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9th Annual Report 1999-2000

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Control Print (India) Limited

World of Coding and Marking

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A Few Words 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 9 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?

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 which are slower, inaccurate and inefficient. 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 Weights & Measures (Packaged Commodities) Rules - 1977 and the 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 they are buying. Easy to read coding of data like Mfg. Date, Best Before Date etc. 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 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 the 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 like Marconi Data Systems - USA, Markem Corporation - USA and Ostling Metal Marking Systems - Germany. The products include Contact Coders, Touch Dry Coders, Metal Marking System, Ink Jet Printers and also the 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 customer's needs are met anytime anywhere and translates into total customer satisfaction.

No wonder then the most admired names in the Indian industry such as Hindustan Lever, Coca-Cola, Pepsi, Britannia, Nestle, Sara Lee, Cadburys, Kelloggs, Parle, Tata Tea, Tata Steel, Tata Timken, SAIL, Dabur, Zandu, Glaxo, Wockhardt, NDDB, BPL 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. Parimal K. Shroff	*Director*
Mr. Rakesh S. Agrawal	*Director*
Mr. Anirudha B. Joshi	*Wholetime Director*
Mr. Basant S Kabra	*Managing Director*

AUDITORS

M/s. Dosi & Jain
Chartered Accountants
Mumbai - 400 001.

BANKERS

The Benares State Bank Ltd.
Kalbadevi Road, Mumbai - 400 002.

LEGAL ADVISORS

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

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REGISTERED OFFICE

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

WORKS

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

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NOTICE

Notice is hereby given that the **Ninth Annual General Meeting** of the Members of CONTROL PRINT (INDIA) LIMITED will be held on Saturday, the 30th September 2000, at 4.00 p.m. at Kumaria Presidency Hotel, Near Mumbai International Airport, Andheri-Kurla Road, Mumbai – 400 059 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts of the Company for the period ended 31st March 2000 and the Balance Sheet as of that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Parimal K. Shroff who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider, and if thought fit, to pass with or without modification, the following resolutions as a Special Resolution:

"**RESOLVED THAT** pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, (including any Statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions, as may be necessary from the Appropriate Authorities and Bodies, the Articles of Association of the Company be and is hereby altered in the following manner and to the extent, set out below by inserting following heading in Article 61A after existing Article 61."

Dematerialisation :

For the purpose of this Article :-

Definations

"**Beneficial Owner**" shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996.

"**SEBI**" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

"**Depositories Act**" means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.

"**Bye-Laws**" means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.

"**Depository**" shall mean a Depository as defined under clause (e) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.

"**Member**" means the duly registered holder from time to time of the Shares of the Company and includes every person whose name is entered as a beneficial owner in the records of the Depository.

"**Issuer**" means any person making an issue of Securities.

"**Participant**" means a person registered as such under Section 12(1A) of the Securities and Exchange Board of India Act, 1992.

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"Registered Owner" means a depository whose name is entered as such in the Register of the issuer.

"Record" includes the records maintained in the form or books or stored in computer or in such other form as may be determined by regulation made by SEBI in relation to the Depositories Act.

"Regulations" means the regulations made by the SEBI.

"Security" means such security as may be specified by the SEBI.

Words and expression used herein and not defined but defined in the Companies Act, 1956 or Securities Contracts (Regulations) Act, 1956 or Securities and Exchange Board of India Act, 1992, shall have the meanings respectively assigned to them in those Acts.

Dematerialisation of Securities

Notwithstanding anything to the contrary or inconsistent contained in the Act or these Articles, the Company shall be entitled to Dematerialise its existing securities, rematerialise its securities, held in the Depositories and / or offer its fresh securities in a dematerialised form pursuant to the Depositories Act and the Rules framed thereunder, if any.

Company to recognise interest in dematerialised securities under Depositories Act.

Either the Company or the investor may exercise an option to issue, deal to hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.

Option for Investors

Every person acquiring / subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its records the name of the allottee as the beneficial owner of the security.

