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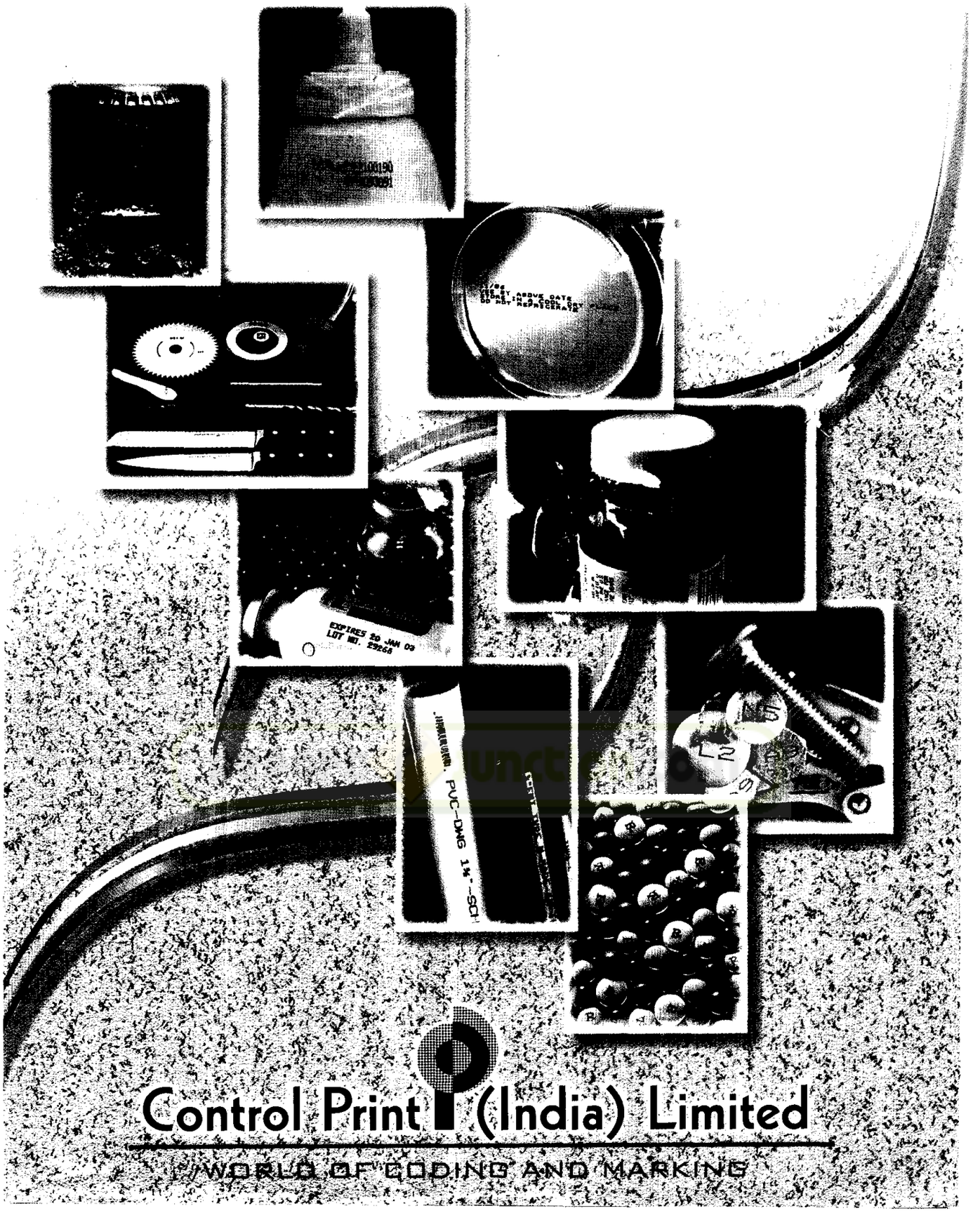
11TH ANNUAL REPORT 2001-2002



Control Print (India) Limited

WORLD OF CODING AND MARKING

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Control Print (India) Limited

ABOUT US

INTERNATIONAL INITIALS

Started in 1991, Control Print (India) Limited began with a dream of bringing the Indian packaging at par with the international benchmark in terms of Coding & Marking. In last 12 years, we have grown steadily to become the market leader with a large installed base and comprehensive range of Coding & Marking solutions.

