODE OF CONDUCT:

In accordance with Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for Board of Director and Senior Management. The Code is available on the Company's website 'www.mpfsl.co.in'.

All members of the Board of Directors and Senior Management personnel have affirmed compliance to the Code as on 31st March, 2016. A declaration to this effect signed by the Managing Director is annexed to this Report.

8. CEO AND CFO CERTIFICATION:

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the MD and CFO certification is provided in this Annual Report.

ANNUAL GENERAL MEETINGS:

Details of Annual General Meetings:

Particulars	F.Y.2014-2015	F.Y.2013-2014	F.Y.2012-2013
Date	30.06.2015	26.04.2014	27.04.2013
Time	11.00a.m.	10.30 a.m.	10.30 a.m.
Reg Office	Greaves Compound, Chindwadworks, Bombay-Pune Road, Chinchwad (E) Pune-411019	Greaves Compound, Chindwadworks, Bombay-Pune Road, Chinchwad (E) Pune-411019	Greaves Compound, Chindwadworks, Bombay-Pune Road, Chinchwad (E) Pune-411019

MEANS OF COMMUNICATION:

Half Yearly Financial Report	The Financial results of the Company are published in leading newspapers and also displayed on the Company's website www.mpfsl.co.in . Therefore, a separate half yearly report is not sent to each shareholder.
Quarterly Financial Results	The quarterly financial results of the Company are published in accordance with the requirement of the Listing Agreement of the Stock Exchanges where the shares of the company are listed.
Newspapers in which results are normally published	1) Financial Express 2) Aapale Mahanagar
Website	www.mpfsl.co.in
Administrative/Registered Office	Greaves Compound, Chindwadworks, Bombay-Pune Road, Chinchwad (E) Pune-411019
Whether Management Discussions and Analysis report is a part of Annual Report or not	Yes

GENERAL SHAREHOLDERS INFORMATION:

1. 23rd Annual General Meeting:

Date : 30th September, 2016
Time : 3.30 pm
Venue : Plot no. 6B, C.T.S. no.587/2/6 at parvati Parvati Darshan C.H.S.ltd. Near Sane Guruji Marg Pune-411030

2. **Date of Book Closure:** 23th September, 2016 to 30th September, 2016 (both days inclusive)

3. Tentative Calendar for financial year 31st March, 2016:

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2016 are as follows:

Financial Reporting for the Quarter Ended 30 th June 2016	27 th July, 2016
Financial Reporting for the Quarter and Half yearly Ended 30 th September 2016	31 st October, 2016
Financial Reporting for the Quarter Ended 31 st December 2016	30 th January, 2017
Financial Reporting for the Quarter Ended 31 st March 2017	22 nd May, 2017

4. Registered Office:

Greaves Compound, Chinchwadworks, Bombay-Pune Road, Chinchwad (e) Pune-411019

5. Listing of Shares on Stock Exchanges:

The Company shares are listed on BSE Limited (BSE). The requisite listing fees have been paid in full to all the Stock Exchanges.

6. A) Stock Codes (check)

BSE : 532470
ISIN: INE095E01014

B) Corporate Identity Number: L65999PN1993PLC014500

7. Market Price Data: BSE

A) The Monthly high/low quotation of equity shares traded on the BSE Limited, Mumbai are as follows:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares
Apr-15	12.90	12.90	10.52	10.52	5090
May-15	10.00	10.00	9.05	9.05	336
Jun-15	9.10	9.45	8.10	9.00	3627
Jul-15	9.00	9.00	7.00	7.02	6085
Aug-15	7.02	7.66	7.30	7.30	203
Sep-15	7.30	7.66	7.30	7.30	203
Oct-15	7.00	7.35	6.25	6.25	509
Nov-15	6.15	6.66	6.05	6.50	1650
Dec-15	6.80	8.09	6.80	7.80	1542
Jan-16	7.41	7.80	6.19	6.19	1438
Feb-16	5.90	6.17	5.61	6.17	1021
Mar-16	6.30	7.35	5.87	6.90	2114

