



MPF Systems Limited

(Formerly known as Mather And Platt Fire Systems Limited)

CIN: L65999MH1993PLC287894

Date: 4th August, 2020

To,
The Secretary,
The Bombay Stock Exchange,
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001.

SUBJECT : ANNUAL REPORT FOR FY 2019-20, NOTICE OF 27TH ANNUAL GENERAL MEETING ("AGM") AND INTIMATION OF RECORD DATE

BSE CODE : 532470

Dear Sir/Madam,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Notice of 27th AGM and the Annual Report of the Company for the financial year 2019-20.

Further, in compliance with relevant circulars issued by Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI), the Notice convening 27th AGM and the Annual Report of the Company for the financial year 2019-20 has been sent to all the members of the Company whose email addresses are registered. The AGM of the Company will be held on Saturday, September 26, 2020, at 02.00 p.m. through Video Conferencing/ Other Audio Visual Means in accordance with the aforesaid circulars. The Notice of AGM along with the Annual Report for the financial year 2019-20 is also being made available on the website of the Company at <https://www.mpfsl.co.in>.

Further to our Intimation dated August 17, 2020, wherein we had intimated details related to Book Closure i.e. from Monday, September 21, 2020 to Saturday, September 26, 2020 (both days inclusive). In this regard please note that the Company has fixed, Saturday, September 19, 2020, as the Record Date for the purpose of determining the members eligible to vote on the resolutions set out in the Notice of the AGM or to attend the AGM.

Please acknowledge and take on record the same.

Thanking You,

For MPF Systems Limited


KIRTI GHAG RAKESH
Managing Director
DIN - 07141300



MPF SYSTEMS LIMITED

CIN: L65999MH1993PLC287894

Registered Office: Plot No. 108, Prim Plaza, J. V. Compound,
B. M. Road, Elphinstone (W), Mumbai - 400013.

27th ANNUAL REPORT

2019-2020

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Kirti Ghag Rakesh	Executive Director, Managing Director
Mr. Anil Kothari	Non-Executive, Independent Director
Mr. Aakesh Chopra	Non-Executive, Independent Director
Mr. Rakesh M. Bhandari	Chief Financial Officer
Ms. Poonam Sharma	Company Secretary & Compliance Officer

BANKERS

AXIS BANK LTD.

AUDITORS

M/s. Kala Jain & Co. Chartered Accountants

REGISTERED OFFICE:

108 PRIME PLAZA, J.B.COMPOUND,
ELPHISTONE ROAD, MUMBAI- 400013

Website: www.mpfsl.co.in

Email : compliancempf@gmail.com

LISTING

BOMBAY STOCK EXCHANGE LIMITED

REGISTRAR & SHARE TRANSFER AGENT

PURVA SHAREGISTRY INDIA PVT LTD , NO.9,SHIV SHAKTI INDUSTRIAL
ESTATE , GROUND FLOOR, J.R BORICHA MARG, OPP. KASTURBA
HOSPITAL,LOWER PAREL (W), MUMBAI – 400 011.

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NOTICE

NOTICE is hereby given that the Twenty seventh Annual General Meeting of the members of MPF SYSTEMS LIMITED will be held on Saturday, September 26, 2020 at 02:00 p.m. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business(es)::

ORDINARY BUSINESS:

1. To consider and adopt the Audited Statement of the Company for the financial year ended 31st March, 2020, the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint auditor of the Company and to fix their remuneration and to pass the following resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant 139, 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee to the Board of Directors, M/s. Kala Jain & Co., Chartered Accountants, having registration no. 127886W be and are hereby re-appointed as a Auditors of the Company , who shall hold office from the conclusion of this 27th Annual General Meeting for a term of 5 years till conclusion of the 32nd Annual General Meeting to be held in the calendar year 2025 and that the Board of Directors be and is hereby authorised to fix such remuneration 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 in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

SPECIAL BUSINESS

3. Re-Appointment of Mr. Anil Mansukhlal Kothari (DIN: 01991283) as an Independent Non-Executive Director of the Company and to pass the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr. Anil Mansukhlal Kothari (DIN: 01991283), Independent Non-Executive Director of the Company whose term ended on 23rd March ,2020 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five consecutive years with effect from 23 March,2020 to 20 March, 2025".

"AND RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

4. Re-Appointment of Mrs. Kirti Ghag Rakesh (DIN: 07141300) - as Managing Director .

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time,

the consent of the Members be and is hereby accorded to the reappointment and terms of remuneration of Mrs. Kirti Ghag Rakesh (DIN: 07141300) as Managing Director of the Company for a period of five years, with effect from 26-08-2020, not liable to retire by rotation, upon the terms and conditions set out in the Statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of Section 197 of the Companies Act, 2013 with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and terms of remuneration as it may deem fit and in such manner as may be agreed to between the Board and the MD."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the period of Mrs. Kirti appointment, he will be paid or provided the salary, the allowances, and the perquisites as set out in the foregoing part of this resolution as the 'Minimum Remuneration.'"

"AND RESOLVED FURTHER THAT the Board of Directors (the 'Board' which term includes a duly constituted Committee of the Board) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**On behalf of the Board of Directors
For MPF Systems Limited**

Place: Mumbai

Sd/-

Dated: 26.08.2020

**Kirti Ghag Rakesh
Managing Director
DIN: 07141300**

E-mail Address: compliancempf@gmail.com

Website: <https://www.mpfsl.co.in>

Registered Office:

108, Prime Plaza, J.V. Patel Compound, B. M. Road Elphinstone (w) Mumbai-400013 Mumbai City MH 400013

NOTES:

- (a) The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') with respect to Item Nos. 3 and 4 forms part of this Notice. Additional information, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as an annexure to the Notice.
- (b) In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to 'Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) read with General Circular No. 14/2020 dated April 8, 2020 and the General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' (collectively referred to as 'MCA441 Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – COVID-19 pandemic' ('SEBI Circular') permitted the holding of the AGM through VC or OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars & SEBI Circular, the 27th AGM of the Company is being held through VC/OAVM on Saturday, September 26, 2020 at 2.00 p.m. (IST). The deemed venue for the

27th AGM will be at 108, Prime Plaza, J.V. Patel Compound, B.M.Road Elphinstone (w) Mumbai-400013 Mumbai Mumbai City MH 400013.

- (c) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of AGM.
- (d) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- (e) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the LODR Regulations, the Company has extended e-voting facility for its members to enable them to cast their votes electronically on the resolutions set forth in this notice. The instructions for e-voting are provided in this notice. The e-voting commences on Wednesday, September 23, 2020 at 9.00 AM IST and ends on Friday, September 25, 2020 at 5.00 PM IST. The voting rights of the Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, i.e., Saturday, September 19, 2020.
- (f) Any person who is not a member post cut-off date should treat this notice for information purposes only.
- (g) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- (h) Any person, who acquires shares and becomes a Member of the Company after sending the notice and holding shares as of the cut-off date, i.e., Saturday, September 19, 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or to the Registrar and Share Transfer Agent (RTA) support@purvashare.com. However, if he/she is already registered with Central Depository Services (India) Limited (CDSL) for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- (i) CS Ramesh Chandra Mishra, Practising Company Secretary (Membership No. FCS 5477 CP No. 3987) from M/s Ramesh Chandra Mishra & Associates, vide Board Resolution dated August 26, 2020 has been appointed as the Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
- (j) The Scrutinizer shall within a period not exceeding 2 (Two) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (Two) witnesses not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing.
- (k) The Results shall be declared after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website viz. <https://www.mpfsi.co.in> and on the website of CDSL within 2 (Two) working days of passing of the resolutions at the AGM of the Company and the same will also be communicated to the Stock Exchanges.
- (l) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants (DPs) in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
- (m) In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website <https://www.mpfsi.co.in>,

websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL at <https://helpdesk.evoting@cdslindia.com>. The Company will also be publishing an advertisement in newspaper containing the details about the AGM i.e. the conduct of AGM through VC/ OAVM, date and time of AGM, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses with the Company/ RTA and other matters as may be required.

- (n) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (o) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- (p) Pursuant to Section 91 of the Act, the Register of Members of the Company will remain closed from Monday, September 21, 2020 to Saturday, September 26, 2020 (both the days inclusive).
- (q) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") along with details pursuant to Securities and Exchange Board of India ("SEBI") Regulations and other applicable laws are annexed hereto, which sets out details relating to Special Business at the meeting, is annexed hereto.
- (r) The Registers maintained under Section 170 & 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection till the conclusion of AGM by the members based on the request being sent on compliancempf@gmail.com.
- (s) Member(s) must quote their Folio Number/ DP ID & Client ID and contact details such as email address, contact no. etc. in all correspondences with the Company/ RTA.
- (t) As per Regulation 40 of LODR Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the RTA for assistance in this regard.
- (u) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- (v) Pursuant to the provisions of Section 72 of the Act the Member(s) holding shares in physical form may nominate, in the prescribed manner, any person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. A nomination form for this purpose is available with the Company or its RTA. Member(s) holding shares in demat form may contact their respective DPs for availing this facility.
- (w) Member(s) holding shares in physical form is/ are requested to notify immediately any change of their respective addresses and bank account details. Please note that request for change of address, if found incomplete in any respect shall be rejected. Members holding shares in demat form are requested to notify any change in their addresses, e-mails and/or bank account mandates to their respective DPs only and not to the Company/ RTA for effecting such changes. The Company uses addresses, e-mails and bank account mandates furnished by the Depositories for updating its records of the Shareholders holding shares in electronic/demat form.

The details of the process and manner for remote e-voting are explained herein below:

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 Wednesday September 23, 2020 at 9.00 a.m. and ends on Friday September 25, 2020 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 Saturday September 19, 2020 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
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. 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.
- (viii) If you are a first time user follow the steps given below:

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> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits 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 Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / Folio number in the Dividend Bank details field as mentioned in instruction (v).