In the current context of globalisation and opening of economy in India, packaging is one sector which is developing at the never before pace and so is the demand for latest Coding & Marking technologies. Control Print is today fully prepared to capitalise on this huge potential ahead and grow at the rate faster than the market.

WHY CODING & MARKING IS REQUIRED?

Today every packaged product needs to be coded with variable data such as Batch No., Mfg. Date, Best Before Date, M.R.P., Serial No., etc. Traditionally this was done with older 'off-line' techniques that are slower, inaccurate, inefficient and expensive. However, with growing production volumes, greater quality awareness and global competition, more and more manufacturers are adopting the 'on-line' Coding & Marking solutions which Control Print specialises in. The obvious advantages are faster operations, superior prints and economical running cost. Coding & Marking is essential and beneficial in many ways. Some of the key benefits are:

- **REGULATORY COMPLIANCE :**
  Various laws related to packaging make it mandatory to do Coding & Marking on different products. Prominent amongst them are, the Rule 6(1)(c) of the Standards of Weight & Measures (Packaged Commodities) Rules - 1977 and 1998 Packaging Regulation for Edible Oils. Moreover the recent Government Notification which makes it mandatory for all perishable packaged food items to be printed with 'Best Before Date', is likely to substantially expand the need for Coding & Marking solutions.
- **PRODUCT FRESHNESS :**
  Consumers today insist on information about the freshness of a product that they are buying. Easy to read coding of data like Mfg. Date, Best Before Date, etc. can help win consumers confidence and post a quality conscious brand image.
- **PRODUCT IDENTIFICATION :**
  Data like Batch No., Serial No., Mfg. Date, etc. is essential for tracking the products in the event of tampering or recall. Besides, such identification measures are also essential while implementing various quality standards such as ISO, UL, etc. for any manufacturer.
- **INVENTORY CONTROL :**
  As manufacturing becomes increasingly automated, coded information can guide products through different production processes as well as distribution channels thereby reducing the overall cost of logistics with accurate inventory control.
- **AESTHETICS & PROMOTION :**
  As the awareness about the aesthetics of packaging has been growing, the clean, clear and consistent coding & marking have become the integral part of modern package design. These on-line coding machines also allow for printing of seasonal promotional messages directly on to t he individual packages thus adding to the marketing value.
- **PRODUCT SECURITY :**
  The alphanumeric codes or logos printed using modern Ink Jet Printers at specific location on the product surface are virtually impossible to duplicate, and thus serve as an effective measure against the threats of tampering, duplication, etc.

LEADERSHIP THROUGH EXCELLENCE

Control Print (India) Limited offers an array of technologies in Coding & Marking in association with the global leaders. The product range includes Small and Large character Ink Jet Printers, Touch Dry Coders, Metal Marking Systems and also Laser Coders along with necessary consumables, spare parts and service support all under one roof. At Control Print, we make sure that each of our customer gets value for his money in terms of best quality products and unparalleled service support. A strong technically qualified, trained & experienced team of sales and service people, reaching all corners of India through a network of 10 offices make sure that our customers' needs are met anytime anywhere and translates into total customer satisfaction.

No wonder then the most admired names in Indian industry such as Hindustan Lever, Cipla, Coca-Cola, Pepsi, Britannia, Nestle, Cadbury's, Parle Bisleri, Parle Frooti, Parle Biscuit, Tata Tea, Tata Steel, SAIL, Dabur, Zandu, Glaxo, Vicco, Wockhardt, NDDB, BPL, Balsara, IOCL, HPCL, Tidewater, ITC and many more, have been relying on Control Print for their Coding & Marking needs.

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Control Print (India) Limited

BOARD OF DIRECTORS

Dr. S. P. Adarkar	*Chairman*
Mr. R. S. Agrawal	*Director*
Mr. Ashok Lohiya	*Director*
Mr. Basant S. Kabra	*Managing Director*
Mr. Anirudha B. Joshi	*Whole-time Director*

AUDITORS

M/s. Dosi & Jain
Chartered Accountants

LISTING ON STOCK EXCHANGES

Mumbai, Kolkata & Ahmedabad

REGD. OFFICE, H.O. & SHARE DEPARTMENT

C-106, Hind Saurashtra Indl. Estate,
Andheri-Kurla Road, Marol Naka,
Mumbai - 400 059.