(Source –www.bseindia.com)

B) Shareholding Pattern as on 31st March, 2016:

	Categories of Shareholders	Shares Held	% of Total
A)	Promoters	1889159	55.52
B)	Public	1513488	44.48
C)	Non-Promoter	-	-
	TOTAL	3402647	100

**8. Registrar and Transfer Agent:
SHARE TRANSFER SYSTEM**

M/s. Purva Shareregistry (India) Private Limited to be the Registrar and Transfer Agent of the Company. All the work related to share Registry in terms of both Physical and Electronic segment has been allotted to M/s. Purva Shareregistry (India) Private Limited, in view of the directive issued by SEBI in this regard i.e. for handling both Physical as well as Electronic transfer at a single point.

Shareholders are therefore requested to send shares for Physical transfer to M/s. Purva Shareregistry (India) Private Limited instead of sending to the Company. As the Company's shares are compulsorily to be traded in the dematerialized form. Members holding shares in Physical Form are requested to send the share certificate to their Depository Participants to enable Registrar and Transfer Agent to take steps for dematerialization at the following:

The address of Registrar and Transfer agents is:

M/s. Purva Shareregistry (India) Private Limited
No.9, Shiv Shakti Industrial Estate,
Ground Floor, J.R. Boricha Marg,
Opposite Kasturbha
Mumbai-400011
Phone No.022- 23016761
Email: - busicomp@gmail.com

Outstanding ADRs / GDRs:

The company has not issued any ADRs / GDRs

Address for Correspondence:

105/106, Prime Plaza, Elphinstone, Mumbai-400011.

Place: Pune
Dated: 3rd September, 2016

On behalf of the Board of Directors
Sd/-
Kirti Salvi
Managing Director

Annexure- IV
CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To,
The Members of
MPF Systems Limited

We have examined the compliance of conditions of corporate governance by MPF SYSTEMS Limited ('the Company') for the year ended March 31, 2016 as stipulated in Clause 49 of the Listing Agreement and in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C,D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place:Pune
Date: 30th May, 2016

For Ramesh Chandra Mishra & Associates
Sd/-
Ramesh Mishra
FCS: 5477
PCS: 3987

**DECLARATION UNDER REGULATION 26 OF THE SEBI (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Members of
MPF Systems Limited (MPF)

As provided under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct for the year ended March 31, 2016.

Place: Pune
Date: 30th May, 2016

For MPF SYSTEMS LIMITED
Sd/-
Kirti Salvi
(Managing Director)

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors
MPF Systems Limited

We, Mrs. Kirti Salvi, Managing Director and Mr. Ambrish Pal, Chief Financial Officer, do hereby certify as follows:

We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

To the best of our knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

1. Significant changes in internal control over financial reporting during the year;
2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For MPF Systems Limited
Sd/-
Kirti Salvi
(Managing Director)

For MPF Systems Limited
Sd/-
Ambrish Pal
(Chief Financial Officer)

Place: Pune
Date: 3rd September 2016

Independent Auditor's Report

To
The Members of
MPF SYSTEMS LIMITED
(Previously known as Mather and Platt Fire Systems Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of MPF SYSTEMS LIMITED (previously known as Mather and Platt Fire Systems Limited) which comprise the Balance sheet as at 31st March, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; Making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

As explained in Note no. 17.13 to the Standalone financial statements of the company at its board of director meeting held on 11th February, 2016 the board has passed a resolution to reduce in the share capital of the company. The accumulated losses of Rs 32,325,146/- (Rupees Three Crores Twenty Three Lakhs Twenty Five Thousand One Hundred Forty Six Only) of the company to be set off against the paid up capital of Rs 34,026,470/- (Rupees Three Crores Twenty Six Thousand Four Hundred Seventy Only) and the subscribed capital of the company shall stand reduce from Rs.34,026,470/- (Rupees Thirty Four Crores Twenty Six Thousand Four Hundred Seventy Only) to Rs. 1,701,320/- (One Crores Seven Lakhs One Thousand Three Hundred Twenty Only).