- (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.
- (xvii) 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.
- (xviii) 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.
- (xix) 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.
- (xx) 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.
- (xxi) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- (xxii) 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 Notice

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON 27TH AGM ARE AS UNDER:

1. Members may follow the same procedure for e-Voting during the 27th AGM as mentioned above for remote e-Voting.
2. Only those Members/ shareholders, who will be present in the 27th AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the 27th AGM. However, they will not be eligible to vote at the 27th AGM.
4. The Helpline details of the person who may be contacted by the Member needing assistance with the use of technology, before or during the AGM shall be the same persons mentioned for remote e-Voting and reproduced hereunder for convenience:

Members who need assistance before or during the AGM can contact CDSL on helpdesk.evoting@cdslindia.com / 1800225533 or contact Mr. Rakesh Dalvi (022-23058542) – CDSL or Mr. Nitin Kunder (022-23058738) AND Manish Shah on 9324659811 at support@purvashare.com our RTA Purva Sharegistry (India) Pvt. Ltd.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING 27TH AGM THROUGH VC/OAVM ARE AS UNDER:

- I. Members who have not cast their vote on the resolutions through remote e-voting shall be eligible to vote through the e-voting system during the AGM provided by Purva Sharegistry (India) Pvt. Ltd.
- II. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 27th AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address compliancempf@gmail.com at least 48 hours in advance before the start of the meeting i.e. by September 26, 2020 by 2:00 p.m. IST. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- III. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at compliancempf@gmail.com on or before, 5.00 p.m. (IST), Monday, September 21, 2020. Those Members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- IV. Facility of joining the AGM through VC/ OAVM shall open 30 minutes before the time scheduled for the AGM for the members to join. The Shareholders can join the AGM in the VC/ OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the necessary procedure mentioned in the Notice of this AGM.
- V. Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with high-speed internet connectivity.
- VI. Shareholders will be able to attend the AGM through VC / OAVM through web link - <https://purvashare.instavc.com/broadcast/29a8e1d0-de38-11ea-9cf2-c38f30cd4fef> by entering their remote e-voting login credentials and selecting the EVEN for Company's AGM.
- VII. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliancempf@gmail.com.

- VIII. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- IX. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through Chat system available during the AGM.
- X. If any votes are casted by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- XI. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.
- XII. Please note that Members connecting from mobile devices or tablets or through laptops etc. connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

For any other queries relating to the shares of the Company, you may contact the Registrar and Share Transfer Agent at the following address:

Registered Office of RTA
Unit no. 9, Shiv Shakti Ind. Estt.
J.R. Boricha marg, Lower Parel
(E), Mumbai 400 011
E-mail - support@purvashare.com
Website - www.purvashare.com

Place: Mumbai
Dated: August 26, 2020

On behalf of the Board of Directors
For MPF Systems Limited

Sd/-
Kirti Ghag Rakesh
Managing Director
DIN: 07141300

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS FOR APPOINTMENT OF DIRECTORS:

Item no – 3: Re-Appointment of Mr. Anil Mansukhlal Kothari (DIN: 01991283) as an Independent Director of the Company.

Mr. Anil Mansukhlal Kothari (DIN: 01991283) is an Non-Executive Independent Director of the Company and Member of the Nomination and Remuneration Committee and Chairman of the Audit Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

He joined the Board of Directors of the Company in September, 2015. Pursuant to the Act, Mr. Kothari, was appointed as an Independent Non-Executive Director to hold office for five consecutive years for a term upto 30-06-2020.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Anil Mansukhlal Kothari (DIN: 01991283), being eligible for reappointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from 23-03-2020 upto 20-03-2025.

Anil Mansukhlal Kothari (DIN: 01991283) aged 51 years is by profession an Business professional. The company has benefited from his contribution to the development of business of the company.

Anil Mansukhlal Kothari (DIN: 01991283) does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Anil Mansukhlal Kothari (DIN: 01991283) has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Kothari fulfills the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management.

Copy of the draft letter for re-appointment of Mr. Kothari as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Kothari as an Independent Director and based on the recommendation of the Nomination and Remuneration Committee recommends the Ordinary Resolution as set out at Item No. 3 of the Notice of the AGM for approval of the members.

Except Mr. Kothari, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the AGM. Mr. Kothari is not related to any Director of the Company. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

ITEM No. 4 -

The Company has received from Mrs. Kirti Ghag Rakesh (DIN: 07141300) (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and (iii)

Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

The profile and specific areas of expertise of Mrs. Kirti Ghag Rakesh (DIN: 07141300) are provided as annexure to this Notice. The Board was appointed Mrs. Kirti Ghag Rakesh (DIN: 07141300) as the Managing Director of the company w.e.f. 19-09-2015 to 18-09-2020.

The Board on 26-08-2020 re-appointed Mrs. Kirti Ghag Rakesh (DIN: 07141300) as the Managing Director of the Company, not liable to retire by rotation, for a further period of five years effective August 26, 2020 to August 25, 2025. However on mutual discussion with Mrs. Kirti Ghag Rakesh (DIN: 07141300) considered and subject to approval of the Shareholders re-consider his reappointment from August 26, 2020 to August 25, 2025 for a period of 5-years.

The Board, while re-appointing Mrs. Kirti Ghag Rakesh (DIN: 07141300) as the Managing Director of the Company, considered her background, experience.

The main terms and conditions relating to the appointment and terms of remuneration Mrs. Kirti Ghag Rakesh (DIN: 07141300) MD are as follows:

- (A) Period: For a period of 5 years i.e., from August 26, 2020 to August 25, 2025.
 - (B) Nature of Duties: The MD shall devote her whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.
 - (C) 1.Remuneration:
 - Basic Salary: Rs. 15000 per month.
 - 2. Perquisites: The Director shall be entitled to the following perquisites.
 - 2.1 Housing: Rs.5000/- per month or the expenditure incurred by the company on hiring furnished accommodation for the appointee shall be subject to the ceiling of 60% of the salary, over and above 10% payable by the appointee. If the rent is lower than 10% of the salary the amount payable by the appointee will be limited to such rent. In case the accommodation is owned by the company, 10% of the salary of the appointee shall be deducted by the company.
 - 2.2 Leave Travel Concession & Medical Reimbursement:
 - (a) Leave Travel Expenses: Expenses incurred for the appointee and his family subject to a ceiling of Rs. 12000/- in a year, in accordance with the rules specified by the company.
 - (b) Medical Reimbursement: Expenses incurred for the appointee and his family subject to a ceiling of Rs. 48,000/- in a year, in accordance with the rules specified by the company.
- Explanation: For the purposes of a "family", family means the spouse, dependent children and dependent parents of the appointee.
- (c) Encashment of leave: As per company's rules. The Director shall be entitled to leave on full pay and allowances as per the rules of the Company but not more than one month in each year during the period of agreement. Leave can be accumulated upto the period of 60 working days. Encashment of leave, if any, in accordance with the rules of the Company shall be allowed only at the time of retirement or at the end of tenure as the case may be and it will not be included in the computation of ceiling for perquisites.
 - (d) Reimbursement of actual expenses for books and periodicals purchased for purposes of carrying-on his

duties and reimbursement of entertainment expenses actually and properly incurred in the course of the Company's business.

- (e) Other benefits to which senior officers of the company are normally entitled to, according to the rules of the company.
 - (f) The Director shall not be paid any sitting fees for attending the meetings of the Board or any committee thereof.
 - (g) ENTERTAINMENT
You shall be entitled for reimbursement of entertainment expenses actually and properly incurred in the course of the Company's business.
 - (h) PERFORMANCE BONUS
The Board of Directors or its committee for each year will determine the amount to be paid by way of commission/performance bonus to the Managing Director and also the frequency of the payment. Provided however that the commission/Performance bonus will be payable on pro-rata basis, in the event of earlier cessation or termination of the appointment.
2. ESOP : The Director shall not be eligible for ESOP plan of the company .

In case the Director dies during the course of his employment, the Company shall pay to her heirs/ legal representatives the remuneration and / or other perquisites due and payable upto the date of death of the Director.

The Director shall not either during the continuance of her employment hereunder or thereafter except in the proper course of her duties hereunder divulge to any person whomsoever and shall use her best endeavours to prevent the publication or disclosure of any trade secret industrial process or any information concerning the business or finances of the Company or any other Company for whom he is directed to perform services hereunder or of any of their dealings transactions or affairs which may come to his knowledge during or in the course of her employment.

It is hereby agreed and declared that so long as the Director is in the employment of the Company she shall have no interest directly or indirectly in any manner whatsoever including but without limiting the generality thereof in any financing arrangements in or with any person, firm, company or corporation engaged in any business that is competitive with any business which the Company or any other Company which is subsidiary or is affiliated to or is associated with the Company carries or from time to time. In the event that the Director breaches this Clause, the Company may terminate the Director's employment hereunder without notice and such termination shall not affect any of the Director's other obligations mentioned and the same shall survive such termination.

The profile and specific areas of expertise of Mrs. Kirti Ghag Rakesh (DIN: 07141300) are provided as annexure to this Notice. None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mrs. Kirti Ghag Rakesh (DIN: 07141300), to whom the resolution relates, is concerned or interested in the Resolution.

In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended, and based on the recommendation of the Board, approval of the Members is sought for the appointment and terms of remuneration of Mrs. Kirti Ghag Rakesh (DIN: 07141300) as Managing Director as set out above. The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mrs. Kirti Ghag Rakesh, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members

Annexure - A

Details of Directors seeking Appointment at the 27th Annual General Meeting to be held on September 26, 2020.