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LEGAL ADVISORS

M/s. Parimal K. Shroff & Co.
Advocates, Solicitors & Notary
Mumbai - 400 023.

WORKS

3-4-5, Highway Industrial Estate,
Off Western Express Highway,
Village Sativali, Taluka Vasai,
District Thane - 401 202 (Maharashtra)

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Control Print (India) Limited

NOTICE

Notice is hereby given that the **Eleventh Annual General Meeting** of the Members of CONTROL PRINT (INDIA) LIMITED will be held on Friday, the 30th August 2002, at Hotel Kohinoor Continental, Opp. J. B. Nagar, Andheri-Kurla Road, Mumbai - 400 059 at 4:00 p.m. to transact the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2002 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Directors and Auditors thereon.

2. To confirm the payment of interim dividend on equity shares of the Company for the year ended 31st March 2002.

3. To appoint a Director in place of Mr. R. S. Agrawal, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

II. SPECIAL BUSINESS:

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

   "**RESOLVED THAT** consent/approval be and is hereby accorded under Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions of the Companies Act, 1956, for re-appointment of Mr. Basant S. Kabra as Managing Director for a period of five years from 1st January 2003 on the following remuneration, perquisites and other terms and conditions:

   a) SALARY:

   Rs.1,00,000/- (Rupees One Lac only) per month, with such increases as may be decided by the Board of Directors from time to time.

   b) COMMISSION:

   The Board of Directors shall decide commission which shall be computed on the basis of the net profit of the Company within the ceiling on remuneration in Paragraph 2 of Section II of Part II of Schedule XIII.

   c) PERQUISITES:

   (i) Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act.

   (ii) Gratuity at the rate of 15 days salary, for each completed year of service.

   (iii) Leave with full pay as per the Rules of the Company, encashment of unavailed leave being allowed at the end of the tenure.

   (iv) Free furnished residential accommodation.

   The expenditure incurred on gas, electricity, water, etc. shall be valued as per the Income Tax Act, 1961. This shall, however, be subject to a ceiling of 10% of the salary of the Managing Director.

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NOTICE (Contd...)

(v) Reimbursement of medical expenses including hospitalisation, nursing home and surgical charges for self and family ('family' shall mean himself, wife and children).

(vi) Reimbursement of actual travelling expenses for proceeding on leave to any place in India and return therefrom once a year in respect of himself and family.

(vii) Fees of clubs, subject to a maximum of two clubs, excluding admission and life membership fees.

(viii) Personal accident insurance policy premium not to exceed Rs.4,000/- per annum.

(ix) Reimbursement of entertainment expenses incurred in the course of business of the Company.

(x) Free use of Company's car for Company's work as well as for personal purposes along with driver.

(xi) Telephone at residence at Company's cost.

(xii) Subject to any statutory ceiling(s), the Managing Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

d) VALUATION OF PERQUISITES:

Perquisites / Allowances shall be valued as per Income-tax Rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

e) MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the Managing Director shall be paid salary and perquisites as set out above, as the minimum remuneration subject to a ceiling of Rs.15,00,000/- per annum or Rs.1,25,000/- per month or such other ceiling as may be specified in Para A of Section II of Schedule XIII of the Companies Act, 1956 from time to time and subject to the approval of the Remuneration Committee or of the Board or the Central Government, if so required, in accordance with the provisions of the Act/Schedule XIII thereto.

f) COMPUTATION OF CEILING:

The following shall not be included in the computation of perquisites for the purposes of the ceiling:

i) Contribution to Provident and Superannuation Funds referred to in Para C (i) above.

ii) Gratuity payable as per Para C (ii), to the extent of 15 days salary for each completed year of service.

iii) Encashment of leave at end of tenure as per Para C (iii) above.

The terms and conditions of the said appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit within the maximum amount payable to the Managing Director in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard or with the approval of the Central Government where required."