However, the above proposal is pending for approval from respective authority and body of institutions. Our opinion is not qualified in respect of the Emphasis of Matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statement comply with the Accounting Standards specified under section 133 of Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors at on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position except mention in annexure to audit report and in notes to accounts ;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For KALA JAIN & CO.
Chartered Accountants
Firm Reg. No. 127886W

(SUPARSH KALA)
PARTNER
Membership No.114419

Place: Mumbai
Date: 30th May, 2016

Balance Sheet*for the 15 months ended on 31st March 2016*

(Currency - Indian Rupees)

	Note	March 31st 2016	December 31st 2014
EQUITY AND LIABILITIES			
Shareholders' funds :			
Share capital	3	34,026,470	34,026,470
Reserves and surplus	4	(35,822,858)	(34,542,585)
		<u>(1,796,388)</u>	<u>(516,115)</u>
Non Current Liabilities			
Long Term Borrowings	5	435,963	-
		<u>435,963</u>	<u>-</u>
Current Liabilities			
Trade payables	6	1,418,811	1,580,953
Other current liability	7	253,110	266,579
		<u>1,671,921</u>	<u>1,847,532</u>
TOTAL		<u>311,496</u>	<u>1,331,417</u>
ASSETS			
Non-Current assets			
Fixed asset			
- Intangible asset	8	2,248	10,976
Non-current investments	9	5,000	21,100
Long term loans and advances	10	251,372	290,702
		<u>258,620</u>	<u>322,778</u>
Current assets			
Trade receivables	11	-	-
Cash and Cash Equivalents	12	52,876	1,008,639
		<u>52,876</u>	<u>1,008,639</u>
TOTAL		<u>311,496</u>	<u>1,331,417</u>
Significant accounting policies	1-2	-	
Notes to financial statements	3-17		

The notes referred to above form an integral part of the Balance Sheet

As per our report of even date attached

For and on behalf of the MPF System Limited

For Kala Jain & Company
Chartered Accountants

Firm Regn. No : 127886W

Suparsh Kala
Partner
M.N. 114419Kirti M.Salvi
Director
DIN - 07141300Anil Kothari
Director
DIN - 01991283Place: Mumbai
Date: 30/05/2016

Statement of Profit and Loss
for the 15 months ended on 31st March
2016

(Currency - Indian Rupees)

	Note	March 31st 2016	December 31st 2014
Revenue from operations	13	-	-
Other operating revenue			
Total		<u>-</u>	<u>-</u>
Other income	14	834,160	110,507
		<u>834,160</u>	<u>110,507</u>
Expenditure			
Operating and other expenses	15	2,105,705	5,087,694
amortization	8	8,728	5,712
		<u>2,114,433</u>	<u>5,093,406</u>
(Loss)/profit before tax		(1,280,273)	(4,982,899)
Provision for tax			
Excess provision of income tax with respect to earlier years written back		<u>-</u>	<u>-</u>
(Loss)/profit after tax		<u>(1,280,273)</u>	<u>(4,982,899)</u>
Basic and diluted earnings per equity share of face value of Rs. 10 each		(0.38)	(1.46)

Significant accounting policies 1-2
Notes to financial statements 3-17

The notes referred to above form an integral part of the Statement of Profit and Loss.

As per our report of even date attached

For and on behalf of the MPF System Limited

For Kala Jain & Company
Chartered Accountants
Firm Regn. No : 127886W

Suparsh Kala
Partner
M.N. 114419

Kirti M.Salvi
Director
DIN - 07141300

Anil Kothari
Director
DIN - 01991283

Place: Mumbai
Date: 30/05/2016

Cash Flow Statement
for the 15 months ended on 31st March 2016

(Currency - Indian Rupees)