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Particulars	Name of Director(s)	
	Mr. Anil Mansukhlal Kothari	Mrs. Kirti Ghag Rakesh
Purpose	Re-Appointment as Non-Executive Independent Director	Appointment as Executive Director
DIN	01991283	07141300
Date of Birth	03/08/1969	08-03-1979
Age 48	51 years	41 years
Brief Profile	Mr Anil Mansukhlal Kothari is a Business Professional and having experience of more than 22 years. Presently as per the disclosure he is associated with one Listed Company as a Executive Director. he will be serving as Non-Executive Director of the Company till 20-03-2025 subject to approval of members of the Company	Mrs. Kirti Ghag Rakesh is a Commerce Graduate and having business experience of more than 10 years. Presently as per the disclosure she is not associated with any Listed Company as a Independent Director. She will be serving as Executive Director of the Company and will also be part of various committees of the Board. Her term is subject to approval of members of the Company.
Relationship with Directors and Key Managerial Personnel	None	None
Expertise in specific functional area*	Business Professional	Business
Qualification(s)	Graduate	Graduate
Board Membership of other listed Companies as on March 31, 2020	AAGAM CAPITAL LIMITED	-
Details of Shareholding the Company as on March 31, 2020	NIL	Nil
Date of first Appointment on the Board	30-06-2015	01-04-2015
No. of Board Meetings attended as on March 31, 2020	5	5
Chairmanships/Memberships of the Committees of other public limited companies as on March 31, 2020		
a) Audit Committee	-	
b) Nomination & Remuneration Committee	-	
c) Stakeholders Relationship Committee	-	
d) CSR Committee -	-	
e) Other Committee(s)		
- Share Transfer Committee	-	

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the **27th Annual Report** of the Company together with the Audited Financial Statements for the year ended **31st March, 2020**.

SUMMARY OF FINANCIAL RESULTS OF THE COMPANY:

PARTICULARS	Standalone	
	2019-2020	2018-2019
Total Income	-	-
Total Expenditure	13,05,436	19,08,461
Profit Before Interest and depreciation	(13,05,436)	(19,08,461)
Less: Depreciation	-	-
Interest	-	-
Tax	-	-
Net Profit/(Loss) After Tax	(13,05,436)	(19,08,461)

OPERATIONAL PERFORMANCE:

Income of the company from operations is Rs. Nil. Loss before tax is Rs. (13,05,436) as compared to Rs.(19,08,461) 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 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 year under review, there were no material changes and commitments affecting the financial position of the Company.

FORENSIC AUDIT:

The Forensic Audit was conducted for the period from April 1, 2015 to January 15, 2018. The Forensic Audit

Report was submitted by BSE to SEBI on September 27, 2018. On the basis of the examination of Forensic Audit Report by SEBI an Show Cause Notice was issued dated August 9, 2019. The Company has filled its reply dated January 15, 2020. After considering all the facts and circumstances of the case and exercising the power conferred an order was passed by Adjudicating Officer dated February 28, 2020 imposing a monetary penalty of Rs. 6,00,000 on the Company. There was also another proceeding initiated by the Whole Time Member, SEBI by issuing a show cause notice dated April 22, 2019. The Company has filled its reply dated November 22, 2019 to the SCN. After considering all the facts and circumstances of the case and exercising the power conferred an order was passed by Whole Time Member (SEBI), dated April 20, 2020. SEBI has issued another Show Cause Notice dated May 05, 2020 after an order passed by Adjudicating Officer dated February 28, 2020. The Company has filled its reply dated May 21, 2020 to the SCN. Also the Company is in the process of filing an appeal before Securities Appellate Tribunal. The Company is unable to predict the scope, duration or the outcome of these matters, therefore no provision has been made for penalty leviable due to the above report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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.

1. Mr. Anil Mansukhlal Kothari (DIN: 01991283) has been reappointed as non- executive Independent Director for the 2nd term (5 years) w.e.f 23 March, 2020 to 20 March, 2025 for period of 5 years.
2. Mrs. Kirti Ghag Rakesh (DIN: 07141300) has been re-appointed as Managing Director for the 2nd term w.e.f. August 26, 2020 to August 25, 2025 for a period of 5 years.

NUMBER OF MEETINGS OF THE BOARD:

The Board 5 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 along with 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 12th February, 2020, 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. The Board is professionally managed.

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, 2020, the Board consists of 3 members. Out of which one is the Managing Director, two are independent Directors.

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 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, 2020, 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 2020 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.

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 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.

SDK & Associates (Membership no- 111573) as the internal auditor for the financial year 2020-21

STATUTORY AUDITORS:

pursuant 139, 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee to the Board of Directors, M/s. Kala Jain & Co., Chartered Accountants, having registration no. 127886W be and are hereby re-appointed as a Auditors of the Company, who shall hold office from the conclusion of this 27th Annual General Meeting for a term of 5 years till conclusion of the 32nd Annual General Meeting to be held in the calendar year 2025 and that the Board of Directors be and is hereby authorized to fix such remuneration 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 in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 07, 2018.

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 2019-20, as required under Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial Audit Report for F.Y. 2019-20 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 2020-21.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/REGULATORS:

The Forensic Audit was conducted for the period from April 1, 2015 to January 15, 2018. The Forensic Audit Report was submitted by BSE to SEBI on September 27, 2018. On the basis of the examination of Forensic Audit Report by SEBI an Show Cause Notice was issued dated August 9, 2019. The Company has filled its reply dated January 15, 2020. After considering all the facts and circumstances of the case and exercising the power conferred an order was passed by Adjudicating Officer dated February 28, 2020 imposing a monetary penalty of Rs. 6,00,000 on the Company. There was also another proceeding initiated by the Whole Time Member, SEBI by issuing a show cause notice dated April 22, 2019. The Company has filled its reply dated November 22, 2019 to the SCN. After considering all the facts and circumstances of the case and exercising the power conferred an order was passed by Whole Time Member (SEBI), dated April 20, 2020. SEBI has issued another Show Cause Notice dated May 05, 2020 after an order passed by Adjudicating Officer dated February 28, 2020. The Company has filled its reply dated May 21, 2020 to the SCN. Also the Company is in the process of filing an appeal before Securities Appellate Tribunal. The Company is unable to predict the scope, duration or the outcome of these matters, therefore no provision has been made for penalty leviable due to the above report

1. **EFD/DRA1/SM/RR/MPFSL/10051/2019/01 DATED April 22, 2019**
Show cause notice under 11(1), 11(4), 11A AND 11B OF SEBI ACT 1992 AND SECTION 12A OF SECURITIES CONTRACT (REGULATION) ACT, 1956 in the matter of MPF Systems Limited.
2. **EFD/DRA1/RJB/TT/MPF/28332/2019/01 DATED October 25, 2019**

SCN dated April 22,201-9 issued under Section 11(4) and 11(B) in the matter of MPF Systems Limited.

3. EAD-7/BJD/BKM/ 20494/1/2019 dated 09-08-2019

Notice under Rule 4(1) of SEBI (Procedure for Holding inquiry and imposing penalties by Adjudications Officer) Rules. 1995 read with Section 15 I of SEBI Act. 1992 & Securities Contracts (Regulation) (Procedure for Holding inquiry and imposing Penalties by Adjudicating Officer) Rules. 2005 read with Section 23 I of SCRA 1956.

Reply to all SCN has been given in reasonable due dates.

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 is 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 SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 forms part of this Report and Annexure-IV to this Board's Report

CORPORATE SOCIAL RESPONSIBILITY:

As per the Companies Act, 2013 all companies having net worth of 500 crore or more or turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during any financial year are required to constitute a appropriate corporate social responsibility (CSR) Committee of the Board of Directors comprising there or more directors, at least one of whom an independent director and such company shall spend at least 2% of the average net profits of the Company's three immediately preceding financial year.

The Company presently does not with any of the criteria stated herein above.

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.

**On behalf of the Board of Directors
For MPF Systems Limited**

**Place: Mumbai
Dated: 26.06.2020**

**Sd/-
Kirti Ghag Rakesh
Managing Director
DIN: 07141300**

Annexure – I
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

Your Company is engaged in hire purchase, leasing giving on rent or otherwise finance plant and machinery etc. However the rates of interest going southward, though the process has started its progress is slow as compared to what the industry expects. The Company is evaluating various options in the present scenario. The management is optimistic that in the current year the environment for investment in certain core sectors will become viable keeping a long term perspective in mind.

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. The company mainly focused in low cost housing. The Company completely discontinued its food processing activities.

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

Place: Mumbai
Dated: 26/06/2020

Sd/-
Kirti Ghag Rakesh
Managing Director
DIN: 07141300

Annexure -II**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020-**

[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,
108, Prime Plaza, J.V. Compound,
Elphinstone Road, Mumbai-400013.

We 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 our opinion thereon.

Based on our 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 conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 (hereinafter called the 'Audit Period') 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 and subject to the reporting made hereinafter:

We 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, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under and certain provisions of Companies Act, 1956 and rules made there under;
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 (Not applicable to the Company during the Audit Period).

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, 2015;
7. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, subject to amendment Act, 2018;
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);
1. EFD/DRA1/SM/RR/MPFSL/10051/2019/01 DATED April 22, 2019
Show cause notice under 11(1), 11(4), 11A AND 11B OF SEBI ACT 1992 AND SECTION 12A OF SECURITIES CONTRACT (REGULATION) ACT, 1956 in the matter of MPF Systems Limited.

2. EFD/DRA1 /RJB/TT/MPF / 28332 / 2019/ 01 DATED October 25,2019
SCN dated April 22,201-9 issued under Section 11(4) and 11(B) in the matter of MPF Systems Limited.
3. EAD-7/BJD/BKM/ 20494/1/2019 dated 09-08-2019
Notice under Rule 4(1) of SEBI (Procedure for Holding inquiry and imposing penalties by Adjudications Officer) Rules. 1995 read with Section 15 I of SEBI Act. 1992 & Securities Contracts (Regulation) (Procedure for Holding inquiry and imposing Penalties by Adjudicating Officer) Rules. 2005 read with Section 23 I of SCRA 1956.

The application for listing of new shares on account of reduction of capital has been received on 26th June, 2018. The trading of shares temporarily under hold by the stock exchange On account of GSM.

Other laws applicable specifically to the company namely:

The Company not yet started low cost housing project.

