MPF SYSTEMS LIMITED

[Formerly known as Mather and Platt Fire Systems Limited]
Regd. Off.: Greaves Compound, Chinchwad Works, Bombay - Pune Road, Chinchwad (East), Pune - 411019, Maharashtra
Tel.: +91-020-27442100; Fax: +91-020-27442111; E-mail: compliancempf@gmail.com
Corporate Identification Number (CIN): L65999PN1993PLC014500

Recommendation of the Committee of Independent Directors (IDC) on the Open Offer to the shareholders of the MPF Systems Limited ('Target Company') by Royal Nirman Private Limited (herein after referred as 'Acquirer') for acquisition of upto 8,84,700 fully paid up Equity Shares of ₹ 10/- each, constituting 26% of the paid-up and voting equity share capital of Target Company under Regulation 26 (7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ['SEBI (SAST) Regulations'].

1.	**Date of the Meeting**	June 16, 2015
2.	**Name of the Target Company ('TC')**	MPF Systems Limited
3.	**Details of the Offer pertaining to TC**	The Open Offer is being made by the Acquirer to the shareholders of Target Company, other than the Seller, for acquisition of upto 8,84,700 fully paid up Equity Shares of ₹ 10/- each, constituting 26% of the paid-up and voting equity share capital, at a price of ₹ 2/- (Rupees Two only) per share in terms of Regulations 3(1) & 4 of SEBI (SAST) Regulations.
4.	**Name(s) of the Acquirers and PAC with the Acquirers**	a) Royal Nirman Private Limited There is no Person Acting in Concert (PAC) with the Acquirer.
5.	**Name of the Manager to the Offer**	Ashika Capital Limited *(CIN: U30009WB2000PLC091674)* 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai - 400 021. Tel.: +91-22-66111700; Fax: +91-22-66111710 E-mail: mbd@ashikagroup.com SEBI Registration Number: INM000010536
6.	**Members of the Committee of Independent Directors (IDC)**	Mr. Shailendra Kumar Patni, Mr. Mukesh Kumar Saraswat and Ms. Pooja Jalan. Mr. Mukesh Kumar Saraswat is the Chairman of the IDC.
7.	**IDC Member's relationship with the TC (Director, Equity shares owned, any other contract/ relationship), if any**	All the IDC Members are Independent & Non-Executive Directors and do not hold any equity share in the Target Company.
8.	**Trading in the Equity shares/ other securities of the TC by IDC Members**	None of the IDC Members have done any trading in Equity shares/other securities of the TC since their appointment as Directors.
9.	**IDC Member's relationship with the Acquirers (Director, Equity shares owned, any other contract/ relationship), if any**	None of the IDC Members have any relationship with the Acquirer.
10.	**Trading in the Equity shares/ other securities of the acquirer by IDC Members**	Not Applicable
11.	**Recommendation on the Open Offer, as to whether the Offer is fair and reasonable**	IDC is of the opinion that the Offer is fair and reasonable.
12.	**Summary of reasons for recommendation**	IDC has evaluated the PA, DPS, LoF issued/submitted by Ashika Capital Limited (Manager to the Offer) for and on behalf of Acquirer and believes that the Offer Price, being offered by the Acquirer, of ₹ 2/- per Equity Share is fair and reasonable and recommends the acceptance of the Open Offer, in the light of the following: • The equity shares of the TC are not frequently traded on BSE Limited, Mumbai ("BSE") and Pune Stock Exchange Limited, Pune ('PSE') within the meaning of the Regulation 2(1)(j) of SEBI (SAST) Regulations. However, SEBI has issued exit order for PSE vide exit order no. WTM/RKA/MRD/28/2015 dated April 13, 2015. • The Book Value per Equity Share of the TC as per the Audited Financial Statements as on 31.12.2014 is negative; • The Fair Value of the equity shares of the Target Company, as per the Valuation Report, in accordance with the principles of valuation considered by Hon'ble Supreme Court of India in its decision in the case of Hindustan Lever Employees Union v/s Hindustan Lever Limited, 1995 (83 Com Case 30), dated June 30, 2014 by M/s. Jignesh Goradia & Associates., Chartered Accountants having office at 403, Doshi Mansion, M.G. Cross Road No. 3, Kandivali (West), Mumbai - 400 067, is ₹ 1.77 (Rupee One and Seventy Seven Paisa).
13.	**Details of Independent Advisors, if any**	Nil
14.	**Any other matter(s) to be highlighted**	Nil

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the SEBI (SAST) Regulations.

For and on behalf of Committee of Independent Directors of MPF Systems Limited

Sd/-

Place : Pune **Mukesh Kumar Saraswat**
Date : June 16, 2015 **Chairman-IDC**

Size: 12 (w) X 30 (h)