	March 31st 2016	December 31st 2014
A. Cash flows from operating activities		
(Loss)/profit before tax	(1,280,273)	(4,982,899)
<i>Non cash adjustments to reconcile profit / (loss) before tax to net cash flows:</i>		
Interest income	(260)	(65,507)
Fixed assets written off	-	-
Profit on sale of Shares	(833,900)	-
Depreciation and amortisation of assests	8,728	5,712
Operating profit before working capital changes	(2,105,705)	(5,042,694)
<i>Adjustments for :</i>		
Decrease in inventories	-	-
Decrease in trade receivables	-	-
Decrease in loans and advances	39,330	-
Decrease in trade payables	(162,142)	314,568
Increase/(Decrease) in other liabilities	(13,469)	266,579
Increase/(Decrease) in short term	435,963	-
Cash generated from/(used in) operations	(1,806,023)	(4,461,547)
Income taxes paid (<i>net of refunds</i>)	-	(7,085,627)
Net cash generated (used in) /from operating activities	(1,806,023)	(11,547,174)
B. Cash flows from investing activities		
Dividend received	-	-
Proceeds from sale of shares	850,000	-
Interstet Income	260	65,507
Net cash used in investing activities	850,260	65,507
Net decrease in cash and cash equivalents (A+B)	(955,763)	(11,481,667)
Cash and cash equivalents opening balance	1,008,639	12,490,306
Cash and cash equivalents closing balance	52,876	1,008,639
Components of cash and cash equivalents		
Balances with banks on current accounts	52,876	1,008,639
Total cash and cash equivalents	52,876	1,008,639

The notes referred to above form an integral part of the Cash Flow Statement

As per our report of even date attached

For and on behalf of the MPF System Limited

For Kala Jain & Company
Chartered Accountants

Firm Regn. No : 127886W

Suparsh Kala
Partner
M.N. 114419

Kirti M.Salvi
Director
DIN - 07141300

Anil Kothari
Director
DIN - 01991283

Place: Mumbai
Date: 30/05/2016

Notes to the financial statements (continued)

for the 15 months ended on 31st March 2016

(Currency - Indian Rupees)

	March 31st 2016	December 31st 2014
3. Share capital		
Authorised		
5,000,000 (P.Y. : 5,000,000) equity shares of Rs. 10 each	<u>50,000,000</u>	50,000,000
Issued, subscribed and paid up		
3,402,647 (P.Y. : 3,402,647) equity shares of Rs.10 each	<u>34,026,470</u>	34,026,470
	<u><u>34,026,470</u></u>	<u><u>34,026,470</u></u>

3.1 Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

3.2 Shares held by holding/ultimate holding company

1,889,159 (P.Y. : 1,887,697), equity shares are held by ROYAL NIRMAN PRIVATE LIMITED the Company's holding company.

3.3 Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	March 31st 2016		December 31st 2014	
	No. of shares	% held	No. of shares	% held
ROYAL NIRMAN PVT LTD	1,889,159	55.52%	1,887,697	55.48%

Notes to the financial statements (continued)

for the 15 months ended on 31st March 2016

	March 31st 2016	December 31st 2014
4. Reserves and surplus		
Surplus in the Statement of Profit and Loss		
Balance as per last Balance Sheet	(34,542,585)	(29,559,686)
Add - Net profit after tax transferred from Statement of Profit and Loss	(1,280,273)	(4,982,899)
Net surplus in the Statement of Profit and Loss	<u><u>(35,822,858)</u></u>	<u><u>(34,542,585)</u></u>

Notes to the financial statements (continued)

for the 15 months ended on 31st March 2016

	March 31st 2016	December 31st 2014
(Currency - Indian Rupees)		
5. Long Term Borrowings		
Loans from Directors		
<u>Unsecured Loan</u>		
Kirti M. Salvi	435,963	-
	<u>435,963</u>	<u>-</u>
6. Trade payables	1,418,811	1,580,953
	<u>1,418,811</u>	<u>1,580,953</u>
7. Other current liability		
Tax Deducted at Source	253,110	266,579
	<u>253,110</u>	<u>266,579</u>
9 .Non-current investments		
<i>(Non trade)</i>		
Quoted		
Investment in equity instruments		
United Spirits Limited		
(P.Y. : 266 shares) of Rs.10 each fully paid up	-	16,100
Unquoted		
Investment in Government securities		
6 Year National Savings Certificates		
(lodged with Karnataka Sales tax department as security deposit)	5,000	5,000
	<u>5,000</u>	<u>21,100</u>
<i>Aggregate market value of quoted investments</i>	<i>-</i>	<i>740,012</i>
10. Long term loans and advances		
<i>(Unsecured, considered good)</i>		
Advance taxes and tax deducted at source <i>(net of provisions)</i>	251,372	290,702
	<u>251,372</u>	<u>290,702</u>