10. Information Technology Act, 2000 and the rules made thereunder;

11. The Payment of Gratuity Act, 1972.

We have also examined compliance with the applicable clauses of the followings:

12. Secretarial Standard issued by The Institute of Company Secretaries of India.
13. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Listing Agreements/Regulations entered into by the Company with Bombay Stock Exchange Limited.

We 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 (Not Applicable to the Company during the Audit Period);
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, (Not Applicable to the Company during the Audit Period).

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

We 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 our opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like Labour Laws.

We 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.

We 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.

We further report that, 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.

We 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.

For Ramesh Chandra Mishra & Associates

Date: 26/06/2020

Place: Mumbai

UDIN NO - F005477B000490522

Sd/-
Ramesh Chandra Mishra
Company Secretary In Practice
FCS: 5477
PCS: 3987

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
MPF Systems Limited,
108, Prime Plaza, J.V. Compound,
Elphinstone Road, Mumbai - 400 013.

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 26/06/2020
Place: Mumbai

UDIN NO - F005477B000490522

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(i) OF THE SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

To,
The Members,
MPF Systems Limited,
108, Prime Plaza, J.V. Compound,
Elphinstone Road, Mumbai - 400 013.

We certify that pursuant to disclosure made by all Directors of M/s. MPF Systems Limited as required under section 164(2) and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rule, 2014 and Schedule V of SEBI (LODR) (Amendment) Regulations, 2018 and verification of data available on MCA portal, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Date: 26/06/2020

Place: Mumbai

For Ramesh Chandra Mishra & Associates

Sd/-

Ramesh Chandra Mishra

FCS: 5477

PCS: 3987

ANNEXURE -III FORM NO. MGT 9	
EXTRACT OF ANNUAL RETURN	
as on financial year ended on 31.03.20 20	
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.	

I REGISTRATION & OTHER DETAILS:

i)	CIN	L65999MH1993PLC287894
ii)	Registration Date	27/7/1993
iii)	Name of the Company	MPF SYSTEMS LIMITED
iv)	Category/Sub -category of the Company	Public Company / Company limited by Shares
v)	Address of the Registered office & contact details	108, Prime Plaza, J.V. Patel Compound, B.M.Road Elphinstone (w) Mumbai -400013 Mumbai Mumbai City MH 400013 IN
vi)	Whether listed company	Yes
vii)	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Purva Sharegistry (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

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

Sr. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1)	INDUSTRIAL MACHINERY	C6	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	NA				

A. Category Wise Shareholding									
Category Of Shareholders	No Of Shares held at the beginning of year				No Of Shares held at the end of year				% Change
	30/03/2019				31/03/2020				
	Demat	Phys ical	Total	% of Total Shares	Demat	Physic al	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individuals/ HUF	0	0	0	0	0	0	0	0	0
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	94458	1362	95820	56.32	94458	1362	95820	56.32	0.00
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....									
* DIRECTORS	0	0	0	0	0	0	0	0	0
* DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
* PERSON ACTING IN CONCERN	0	0	0	0	0	0	0	0	0
Sub Total (A)(1):	94458	1362	95820	56.32	94458	1362	95820	56.32	0.00
(2) Foreign									
(a) NRI Individuals	0	0	0	0	0	0	0	0	0
(b) Other Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
Sub Total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	94458	1362	95820	56.32	94458	1362	95820	56.32	0.00
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	11	11	0.01	0	11	11	0.01	0.00
(b) Banks FI	1	38	39	0.02	1	38	39	0.02	0.00
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govet(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	857	0	857	0.50	857	0	857	0.50	0.00
(g) FIIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)									
* U.T.I.	0	0	0	0	0	0	0	0	0
* FINANCIAL INSTITUTIONS	0	0	0	0	0	0	0	0	0
* I.D.B.I.	0	0	0	0	0	0	0	0	0
* I.C.I.C.I.	0	0	0	0	0	0	0	0	0
* GOVERNMENT COMPANIES	0	0	0	0	0	0	0	0	0
* STATE FINANCIAL CORPORATION	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ANY OTHER	0	0	0	0	0	0	0	0	0

MPF SYSTEMS LIMITED

* OTC DEALERS (BODIES CORPORATE)	0	0	0	0	0	0	0	0	0
* PRIVATE SECTOR BANKS	0	5	5	0.00	0	5	5	0.00	0.00
Sub-total (B)(1):	858	54	912	0.54	858	54	912	0.54	0.00
(2) Non-Institutions									
(a) Bodies Corp.									
(i) Indian	1892	649	2541	1.49	2073	649	2722	1.60	0.11
(ii) Overseas	0	3	3	0.00	0	3	3	0.00	0.00
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	40653	2467 1	65324	38.40	40981	24405	65386	38.43	0.04
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
(c) Others (specify)									
* UNCLAIMED OR SUSPENSE OR ESCROW ACCOUNT	0	0	0	0	0	0	0	0	0
* IEPF	0	0	0	0	0	0	0	0	0
* LLP	0	0	0	0	0	0	0	0	0
* FOREIGN NATIONALS	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ALTERNATE INVESTMENT FUND	0	0	0	0	0	0	0	0	0
* N.R.I.	219	28	247	0.15	249	28	277	0.16	0.02
* FOREIGN CORPORATE BODIES	0	0	0	0	0	0	0	0	0
* TRUST	0	0	0	0	0	0	0	0	0
* HINDU UNDIVIDED FAMILY	5026	0	5026	2.95	5005	0	5005	2.94	-0.01
* EMPLOYEE	0	0	0	0	0	0	0	0	0
* CLEARING MEMBERS	259	0	259	0.15	7	0	7	0.00	-0.15
* DEPOSITORY RECEIPTS	0	0	0	0	0	0	0	0	0
* OTHER DIRECTORS & RELATIVES	0	0	0	0	0	0	0	0	0
* MARKET MAKERS	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):	48049	2535 1	73400	43.14	48315	25085	73400	43.14	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	48907	2540 5	74312	43.68	49173	25139	74312	43.68	0.00
C. TOTSHR held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
GrandTotal(A + B + C)	14336 5	2676 7	17013 2	100	143631	26501	17013 2	100	0

MPF SYSTEMS LIMITED

B. Shareholding of Promoters								
SL No.	ShareHold er's Name	ShareHolding at the beginning of the year			ShareHolding at the end of the year			
		30/03/2019			31/03/2020			
		No of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to total shares	No. of Share s	% of Total Shares of the company	% of Shares Pledged / Encumbere d to total shares	% change in share holding during the year
1	ROYAL NIRMAN PRIVATE LIMITED	95820	56.32	0.00	95820	56.32	0.00	0.00

C. Change in Promoter's Shareholding:						
SL No.	ShareHolder's Name	ShareHolding at the beginning of the year		Cumulative ShareHolding at the end of the year		
		30/03/2019		31/03/2020		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	Type
1	ROYAL NIRMAN PRIVATE LIMITED	95820	56.32			
	31-03-2020			95820	56.32	

D. Shareholding Pattern of top ten Shareholders:						
SL No.	ShareHolder's Name	ShareHolding at the beginning of the year		Cumulative ShareHolding at the end of the year		
		30/03/2019		31/03/2020		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	Type
1	RADHIKA SHETH	2812	1.65			
	31-03-2020			2812	1.65	
2	BHANWAR LAL MOHATTA	2047	1.20			
	31-03-2020			2047	1.20	
3	NITIN MANSUKHLAL SHAH KARTA (NITIN M SHAH)(HUF)	1930	1.13			
	31-03-2020			1930	1.13	
4	MITA DIPAK SHAH	1800	1.06			
	31-03-2020			1800	1.06	
5	RAHUL NITIN SANGHAVI KARTA (RAHUL SANGHAVI	1716	1.01			

MPF SYSTEMS LIMITED

	HU(HUF)					
	31-03-2020			1716	1.01	
6	NITIN MANSUKHLAL SHAH	1705	1.00			
	31-03-2020			1705	1.00	
7	CHANDRA PRABHA GANDHI	1491	0.88			
	31-03-2020			1491	0.88	
8	RAHUL NITIN SHAH	937	0.55			
	31-03-2020			937	0.55	
9	LIFE INSURANCE CORPORATION OF INDIA	857	0.50			
	31-03-2020			857	0.50	
10	BEACON CREDITCAP PVT LTD	713	0.42			
	31-03-2020			713	0.42	

E. Sharedholding of Directors and Key Managerial Personnel:

SL No.	ShareHolder's Name	ShareHolding at the beginning of the year 30/03/2019		Cumulative ShareHolding at the end of the year 31/03/2020		Type
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	KIRTI RAKESH GHAG (Managing Director)	0	0.00			
	31-03-2020			0	0.00	
2	AAKESH SURESH CHOPRA (Independent Director)	0	0.00			
	31-03-2020			0	0.00	
3	ANIL MANSUKHLAL KOTHARI (Independent Director)	0	0.00			
	31-03-2020			0	0.00	
4	RAKESH MAHAVEER BHANDARI (Chief Financial Officer)	0	0.00			
	31-03-2020			0	0.00	
5	POONAM SHARMA (Company Secretary)	0	0.00			
	31-03-2020			0	0.00	

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment					(Amt in lakhs)	
	Secured Loans excluding deposits	Unsecured Loans	Deposits		Total Indebtedness	
Indebtedness at the beginning of the financial year						
i) Principal Amount						
ii) Interest due but not paid						
iii) Interest accrued but not due						
Total (i+ii+iii)						
Change in Indebtedness during the financial year						
Additions		6,700,000.00			6,700,000.00	
Reduction		-			-	
Reinstatement		-			-	
Net Change						
Indebtedness at the end of the financial year						
i) Principal Amount		6,700,000.00			6,700,000.00	
ii) Interest due but not paid						
iii) Interest accrued but not due						
Total (i+ii+iii)						

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(amt in Rs.)