6. To consider, and if thought fit, to pass with or without modifications, the following resolution as 'Ordinary Resolution':

"**RESOLVED THAT** consent /approval be and is hereby accorded under Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions of the Companies Act, 1956, for re-appointment of Mr. Aniruddha B. Joshi as Whole-time Director for a period of five years from 1st January 2003 on the following remuneration, perquisites and other terms and conditions:

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NOTICE (Contd...)

a) **Salary:**

Rs.60,000/- (Rupees Sixty Thousands only) per month, with such increases as may be decided by the Board of Directors from time to time.

b) **Commission:**

The Board of Directors shall decide commission which shall be computed on the basis of the net profit of the Company within the ceiling on remuneration in Paragraph 2 of Section II of Part II of Schedule XIII.

c) **Perquisites:**

i) Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act.

ii) Gratuity at the rate of 15 days salary, for each completed year of service.

iii) Leave with full pay as per the Rules of the Company, encashment of unavailed leave being allowed at the end of the tenure.

iv) Residential Accommodation/Housing:

(a) Housing I

The expenditure by the Company on hiring furnished accommodation for the Whole-time Director will be subject to the following ceiling:

Sixty percent of the salary, over and above ten percent payable by the Whole-time Director.

(b) Housing II

In case the accommodation is owned by the Company, ten percent of the salary of the Whole-time Director shall be deducted by the Company.

(c) Housing III

In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to house rent allowance subject to the ceilings laid down in Housing I.

The expenditure incurred on gas, electricity, water, etc. shall be valued as per the Income Tax Act, 1961. This shall, however, be subject to a ceiling of 10% of the salary of the Whole-time Director.

v) Reimbursement of medical expenses including hospitalisation, nursing home and surgical charges for self and family ('family' shall mean himself, wife and children).

vi) Reimbursement of actual travelling expenses for proceeding on leave to any place in India and return therefrom once a year in respect of himself and family.

vii) Fees of clubs, subject to a maximum of two clubs, excluding admission and life membership fees.

viii) Personal accident insurance policy premium not to exceed Rs.4,000/- per annum.

ix) Reimbursement of entertainment expenses incurred in the course of business of the Company.

x) Free use of Company's car for Company's work as well as for personal purposes along with driver.

xi) Telephone at residence at Company's cost.

xii) Subject to any statutory ceiling(s), the Whole-time Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

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NOTICE (Contd...)

(d) Valuation of Perquisites:

Perquisites / Allowances shall be valued as per Income-tax Rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

(e) Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the Whole-time Director shall be paid salary and perquisites as set out above, as the minimum remuneration subject to a ceiling of Rs.15,00,000/- per annum or Rs.1,25,000/- per month or such other ceiling as may be specified in Para A of Section II of Schedule XIII of the Companies Act, 1956 from time to time and subject to the approval of the Remuneration Committee or of the Board or the Central Government, if so required, in accordance with the provisions of the Act/Schedule XIII thereto.

(f) Computation of Ceiling:

The following shall not be included in the computation of perquisites for the purposes of the ceiling:

i) Contribution to Provident and Superannuation Funds referred to in Para C (i) above.

ii) Gratuity payable as per Para C (ii), to the extent of 15 days salary for each completed year of service.

iii) Encashment of leave at end of tenure as per Para C (iii) above.

The terms and conditions of the said appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit within the maximum amount payable to the Whole-time Director in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard or with the approval of the Central Government where required."

For and on behalf of the Board

(B. S. Kabra)
Managing Director

Mumbai, 27th June 2002

Registered Office:
C-106, Hind Saurashtra Industrial Estate,
Andheri-Kurla Road, Marol Naka, Mumbai - 400 059.

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.

2. Proxy Form duly completed and stamped must be received by the Company at its Registered Office at least 48 (forty eight) hours before the time appointed for the meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 26th August 2002 to Thursday, the 29th August 2002 (both days inclusive).

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NOTES (Contd...)

4. The relative Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under Item Nos. 5 & 6 of the Notice are annexed and form part of the Notice.

5. All documents referred to in the Explanatory Statements are open for inspection at the Registered Office of the Company on all working days upto the date of the Meeting.

6. As per the provisions of Section 205C of the Companies Act, 1956, the Unpaid Dividend will be transferred to the "Investor Education and Protection Fund" on the expiry of seven years from the date of declaration of interim dividend i.e. 16/01/2002.

7. Individual shareholder can avail of the facility of nomination. The nominee shall be a person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination form.

8. Non-Resident Indian shareholders are requested to inform us immediately :

   (a) the change in residential status on return to India for permanent settlement;

   (b) the particulars of NRE Account, if not furnished earlier; and

   (c) non-receipt of interim dividend declared by the Company on 16/01/2002.