Securities in Depositories to be in Fungible Form

All securities of the Company held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C, 372 and 372A of the Companies Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of Depositories and Beneficial Owners

Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owner.

Save as otherwise provided above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company.

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The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Beneficial Owner deemed as absolute owner

Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust of equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof, but the Board shall be at their sole discretion to register any share in the Joint names of any two or more persons or the survivor or survivors of them.

Depository to furnish information

Every Depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

Cancellation of Certificates upon Surrender by a person

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

Option to opt out in respect of any security

If a beneficial owner seeks to opt out of a Depository in respect of any security he shall inform the Depository accordingly.

The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificates of securities to the beneficial owner or the transferee as the case may be.

Service of Documents

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Pledge or Hypothecation of Securities held in depository

Subject to regulations and bye-laws made under the Depositories Act, 1996 a beneficial owner may, with the previous approval of the depository, create a pledge or hypothecation in respect of a security owned by him through depository and shall give intimation of such pledge or hypothecation to the depository and such depository shall there upon make entries in its records accordingly. Any entry in the records of a depository shall be evidence of a pledge or hypothecation.

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Provisions of Articles to apply to securities held in Depository

Except as specifically provided in these Articles, the provisions relating to Joint holders of Securities, Calls, Lien on Securities, Forfeiture, Transfer and Transmission of Securities shall be applicable to Securities held in Depository so far as they apply to Securities held in physical form subject to the provisions of the Depository Act.

Allotment of Securities dealt within a Depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

Distinctive number of Securities held in a Depository

The Securities in the Capital shall be numbered progressively according to their several denominations, provided however, that the provisions relating to progressive numbering shall not apply to the securities of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form, except in the manner herein before mentioned. No securities shall be sub-divided. Every forfeited or surrendered securities held in material form shall continue to bear the number by which the same was originally distinguished.

Register and index of Beneficial Owners

The Company shall cause to be kept a Register and Index of Members and a Register and Index of Debenture holders in accordance with Section 150,151 and 152 of the Act respectively and the Depositories Act, with details of Shares and Debentures held in material and dematerialised forms in media as may be permitted by law including in any form of electronic media. The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be for the purpose of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Member resident in that State of Country.

Register of Transfers

The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every Transfer or Transmission of any Securities held in material form.

Overriding effect of this Article

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Article of these presents.

For and on behalf of the Board of Directors

Registered Office :
C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road,
Marol Naka, Mumbai - 400 059.
Dated: 21st August, 2000

(Basant Kabra)
Managing Director

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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 relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under Item No.4 of the Notice is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed on 29th September 2000.
5. Members are requested to forward their queries, if any, in writing at least 10 days before the Meeting.
6. Members / Proxies are requested to produce at the entrance the Attendance Slip attached herewith duly filled in, for attending the Meeting.
7. Members are requested to promptly notify change of address, if any, to the Company at the Registered Office, quoting their Regd. Folio Number.
8. Members who are holding Shares in identical order of names in more than one folio, are requested to write to the Company, enclosing the Shares Certificates, to enable the Company to consolidate their holding in one folio. The Share Certificates will be returned to the Members after making requisite changes thereon.
9. The Securities and Exchange Board of India (SEBI) has made trading in shares of the Company compulsory in dematerialised form for all the investors with effect from 30th October 2000. Members are requested to open an Account with Depository Participant at the earliest.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

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ITEM NO. 4

Consequent to the introduction of the Depository System and considering the benefits of scripless trading electronically by Book Entry, the Company intends to participate in the Depository System.

With the enactment of the Depositories Act, 1996 and amendments to certain provisions of the Companies Act, 1956, a new Article 61A is proposed to be introduced, briefly stating the frame work of the System of Depository as per the provisions of the Depositories Act, 1996, with a view to facilitate operation of the Depository System. In view of this, consequent changes are required to be incorporated in the Articles of Association of the Company by inserting a new Article 61A, so as to be in line with the amended provisions of the Companies Act, 1956, read with the provisions of the Depositories Act, 1996. A Special Resolution is therefore proposed for your approval.