Sl.No	Particulars of Remuneration	Name of the MD / WTD / Manager	Total Amount
	Kirti Ghag Rakesh	Nil	Nil
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Nil	Nil
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock option	NIL	
3	Sweat Equity	NIL	
4	Commission		
	as % of profit	NIL	
	others (specify)		
5	Others, please specify	NIL	
	Total (A)	Nil	Nil
	Ceiling as per the Act		

B. Remuneration to Non-executive directors

B. Remuneration to other directors:				Amount in Rs.	
Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Mr.Aakesh Chopra	MR. Anil Kothari		
	1.Fee for attending board / committee meetings	6000	6000		12000
	2.Commission				
	3.Others, please specify				
	Total (1)	6000	6000		12000
2	Other Non-Executive Directors				
	1. Fee for attending board / committee meetings	Nil	Nil	Nil	Nil
	2.commission				
	3. Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	6000	6000	nil	12000
	Total (B)=(1+2)				
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total in Rs.
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s17(2) Income-Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	1,80,000	Nil	1,80,000
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission- as % of profit-others, specify	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
6.	Total	Nil	1,80,000	Nil	1,80,000

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 GOVERNANCE REPORT

COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE:

The Company is a listed company on Bombay Stock Exchange Limited. The compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 IS NOT APPLICABLE to the Company. However, as a good secretarial practice the Company voluntarily maintains the Corporate Governance Report every year.

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 whistle blower 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 non-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:

(As per the Listing Regulations, it is mandatory for the company with a executive director as a chairperson to have at least one –half of the independent directors on the Board)

COMPOSITION OF BOARD DURING THE YEAR:

SR.NO .	NAME OF DIRECTOR	CATEGORY	DESIGNATION
1	Mrs. Kirti Ghag Rakesh	Executive	Managing Director
2	Mr. Anil Kothari	Independent, Non-Executive	Director
3	Mr. Aakesh Chopra	Independent , Non Executive	Director
4	Mr. Rakesh M. Bhandari	Chief Financial Officer	Chief Financial Officer
5	Ms. Poonam Sharma	Company Secretary and compliance officer	Company Secretary and compliance officer

Mr. Rakesh M. Bhandari has been appointed as Chief Financial Officer w.e.f 12th Feb, 2019.

MEETINGS AND ATTENDANCE DURING THE YEAR 2019-2020:

Annual General Meeting was held on 30th September, 2019.

Board Meetings were conducted 4(four)times during the year as follows:

Sr. No	Date	Board Strength	No. of. Directors Present
1	29 th May 2019	3	3
2	14 th Aug 2019	3	3
3	14 th Nov 2019	3	3
4	12 th Feb 2020	3	3
5	23 rd Mar 2020	3	3

The record of Attendance at Board Meetings and Membership of Board of Directors during the year:

Sr. No	Name of Directors	No of Board Meetings attended during the Year	Attendance at the AGM
1	Mrs. Kirti Ghag Rakesh	5	P
2	Mr. Anil Kothari	5	P
5	Aakesh Chopra	5	P

NOTES:

1. 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.
2. The Independent Directors held a meeting on 12th February, 2020, 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.
3. 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.
4. Ms. Kirti Salvi is a women director to the Board.
5. The Directors also set up a Whistle blower 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 Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and of Section 177 of the Companies Act, 2013.

Composition of Audit Committee during the year:

Sr.No.	Name of Members	Category	Designation
1.	Mr. Aakesh Chopra	Independent Director	Chairman
2.	Mr. Anil Kothari	Independent Director	Member
3.	Mrs. Kirti Ghag Rakesh	Managing Director	Member

Company has conducted 4 (Four) Audit Committee Meeting during the year.

April – June	July – September	October – December	January – March
29 th May 2019	14 th Aug 2019	14 th Nov 2019	12 th Feb 2020

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. Aakesh Chopra	4	4
2	Mr. Anil Kothari	4	4
3	Mrs. Kirti Ghag Rakesh	4	4

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 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 Committee during the year:

Sr. No.	Name of Members	Category	Designation
1	Mr. Anil Kothari	Independent Director	Chairman
2	Mr. Aakesh Chopra	Independent 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 during the year:

Sr. No.	Name of Members	Category	Designation
1	Mrs. Kirti Ghag Rakesh	Managing Director	Chairman
2	Mr. Anil Kothari	Independent Director	Member
3	Mr. Aakesh Chopra	Independent Director	Member

Company has conducted Nomination and Remuneration Committee meetings on 12th February, 2020.

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 SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and of Section 178 of the Companies Act, 2013.

Composition of Stakeholder Relationship Committee during the year:

Sr.No	Name of Members	Category	Designation
1	Mr. Aakesh Chopra	Independent Director	Chairman
2	Mrs. Kirti Ghag Rakesh	Managing Director	Member
3	Mr. Anil Kothari	Independent 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, 2020. A declaration to this effect signed by the Managing Director annexed to this Report.

8. CEO AND CFO CERTIFICATION:

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

ANNUAL GENERAL MEETINGS:**Details of Annual General Meetings:**

Particulars	F.Y.2019 - 2020	F.Y.2018 - 2019	F.Y.2017 - 2018
Date	26.09.2020	30.09.2019	29.09.2018
Time	02.00 P.M.	10.30 A.M.	11.30 A.M.
Reg. Office/Deemed venue	Plot No. 108, Prime plaza, J.V. Compound, B.M. Road, Elphinstone (W), Mumbai – 400013.	Plot No. 108, Prime plaza, J.V. Compound, B.M. Road, Elphinstone (W), Mumbai – 400013.	Plot No. 108, Prime plaza, J.V. Compound, B.M. Road, Elphinstone (W), Mumbai – 400013.

MEANS OF COMMUNICATION:

Half Yearly Financial Report	The Financial results of the Company are published in leading newspapers and also displayed on the Company 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	Financial express and Mumbai lakshad weep
Website	www.mpfsl.co.in
Administrative/Registered Office	108, Prime Plaza, J.V. Compound, B.M. Road Elphinstone (w) Mumbai-400013.
Whether Management Discussions and Analysis report is a part of Annual Report or not	Yes

GENERAL SHAREHOLDERS INFORMATION:**1. 27th Annual General Meeting:****Date** : 26th September, 2020**Time** : 2.00 P.M**Venue** : 108, Prime Plaza, J.V. Patel Compound, B.M. Road, Elphinstone, Mumbai- 400013.**2. Date of Book Closure: September 21, 2020 to September 26, 2020 (both days inclusive).****3. Tentative Calendar for financial year 2020 - 2021:**

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2021 are as follows:

Financial Reporting for the Quarter Ended 30 th June 2020	By Mid of August 2020
Financial Reporting for the Quarter and Half yearly Ended 30 th September 2020	By Mid of November 2020
Financial Reporting for the Quarter Ended 31 st December 2020	By mid of February 2021
Financial Reporting for the Quarter Ended 31 st March 2021	By mid of May, 2021

4. **Registered Office:**
108, Prime Plaza, J.V. Compound, B.M. Road Elphinstone (w) Mumbai-400013.

5. **Listing of Shares on Stock Exchanges:**
The Company shares are listed on BSE Limited (BSE)

6. **A) Stock Codes**

BSE: 532470
ISIN: INE095E01014

B) Corporate Identity Number: L65999MH1993PLC287894

7. **Market Price Data: BSE**

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

17/03/20	5.38	5.38	5.38	5.38	5.33	3	1	16	(Source - www. bseindia. com)
17/02/20	5.66	5.66	5.66	5.66	5.50	4	1	22	
10/02/20	5.66	5.66	5.66	5.66	5.00	1	1	5	
3/02/20	5.66	5.66	5.66	5.66	5.50	2	1	11	
13/01/20	5.66	5.66	5.66	5.66	5.00	1	1	5	
6/01/20	5.66	5.66	5.66	5.66	5.00	1	1	5	
30/12/19	5.94	5.94	5.94	5.94	5.89	9	2	53	
23/12/19	6.25	6.25	6.25	6.25	6.21	14	2	87	
2/12/19	6.57	6.57	6.57	6.57	6.00	1	1	6	
4/11/19	6.91	6.91	6.91	6.91	6.80	5	2	34	
1/07/19	6.59	6.59	6.59	6.59	6.33	3	1	19	
3/06/19	6.59	6.59	6.59	6.59	6.00	1	1	6	

8. **Shareholding Pattern as on 31st March, 2020:**

Categories of Shareholders	Shares Held	% of Total
A) Promoters	95820	56.32
B) Public	74312	43.68
C) Non-Promoter	-	-
TOTAL	170132	100

9. **Registrar and Transfer Agent:**

SHARE TRANSFER SYSTEM

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

Outstanding ADRs / GDRs:

The company has not issued any ADRs / GDRs

Address for Correspondence:

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

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, 2020 as stipulated 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

For Ramesh Chandra Mishra & Association

**Place: Mumbai
Date: 26/06/2020**

**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**

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, 2020.

For MPF SYSTEMS LIMITED

**Place: Mumbai
Date: 26/06/2020**

**Sd/-
Kirti Ghag Rakesh
(Managing Director)
DIN: 07141300**

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors
MPF Systems Limited

We, Mrs. Kirti Salvi, Managing Director and Mr. Rakesh Mahaveer Bhandari, 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 violate 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

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.