9. The Securities and Exchange Board of India (SEBI) has made trading in shares of the Company compulsory in dematerialised form with effect from 30th October 2000. Members desirous of converting their physical shares into electronic form are requested to submit their share certificates along with duly filled in and signed Demat Request Form to Depository Participants (DPs) with whom they are having depository accounts. Your Company's ISIN is INE663B01015.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ACCOMPANYING NOTICE DATED 27TH JUNE 2002 CONVENING THE ELEVENTH ANNUAL GENERAL MEETING OF THE COMPANY.

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ITEM NO. 5

RENEWAL OF AGREEMENT OF MANAGING DIRECTOR AND TERMS THEREOF.
Mr. Basant S. Kabra was appointed as the Managing Director of the Company for a period of five years with effect from 1st January 1998.

The Board of Directors at their meeting held on 27th June 2002, has renewed the said Agreement and re-appointed Mr. B. S. Kabra as Managing Director for a further period of five years subject to the approval of the Members at the ensuing Annual General Meeting on the revised remuneration and perquisites and other terms and conditions.

The proposed re-appointment, remuneration and perquisites are within the limits prescribed in Schedule XIII of the Companies Act, 1956, and require the approval of the shareholders as per the provisions of the Companies Act, 1956. Accordingly, the resolution set out in Item No. 5 is recommended by the Board of Directors for approval at this General Meeting.

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NOTES (Contd...)

Mr. Basant S. Kabra is concerned or interested in the resolution concerning his appointment. Save as aforesaid no other Director of your Company is concerned or interested in the resolution.

This may also be treated as Memorandum issued pursuant to Section 302 of the Companies Act, 1956.

ITEM NO. 6

RENEWAL OF AGREEMENT OF WHOLE-TIME DIRECTOR AND TERMS THEREOF.
Mr. Anirudha B. Joshi was appointed as the Whole-time Director of the Company for a period of five years with effect from 1st January 1998.

The Board of Directors at their meeting held on 27th June 2002, has renewed the said Agreement and re-appointed Mr. A. B. Joshi as Whole-time Director for a further period of five years subject to the approval of the Members at the ensuing Annual General Meeting on the revised remuneration and perquisites and other terms and conditions.

The proposed re-appointment, remuneration and perquisites are within the limits prescribed in Schedule XIII of the Companies Act, 1956, and require the approval of the shareholders as per the provisions of the Companies Act, 1956. Accordingly, the resolution set out in Item No. 6 is recommended by the Board of Directors for approval of this General Meeting.

Mr. Anirudha B. Joshi is concerned or interested in the resolution concerning his appointment. Save as aforesaid no other Director of your Company is concerned or interested in the resolution.

This may also be treated as Memorandum issued pursuant to Section 302 of the Companies Act, 1956.

For and on behalf of the Board

(B. S. Kabra)
Managing Director

Mumbai, 27th June 2002

Registered Office:
C-106, Hind Saurashtra Industrial Estate,
Andheri-Kurla Road, Marol Naka, Mumbai - 400 059.

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Control Print (India) Limited

DIRECTORS' REPORT

To

The Members of Control Print (India) Limited

The Directors have pleasure in presenting herewith the **Eleventh Annual Report** on the business and operations of your Company together with the Audited Statement of Accounts for the year ended 31st March 2002.

1. FINANCIAL RESULTS

(Rs. in lacs)

	Current Year 2001-2002	*Previous Year 2000-2001*
Sales & Service Income	**2398.40**	2194.60
Other Income	**6.30**	9.50
Total Income	**2404.70**	2204.10
Profit before Depreciation & Tax	**237.36**	124.28
Less: Depreciation	**52.75**	52.75
Net Profit before Taxation	**184.61**	71.53
Less: Provision for Taxation	**73.00**	30.00
Deferred Tax Account	**(6.27)**	—
Net Profit	**117.88**	41.53
Earlier years' adjustment	**0.69**	(14.05)
	118.57	27.48
Interim Dividend @ Re. 1/- per share	**69.22**	—
Tax on Interim Dividend	**7.06**	—
Balance brought forward	**294.54**	292.06
Balance available for appropriation	**336.83**	319.54
Transferred to General Reserve	**25.00**	25.00
Balance carried to Balance Sheet	**311.83**	294.54

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