None of the Directors is in any way concerned or interested in the Resolution.

The Articles of Association of the Company referred to in the Resolution at Item No. 4 together with the proposed alteration are available for inspection of the Members at the Company's Registered Office during the business hours on any working days.

For and on behalf of the Board of Directors

Registered Office :
C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road,
Marol Naka, Mumbai - 400 059.
Dated: 21st August, 2000

(Basant Kabra)
Managing Director

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DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting their NINTH ANNUAL REPORT on the business and operations of the Company together with the Audited Annual Statement of Accounts for the period ended 31st **March, 2000.**

1. FINANCIAL RESULTS :

The salient features of the Company's financial results for the period (July 1999-March 2000) under review are as follows :

(Rs. in Lacs)

	1999-00 (July-March) (9 Months)	1998-99 (July-June) (12 Months)
Sales & Service Income	1430.24	1749.05
Other Income	11.50	7.70
Total Income	1441.74	1756.75
Profit before Depreciation & Tax	90.26	97.79
Less: Depreciation	(34.98)	(25.97)
Net Profit before Taxation	55.28	71.82
Less: Provision for Taxation	(15.00)	(14.00)
Net Profit during the period	40.28	57.82
Earlier years' adjustment	–	(5.00)
Balance brought forward	251.78	248.96
Profit available for appropriation	292.06	301.78
Transferred to General Reserve	–	(50.00)
Balance carried over to Balance Sheet	292.06	251.78

The Company has changed its accounting year to end on from 30th June to 31st March and accordingly, the accounts for the year under review are for 9 months.

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2. DIVIDEND :

In view of the on going expansion and proposed Joint Venture, the Company needs to conserve resources and therefore, your Directors consider it prudent not to recommend payment of dividend for the period.

3. REVIEW OF OPERATIONS :

Your Company is well recognized as market leader in the field of Coding & Marking. With intelligent marketing strategies and high level of service efficiency, your Company has expanded its market to a number of new and innovative applications. Continuing the stronghold on the traditional key multinational accounts in consumer products industry, the Company has also added a number of medium sized customers to its portfolio.

In this highly service intensive industry, your Company always strives to become its customers partner in productivity. With its widest choice of Coding & Marking technologies and years of experience in variety of industries, the customers are offered the solution that is most appropriate for the given application. The widespread service network ensures that the customers make the most of their investment and get the best value for their money.

4. PROSPECTS :

Growing investment in consumer goods industries, increased global competition and new packaging regulations by the Government, are all promising a very high demand for Coding and Marking products in coming years. With upgraded products portfolio, enhanced marketing strength, extended service network and a well-established comprehensive installed base, your Company is all set to grow at a faster rate. Plans are already afoot to capitalise on these wider business opportunities and achieve substantial increase in turnover and profitability.

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5. FINANCES :

The Company had maintained a comfortable financial position throughout the period under review.

6. COMPUTERISATION AND NETWORKING

Keeping pace with the Information Technology revolution and growing need for computerisation, your Company has already made substantial investments in the state-of-the art hardware & software assets and continue adding/improving the same. Every branch is equipped with the latest PCs, printers and also connected to the Internet. A comprehensive Intranet with a web based MIS and Branch Office Network System (BONS) is under implementation. Once fully implemented, BONS will automate all day to day reporting, communication and information sourcing within the organisation by seamlessly linking all our branches and personnels. Company's website is also being revamped to make it more interactive and customer friendly. The new website will be equipped with latest E-commerce tools to substantially improve our Company's customer responsiveness and services efficiency, which are key success drivers in this service intensive business like ours. Using this website, customers can register their service needs, track their order/service status and also order consumable on-line, thus reducing the response time. This will also enable the management to have insight of how efficiently our customers are being served and monitor their satisfaction level. A full fledge IT department headed by an experienced IT specialist, looks after the system development, implementation and support activities for this organisationwide computer network.

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