Place: Mumbai
Date: 26/06/2020

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

For MPF Systems Limited
Sd/-
Rakesh Mahaveer Bhandari
(Chief Financial Officer)

INDEPENDENT AUDITOR'S REPORT

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

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of MPF SYSTEMS LIMITED (previously known as Mather and Platt Fire Systems Limited) which comprise the Balance sheet as at 31st March, 2020, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditor's Response
	NIL	

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

- i) Note 23 in the standalone Ind AS financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 23, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note 23
- ii) As more fully described in Note No. 25 to the Standalone Financial Statements, the Company is

responding to inquiries from regulatory authorities. The scope, duration or outcomes of these matters are uncertain.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone Ind AS financial statement comply with the Accounting Standards specified under section 133 of Act, read with rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of written representations received from the directors at on 31st March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; to this report;
 - 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, as amended, 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

Sd/-
(SUPARSH KALA)
PARTNER
Membership No. 114419
UDIN:20114419AAAAAR7707

Place: Mumbai
Date: 26/06/2020

“Annexure A” to the Independent Auditor's Report of even date on the Standalone Financial Statement of **MPF SYSTEMS LIMITED** (previously known as Mather and Platt Fire Systems Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **MPF SYSTEMS LIMITED** (previously known as Mather and Platt Fire Systems Limited) as of 31st March, 2020 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibility include the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered accountant of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KALA JAIN & CO.

Chartered Accountants
Firm Reg. No. 127886W
Sd/-

(SUPARSH KALA)

PARTNER
Membership No.114419
UDIN:20114419AAAAAR7707

Place: Mumbai
Date: 26/06/2020

MPF Systems Limited**Annexure to the Auditors' Report**

The Annexure referred to in our report to the members of MPF Systems Limited for the period Ended on 31st March 2020 we report that:

S. No.	Particulars	Auditors Remark
(i)	(a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	In our opinion and according to information and explanation given to us, the company is maintaining proper records of fixed assets.
	(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	In our opinion and according to information and explanation given to us the periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
	(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	The Company does not have any immovable properties in its own name.
(ii)	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	No, the company does not hold any physical inventory at the end of the period.
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms or limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. If so,	No, In our opinion and according to information and explanation given to us the company has not granted any loans, secured or unsecured to companies firms or other parties covered in the register maintained under section 189 of the Companies Act
	(a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	N.A.
	(b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	N.A.
	(c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	N.A.
(iv)	Whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;	No, in our opinion and according to information and explanation given to us the company has not given any guarantee for loans taken by others from bank or financial institutions.
(v)	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with? If not, the nature of such contraventions should be stated; if an order has been passed by Company law Board or National Company law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	No, the company has not accepted any deposits from public.

(vi)	Where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	No, In our opinion and according to information and explanation given to us the central government has not prescribed the maintained of cost records for any of the product manufactured/services rendered by the company.
(vii)	(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	In our opinion and according to information and explanation given to us the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities <i>except for delay in the payment of Income Tax (TDS) amounting to Rs 25025/-ranging between 1 to 179 days.</i> In our opinion and according to information and explanation given to us there are no undisputed amount payable in respect of sales tax, custom duty, wealth tax, service tax, excise duty and cess as at 31 March 2020 for a period of more than 6 month, from the date they became payable <i>except for the Income tax (TDS) amounting to Rs 2, 05,399/-.</i>
	(b) In case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.(A mere representation to the concerned Department shall not constitute a dispute).	In our opinion and according to information and explanation given to us, the dues mention in annexure I regarding to sales tax have not been deposited with the appropriate authorities on account of disputes.
(viii)	Whether the company has defaulted in repayment of loans and borrowings to a financial institution, bank, Government or dues to debenture holders? If yes, the period and amount of default to be reported (in case of defaults to bank, financial institutions and Government lender wise details to be provided).	No, In our opinion and according to information and explanation given to us. The company did not have any outstanding dues to any financial institution, banks, Government or debenture-holders during the year.
(ix)	Whether money raised by way of initial public offer or further public offer (including debt instruments) and term loan were applied for the purpose for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported.	In our opinion and according to information and explanation given to us, no money raised by way of initial public offer and no term loan were applied and taken during the year under audit.
(x)	Whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	In our opinion and according to the information and explanations given to us, no managerial remuneration has been paid by the company to its managerial person during the period covered under audit.
(xii)	Whether the Nidhi Company has completed with the Net Owned Fund in the ratio of 1:20 to meet out liability and whether the Nidhi Company is maintaining 10% unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.	N.A.
(xiii)	Whether all transactions with the related parties are in compliance with Section 177 and 188 of companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the accounting standards.	In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the companies Act, 2013.
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review and if so, as to whether the requirement of Section 42 of the Companies act, 2013 have been complied with and the amount raised have been used for the purpose for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance.	In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year.
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of section 192 of companies Act, 2013 have been complied with.	In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India, 1934 and if so, whether the registration has been obtained.	N.A.

For Kala Jain & Co.
Chartered Accountants
FRN: 127886W

Place: Mumbai

Date: 26/06/2020

Sd/-
Suparsh Kala
Partner
M.N.114419
UDIN:- 20114419AAAAAR7707

MPF Systems Limited

Annexure I

Name of the statute	Nature of the dues	Amount in ('000')	Period to which the amount relates	Forum where the dispute is pending
Works Contract Tax under Kerala General Sales Tax Act, 1963	Differential rate of tax	2,768	1987-1988 to 1993-1994	Commercial Tax officer, Ernakulam
Works Contract Tax under Kerala General Sales Tax Act	Differential rate of tax	34	1997-98	Commercial Tax officer, Ernakulam
Works Contract Tax under Kerala General Sales Tax Act	Differential rate of tax	74	1998-99	Commercial Tax officer, Ernakulam
Central sales Tax 1956	Non submission of E-1 form	500	1998-99 to 2002-03	Commercial Tax office Kolkata
West Bengal sales Tax Act 1994	Non submission of E-1 form	125	1998-99 to 2002-03	Commercial Tax officer, Kolkata
Works contract tax under UP Trade tax Act 1948	Chargeable of state sales tax	3,932	1987-1988 to 1997-98	Deputy commissioner UP Trade Tax tribunal Lucknow
Custom Act, 1962	Chargeable of Custom Tax	3,720	1998-99	Commissioner of custom Appeal, Mumbai-1

Balance Sheet as on 31st March 2020

Particulars	Notes	As at 31-March-2020	As at 31-March-2019
ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment		-	-
(b) Investment Property		-	-
(c) Goodwill			
(d) Other Intangible Assets	(4)	857	857
(e) Financial assets			
(i) Investments	(5)	5,000	5,000
(ii) Loans	(5)	328,148	317,174
(f) Deferred tax assets	(6)	-	-
(g) Other assets	(7)	-	-
Total non-current assets		334,005	323,031
(2) Current assets			
(a) Financial assets			
(i) Investments	(5)	-	-
(ii) Trade Receivables	(8)	-	-
(iii) Cash and cash equivalents	(9)	170,888	97,225
(iii) Bank Balances, other than (iii) above	(9)	-	-
(iv) loans	(10)	-	-
(b) Current tax assets		-	-
Total current assets		170,888	97,225
TOTAL ASSETS		504,893	420,256
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	(11)	1,701,320	1,701,320
(b) Other equity		(9,608,538)	(8,303,102)
TOTAL EQUITY		(7,907,218)	(6,601,782)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Trade Payables	(12)	-	-
(ii) Other financial liabilities	(13)	-	-
(c) Other non-current liabilities	(14)	-	-
Total non-current liabilities		-	-
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	(12)	-	-
(ii) Other financial liabilities	(13)	6,700,000	5,156,744
(c) Other current liabilities	(14)	1,712,110	1,865,293
Total current liabilities		8,412,110	7,022,037
TOTAL LIABILITIES		8,412,110	7,022,037
TOTAL EQUITY AND LIABILITIES		504,893	420,256

See accompanying notes to the financial statements

As per our report of even date

For Kala Jain & Co.

Firm Registration No : 127886W

(Chartered Accountants)

SD/-

Suparsh Kala

Partner

Membership No : 114419

UDIN NO. - 20114419AAAAAR7707

Place: Mumbai

Dated: 26/06/2020

For and on behalf of Board of Directors of
MPF Systems Limited

SD/-

Kirti M. Salvi

Director

DIN - 07141300

SD/-

Aakesh S. Chopra

Director

DIN - 01059470

Place: Mumbai

Dated: 26/06/2020

Statement of profit and loss for the year ended 31st March 2020

Particulars	Notes	Amount in Rs.	
		For the year ended 31 March 2020	For the year ended 31 March 2019
INCOME			
Revenue from operations	(15)	-	-
Other income	(16)	-	-
Total income		-	-
EXPENSES			
Cost of materials consumed		-	-
Purchase of stock-in-trade		-	-
Changes in Inventory		-	-
Excise Duty		-	-
Employee Benefit Expenses	(17)	180,000	90,000
Depreciation & Amortisation Expenses		-	-
Finance costs	(18)	-	-
Other Expenses	(19)	1,125,436	1,818,461
Total Expenses		1,305,436	1,908,461
Profit/ (loss) before tax		(1,305,436)	(1,908,461)
Tax expense:			
(1) Current tax		-	-
(2) Short provision of earlier year taxes		-	-
(3) Deferred tax		-	-
Profit/ (loss) for the year after tax		(1,305,436)	(1,908,461)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(1,305,436)	(1,908,461)

See accompanying notes to the financial statements

As per our report of even date

For Kala Jain & Co.

Firm Registration No : 127886W
(Chartered Accountants)

For and on behalf of Board of Directors of MPF Systems Limited

SD/-

Suparsh Kala
PartnerMembership No : 114419
UDIN NO. - 20114419AAAAAR7707Place: Mumbai
Dated: 26/06/2020

SD/-

Kirti Ghag Rakesh
Director
DIN - 07141300Place: Mumbai
Dated: 26/06/2020

SD/-

Aakesh S. Chopra
Director
DIN - 01059470

Statement of Cash Flow for the year ended 31st March 2020

Particulars	Amount in Rs.	
	As at 31-March-2020	As at 31-March-2019
Cash flow from/(used in) operating activities		
Profit / (loss) before tax	(1,305,436)	(1,908,461)
Adjustment for:		
Depreciation and amortisation expenses	-	-
Interest income	-	-
Movement in working capital:		
(Increase)/decrease in non-current assets	(10,974)	-
(Increase)/decrease in trade receivables	-	-
Increase/(decrease) in trade payable	-	-
Increase/(decrease) in other financial liabilities	1,543,256	1,556,168
Increase/(decrease) in other liabilities	(153,183)	352,292
Cash generated from/(used in) operations	73,663	(0)
Income tax paid	-	-
Cash generated from/(used in) operations	73,663	(0)
Cash flow from/(used in) investing activities		
Loans given	-	-
Repayment of loan given	-	-
Investment in fixed deposit	-	-
Redemption of fixed deposit	-	-
Interest received	-	-
Cash generated from/(used in) investing activities	-	-
Cash generated from/(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	73,663	(0)
Cash and cash equivalents at the beginning of the year	97,225	97,225
Cash and cash equivalents at the end of the year	170,888	97,225

As per our report of even date

For Kala Jain & Co.