Notes to the financial statements (continued)

for the 15 months ended on 31st March 2016

	March 31st 2016	December 31st 2014
(Currency - Indian Rupees)		
11. Trade receivables		
<i>(Unsecured)</i>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	-	-
Considered doubtful	59,766,310	59,749,957
Less: Provision for doubtful debts	(59,766,310)	(59,749,957)
	<u>-</u>	<u>-</u>
12. Cash and Cash Equivalents		
<i>Cash and cash equivalents</i>		
Balances with banks on current accounts	52,876	1,008,639
On Deposit Accounts (which original maturity of 3 months or less)*	-	-
	<u>52,876</u>	<u>1,008,639</u>
Other bank balances		
Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months *	-	
	<u>52,876</u>	<u>1,008,639</u>
Details of bank balances/deposits		
Bank balances available on demand included under 'Cash and cash equivalents'	52,876	1,008,639
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	-	-
	<u>52,876</u>	<u>1,008,639</u>

MPF SYSTEMS LIMITED

CIN: L65999PN1993PLC014500

Regd.Office: Greves Compound, Chindwadworks, Bombay-Pune Road,
Chinchwad (E) Pune-411019.**Proxy form**

Annual General Meeting 2015-2016

I hereby record my presence at the 23rd Annual General Meeting of the Company to be held on Friday ,30th September,2016 at 3.30 pm .at Plot no 6B C.T.S. no.587/2/6 at Parvati, Parvati Darshan C.H.S.ltd. Near Sane Guruji Marg , Pune-411030

Name of the Member: _____

Folio/Client ID No.: _____

Name of the Proxy/ Representative(inBlockLetters)

(To be filled in if the Proxy/Representative attends

Instead of the Member) _____

Signature of the Member or Proxy/Representative: _____

As my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of MPF Systems Limited to be held on the 30th day of September, 2016 at 1030 a.m at C.T.S. no587/2/6 at P arvati, Parvati Darshan C.H.S.ltd. Near Sane Guruji Marg, Pune-411030 and at any adjournment there of in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	For	Against	Abstain
ORDINARY BUSINESS				
1)	To consider and adopt the Audited Standalone & Consolidated Financial Statement for the financial year ended 31 st March, 2016			
2)	To appoint Auditors and fix their remuneration			
SPECIAL BUSINESS				
3)	Appointment of Mr. Aakesh Chopra as Independent Director of the company.			

Signed his _____ t _____ day
of _____ 2016

Affix Revenue Stamp

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) before submission.

MPF SYSTEMS LIMITED

CIN: L65999PN1993PLC014500

Regd. Office: Greves Compound, Chindwad Works, Bombay-Pune Road,
Chinchwad(e) Pune-411019**ATTENDANCE SLIP**

Annual General Meeting 2015-2016

I hereby record my presence at the 23rd Annual General Meeting of the Company to be held at Parvati, Parvati Darshan C.H.S.ltd. Near Sane Guruji Marg , Pune-411030 on Friday ,30th September,2016 at 3.30 p.m.

Name of the Member: _____

Folio/Client ID No.: _____

Name of the Proxy/Representative (in Block Letters)

(To be filled in if the Proxy/Representative attends

Instead of the Member) _____

Registered Post/Courier

If Undelivered please return to:

MPF Systems Limited

Registered Office

Plot no. 6B, C.T.S. No.587/2/6 at Parvati

Parvati Darshan C.H.S.ltd.

Near Sane Guruji Marg

Pune-411030