Firm Registration No : 127886W

(Chartered Accountants)

For and on behalf of Board of Directors of

MPF Systems Limited

SD/-

Suparsh Kala
Partner

Membership No : 114419

UDIN NO. - 20114419AAAAAR7707

Place: Mumbai

Dated: 26/06/2020

SD/-

Kirti M.Salvi
Director
DIN - 07141300Place: Mumbai
Dated: 26/06/2020

SD/-

Aakesh S. Chopra
Director
DIN - 01059470

Statement of changes in equity for the year ended 31st March 2020

Amount in Rs.

A. Equity share capital

Balance at the beginning of the reporting year	Number of shares	Value
At 1 April 2019	170,132	1,701,320
Issue of share capital	-	-
At 31 March 2020	170,132	1,701,320

B. Other equity

Particulars	Reserves and surplus			Total
	Securities Premium	General Reserves	Surplus/(Deficit) in the Statement of Profit & Loss	
Profit/(loss) for the year 2018-19			(1,908,461)	(1,908,461)
Other comprehensive income for the year			-	-
At 31 March 2019	-	-	(8,303,102)	(8,303,102)
Profit/(loss) for the year 2019-20			(1,305,436)	(1,305,436)
Other comprehensive income for the year			-	-
At 31 March 2020	-	-	(9,608,538)	(9,608,538)

MPF SYSTEMS LIMITED
Notes to Financial Statements for the year ended 31st March 2020

Note 1 : Company Information

MPF Systems Limited (previously known as Mather and Platt Fire Systems Limited) was formed as a result of a demerger of Mather and Platt (India) Limited on 18 April 2001. Consequently the business of fire systems was transferred to the Company. Pursuant to the Share Purchase Agreement dated July 01, 2014, the Company has taken on record the transfer of 1,887,697 equity shares of Rs. 10 each held by Wilo Se (the erstwhile holding company), representing 55.48% of the issued, subscribed and paid-up equity share capital of the Company, to Royal Nirman Private Limited; resulting in change of control in the Company. The Company is primarily engaged in the business of design, development, installation and servicing of Fire Securities systems. The Company has its corporate office at 108, Prime Plaza, J. V. Compound, B. M. Road, Elphinstone(W) Mumbai 400013. Currently there are no commercial operations carried out by the Company.

Note 2 : Basis of Preparation and Measurement**Note 2.1 : Basis of Preparation & Going Concern**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on accrual and when preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity shall disclose those uncertainties. When an entity does not prepare financial statements on a going concern basis, it shall disclose that fact, together with the basis on which it prepared the financial statements and the reason why the entity is not regarded as a going concern.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The degree of consideration depends on the facts in each case. When an entity has a history of profitable operations and ready access to financial resources, the entity may reach a conclusion that the going concern basis of accounting is appropriate without detailed analysis. In other cases, management may need to consider a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before it can satisfy itself that the going concern basis is appropriate.

The Company has incurred loss during the year amounting to Rs 13,05,436/- and the total accumulated losses (after giving capital reduction effect Refer note 23) at that date to Rs96,08,538/- indicate a complete erosion in the company's net worth as of 31st March, 2020. However management believes that the company will be able to continue operations on a going concern basis and meet all its liabilities as they fall due for payment in the foreseeable future on the basis of financial support from the holding company, Royal Nirman Private Limited. The holding company has agreed to provide necessary financial support to meet the liabilities of the company till next year ended. In this regard, the company has received a letter dated 04th June, 2020, from the parent company confirming that they will provide the necessary financial support till the next financial year ended. Further as per the management, the company is entering in to a new business segment of supply of building and construction material in near foreseeable future.

On the basis of above, the going concern assumptions is appropriate and accordingly, these financial statements do not include any adjustments relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

Note 2.2 : Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

Note 2.3 : Compliance with Ind AS

The Company has adopted Ind AS for the financial year ending 31 March 2020, the transition date being 1 April 2016. The financial statements of the Company, including the comparative figures for the previous year have been prepared and presented in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015, as amended.

The financial statements have been prepared on a historical cost basis, except for the assets and liabilities which have been measured at fair value. The financial statements are presented in Rs., except when otherwise indicated.

Note 3 : Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Note 3.1 : Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees which is the Company's presentation currency.

Note 3.2 : Use of estimates

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial Statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected."

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognized in the financial statements are:

- Valuation of financial instruments
- Useful life of property, plant and equipment
- Provisions

Note 3.3 : Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realized within twelve months after the reporting period, or
- Current Investments are valued at lower of it's cost or fair market value
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Note 3.4 : Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Note 3.5 : Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Note 3.6 : Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that

taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Note 3.7 : Intangible assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangible assets have a finite life and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses if any.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Amortisation methods and estimated useful lives

Assets	Estimated useful life (Years)
Enterprise resource planning software	5

Assets costing less than or equal to Rs. 5,000 are fully amortised pro-rata from date of acquisition.

Note 3.8 : Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Note 3.9 : Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in books of account but its existence is disclosed in financial statements.

Note 3.10 : Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Note 3.11 : Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Note 3.12 : Employee benefits

The Company recognizes all remeasurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

Note 3.13 : Financial Instrument**Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade payables and other payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. However, with respect to difference arises between the transaction price and the fair value of interest free loan taken from members, the Company has accounting policy choice to recognize this difference in the statement of profit and loss or treat it as equity (capital contribution).

The Company's financial liabilities include trade and other payables, loans and borrowings including other payables

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. However, the Company has borrowings at floating rates. Considering that the impact of restatement of effective interest rate, year on year due to reset of interest rate, is not material and hence the Company is amortizing the transaction cost in straight line basis over the tenure of the loan. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the transaction cost amortization process.

This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Note 3.14 : Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

Note 3.15 : Segment information

The Company is primarily engaged in the business of design, development, installation and servicing of Fire Security Systems which is in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

Note 3.16 : Earning per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

Notes to the financial statements as at 31st March 2020

Amount in Rs.

(4) Intangible Asset

	<u>Patents</u>	<u>Software</u>	<u>Total</u>
Year ended 31 march 2019			
Gross carrying amount			
Deemed cost as at 1st april 2018	-	17,142	17,142
Additions	-	-	-
Deletions	-	-	-
Closing Gross carrying amount	-	17,142	17,142
Accumulated amortisation			
Opening accumulated amortisation	-	16,285	16,285
Amortisation charge for the year	-	-	-
Closing accumulated amortisation	-	16,285	16,285
Closing net carrying amount	-	857	857

Year ended 31 march 2020

Gross carrying amount			
Deemed cost as at 1st april 2019	-	17,142	17,142
Additions	-	-	-
Deletions	-	-	-
Closing Gross carrying amount	-	17,142	17,142
Accumulated amortisation			
Opening accumulated amortisation	-	16,285	16,285
Amortisation charge for the year	-	-	-
Closing accumulated amortisation	-	16,285	16,285
Closing net carrying amount	-	857	857

Notes to the financial statements as at 31st March 2020

(5) Investments

(5.1) Non current

Amount in Rs.

Particulars	As at 31-March-2020	As at 31-March-2019
Investment in Government securities		
6 Year National Savings Certificates (Lodged with Karnataka Sales Tax department as security deposit)	5,000	5,000
	5,000	5,000

Market value of quoted investment

Current

Particulars	As at 31-March-2020	As at 31-March-2019
Investment in Equity Shares		
Fully paid up, Quoted	-	-
	-	-

(5.2) Long Term Loans and Advances

Particulars	As at 31-March-2020	As at 31-March-2019
Advance Taxes and Tax Deducted At Source	251,372	251,372
Advance From others	76,776	65,802
	328,148	317,174

(6) Deferred Tax Asset

Particulars	As at 31-March-2020	As at 31-March-2019
Difference arising on account of depreciation	-	-
	-	-

(7) Other assets

Non current

Particulars	As at 31-March-2020	As at 31-March-2019
Deposits with stock exchanges	-	-
	-	-

Notes to the financial statements as at 31st March 2020

(8) Trade Receivables

Current

Particulars	As at 31-March-2020	As at 31-March-2019
Secured, considered good		
Receivable from Associate Company	-	-
Others	-	-
Unsecured, considered good		
Receivable from Associate Company	-	-
Others	-	-
Doubtful	59,766,310	59,766,310
	59,766,310	59,766,310
Less: Provision for doubtful Debt	59,766,310	59,766,310
	-	-

(9) Cash and bank balances

Particulars	As at 31-March-2020	As at 31-March-2019
Cash and cash equivalents		
Cash on hand	62	62
Balances with banks		
In current accounts	170,826	97,163
	170,888	97,225
Other bank balances		
Fixed deposit	-	-
	170,888	97,225

- (9.1) Out of the above bank account, one of the company's bank account maintained in Axis Bank Ltd. wherein closing balance is Rs. 44287/- is currently not in operation due to marked as debit freeze on the instructions of Revenue Authorities (Custom Department) for recovery of their dues related to the earlier management of the company.

(10) Loans

Current

Particulars	As at 31-March- 2020	As at 31-March- 2019
Unsecured, considered good		
Advance recoverable in cash or kind	-	-
Advance BSE (Revocation Fees)	-	-
Advance to employees	-	-
Security deposits	-	-
	-	-

Notes to the financial statements as at 31st March 2020

Amount in Rs.

(11) Equity share capital

Particulars	Numbers of shares	As at 31-March-2020	As at 31-March-2019
Authorised			
Equity shares of Rs.10 each	5,000,000	50,000,000	50,000,000
		50,000,000	50,000,000
Issued, subscribed and paid-up:			
Equity shares of Rs.10 each par value	170,132	1,701,320	1,701,320
		1,701,320	1,701,320

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 per share. Each holder of equity share(s) is entitled to one vote per share. The final dividend, if any, proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

Shares held by holding company in aggregate

Name of the shareholders	Numbers of shares	Percentage of shareholding as at 31-March-2020	Percentage of shareholding as at 31-March-2019
Royal Nirman Private Limited the Holding Company	94,458	55.52%	55.52%

Details of shareholders holding more than 5% equity shares in the Company on reporting date

Name of the shareholders	Numbers of shares	Percentage of shareholding as at 31-March-2020	Percentage of shareholding as at 31-March-2019
Royal Nirman Private Limited the Holding Company	94,458	55.52%	55.52%

The reconciliation of the number of shares outstanding on reporting date

Particulars	As at 31-March-2020	As at * 31-March-2019
Shares at the beginning of the year	170,132	170,132
Add : Shares issued during the year	-	-
Shares at the end of the year	170,132	170,132

Notes to the financial statements as at 31st March 2020

(12) Trade Payables

Non current		Amount in Rs.	
Particulars	As at 31-March-2020	As at 31-March-2019	
Total outstanding dues of micro and small enterprises			
Others	-	-	
	-	-	

Current:

Particulars	As at 31-March-2020	As at 31-March-2019	
Total outstanding dues of micro and small enterprises			
Others	-	-	
	-	-	

(13) Other financial liabilities

Non current

Particulars	As at 31-March-2020	As at 31-March-2019	
Others	-	-	
	-	-	

Current:

Particulars	As at 31-March-2020	As at 31-March-2019	
<u>Short Term Borrowings</u>			
Loans From Directors*			
Kirti M. Salvi	-	3,851,744	
Anil Mansukhlal Kothari	-	15,000	
Aakesh Suresh Chopra	-	1,290,000	
Loans From Others : #			
Linton Consultants Pvt. Ltd.	500,000	-	
Multiplus Resources	4,300,000	-	
Royal Nirman Pvt. Ltd. (Holding Company)	1,900,000	-	
	6,700,000	5,156,744	

#No repayment schedule is stipulated for ICD's & Loan from directors. In the opinion of management the loans are repayable after a period of 1 year

(14) Other liabilities

Non-Current:

Particulars	As at 31-March-2020	As at 31-March-2019	
Others		-	
	-	-	

Current:

Particulars	As at 31-March- 2020	As at 31-March- 2019	
Tax Deducted at Source	230,424	238,344	
Other	1,481,686	1,626,949	
	1,712,110	1,865,293	

Notes to the financial statements as at 31 March 2020

(15) Revenue from Operations

Amount in Rs.

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Other Operating Revenue	-	-
Provision for doubtful debts written back	-	-
	-	-

(16) Other income

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Interest income	-	-
Discount Received	-	-
Miscellaneous income	-	-
	-	-

(17) Employee Benefit Expenses

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Salaries	180,000	90,000
	180,000	90,000

(18) Finance costs

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Bank charges	-	-
	-	-

(19) Other expenses

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Printing and stationary	19,160	29,550
Annual listing fees	300,000	250,000
Legal and professional charges	382,803	650,891
Auditors' remuneration	141,600	141,600
Advertisement & publication expenses	33,688	27,124
Filing fees and ROC	8,600	4,300
Miscellaneous expenses	26,675	16,618
Interest on taxes and others	2,039	5,370
E voting services	12,000	18,170
Bank Charges	972	-
GST	86,884	140,777
Service Tax	-	6,792
Interest on late payment of custody Fees	-	10,725
Professional Tax	-	2,500
Courier and Postage Expenses	-	286,768
IPO Documentation Processing Charges	-	40,000
Capital reduction Processing Charges	-	77,989
Sundry Balances Written Off	53,420	-
Annual Custody Fees	45,597	97,287
Directors sitting fees	12,000	12,000
	1,125,436	1,818,461
Auditors' remuneration detail:		
Statutory audit fees	141600	141600
Other	-	-
	141600	141600

Notes to the financial statements as at 31 March 2020

(20) Contingent liability

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
a) Claims against the company not acknowledged as debts	3,778,847	3,778,847
b) Salex tax and works contract tax*	7,432,727	7,432,727
c) Custom Duty dues	3,720,000	3,720,000
	11,211,574	11,211,574

*Excluding Interest leviable, if any, on Conclusion of the matter

(21) Income tax

The major components of income tax expense for the years are:

Profit or loss section		Amount in Rs.	
Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019	
Income tax:			
Current income tax charge	-	-	-
Adjustments in respect of short provision of income tax of previous year	-	-	-
Deferred tax:			
Relating to origination and reversal of temporary differences	-	-	-
Income tax expense reported in the statement of profit or loss	-	-	-

The current tax has not been provided as the company has been incurring losses as per tax.

In view of time limitation on carry forward losses and matter of prudence, deferred tax assets arising on account of brought forward losses and unabsorbed depreciation under tax laws has not been recognised.

(22) Earning per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Profit attributable to equity holders of the parent for basic earnings	(1,305,436)	(1,908,461)
Weighted average number of equity shares for basic EPS*	170132	170132
Weighted average number of equity shares	170132	170132
Face value per share	10	10
Basic earning per share	(7.67)	(11.22)
Diluted earning per share	(7.67)	(11.22)

* There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

(23) Going Concern

The Company has incurred loss during the year amounting to Rs 13,05,436/- and the total accumulated losses as at 31.03.2020 are Rs 96,08,538/- indicate a complete erosion in the company's net worth as of 31st March, 2020. However management believes that the company will be able to continue operations on a going concern basis and meet all its liabilities as they fall due for payment in the foreseeable future on the basis of financial support from the holding company, Royal Nirman Private Limited. The holding company has agreed to provide necessary financial support to meet the liabilities of the company till next year ended. In this regard, the company has received a letter dated 04 June, 2020, from the parent company confirming that they will provide the necessary financial support till the next financial year ended. Further as per the management, the company is entering in to a new business segment of supply of building and construction material in near foreseeable future.

Notes to the financial statements as at 31 March 2020

On the basis of above, the going concern assumptions is appropriate and accordingly, these financial statements do not include any adjustments relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

(24) Related party relationships and transactions

Ind AS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) a person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply: (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity. (iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity. (vi) The entity is controlled or jointly controlled by a person identified in (a). (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A Related Parties**a Holding Company**

Royal Nirman Private Limited

b Other related parties**Key Management Personnel**

Name of Related Party	Relationship
Kirti Mahadev Salvi	Director
Anil Mansukhlal Kothari	Director
Aakesh Suresh Chopra	Director
Ambrish Barsati Pal	Chief Financial officer (CFO)

Transactions during the year with related parties

Name of the Party	Nature of Transactions	For the year ended 31-March-2020	For the year ended 31-March-2019
Kirti M. Salvi	Loan Taken	132,950	1,556,168
Aakesh Suresh Chopra	Loan Taken	-	-
Anil Mansukhlal Kothari	Loan Taken	-	-

Transactions during the year with related parties

Name of the Party	Nature of Transactions	For the year ended	For the year ended
Kirti M. Salvi	Loan Paid	3,984,744	-
Aakesh Suresh Chopra	Loan Paid	1,290,000	-
Anil Mansukhlal Kothari	Loan Paid	15,000	-

Balance outstanding of related parties

Name of the Party	Receivable / (Payable)	As at 3/31/2020	As at 3/31/2019
Kirti M. Salvi	Receivable / (Payable)	(50)	3,851,744
Aakesh Suresh Chopra	Receivable / (Payable)	-	12,90,000
Anil Mansukhlal Kothari	Receivable / (Payable)	-	15,000

(25) Forensic Audit

The Forensic Audit was conducted for the period from April 1, 2015 to January 15, 2018. The Forensic Audit Report was submitted by BSE to SEBI on September 27, 2018. On the basis of the examination of Forensic Audit Report by SEBI an Show Cause Notice was issued dated August 9, 2019. The Company has filed its reply dated January 15, 2020. After considering all the facts and circumstances of the case and exercising the power conferred an order was passed by Adjudicating Officer dated February 28, 2020 imposing a monetary penalty of Rs. 6,00,000 on the Company. There was also another proceeding initiated by the Whole Time Member, SEBI by issuing a show cause notice dated April 22, 2019. The Company has filed its reply dated November 22, 2019 to the SCN. After considering all the facts and circumstances of the case and exercising the power conferred an order was passed by Whole Time Member (SEBI), dated April 20, 2020. SEBI has issued another Show Cause Notice dated May 05, 2020 after an order passed by Adjudicating Officer dated February 28, 2020. The Company has filed its reply dated May 21, 2020 to the SCN. Also the Company is in the process of filing an appeal before Securities Appellate Tribunal. The Company is unable to predict the scope, duration or the outcome of these matters, therefore no provision has been made for penalty leviable due to the above report.

(26) Events after the end of the reporting year

No subsequent event has been observed which may required an adjustment to the statement of financial position.

As per our report of even date

For Kala Jain & Co.

Firm Registration No : 127886W
(Chartered Accountants)

Suparsh Kala
Partner

Membership No : 114419

Place: Mumbai
Dated: 26/06/2020

UDIN:20114419AAAAAR7707

For and on behalf of Board of Directors of Sanchay Fivest Limited

Kirti Ghag Rakesh
Director

DIN - 07141300

Place: Mumbai
Dated: 26/06/2020

Aakesh S. Chopra
Director

DIN - 01059470

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MPF Systems Limited

Registered Office

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