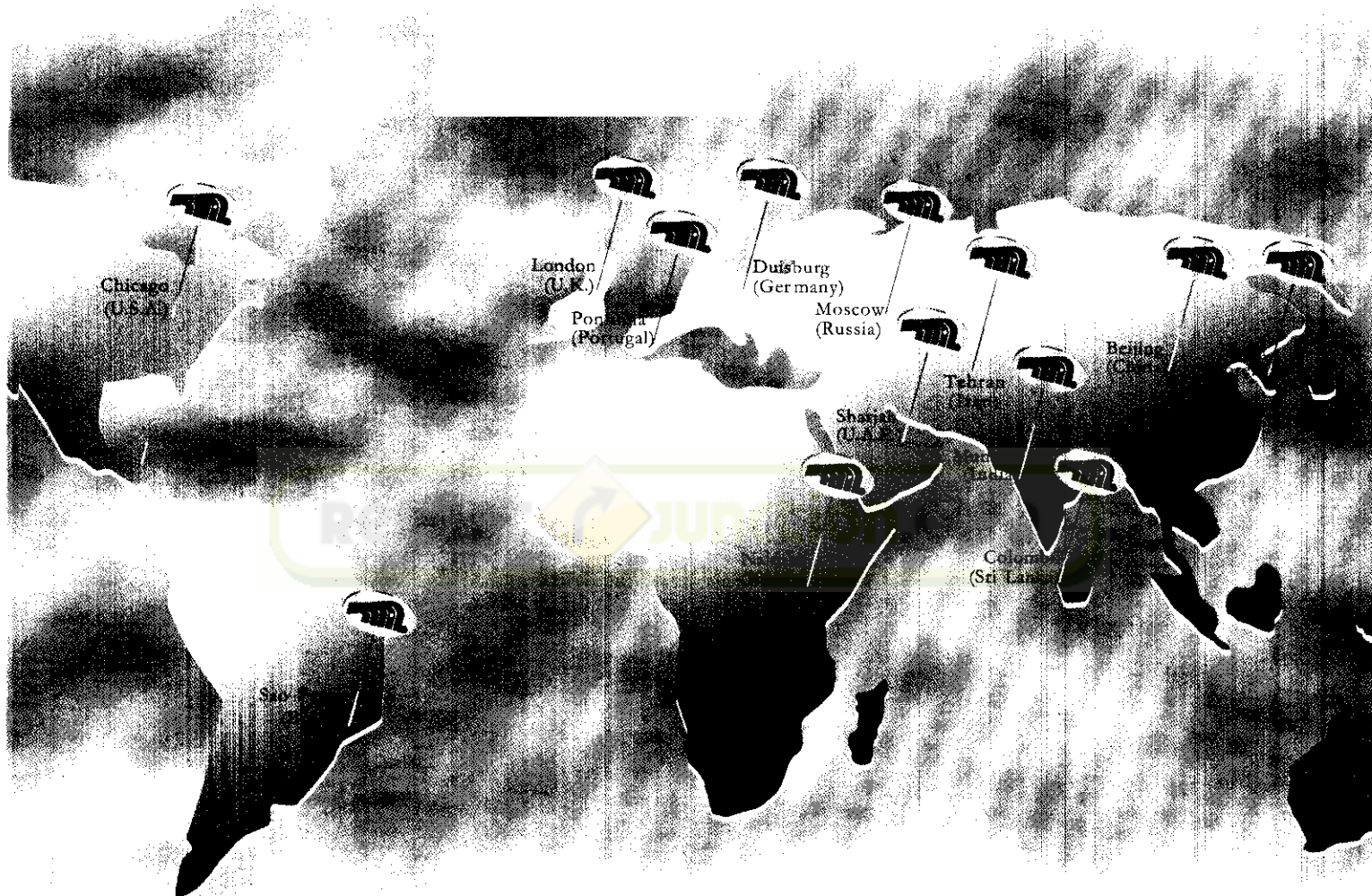


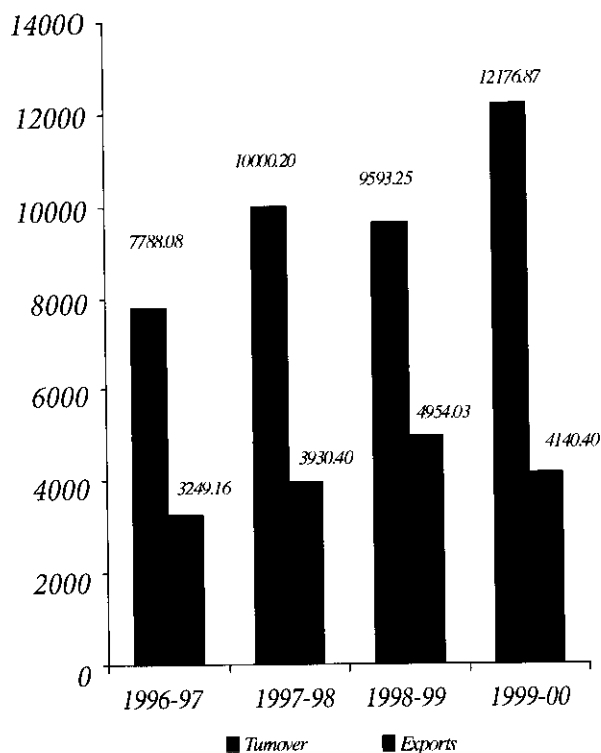
We move closer to customers  
with our strong base-globally



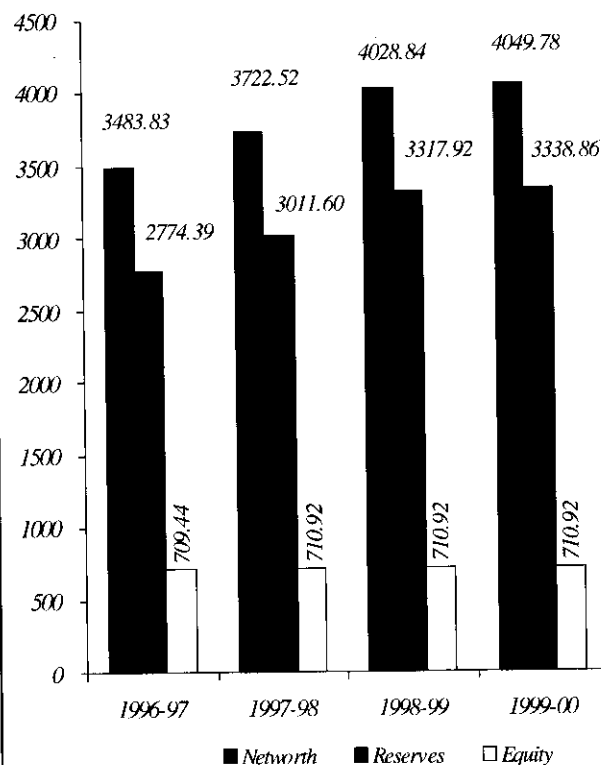
28th ANNUAL REPORT 1999-2000

  
**Manugraph**  
INDUSTRIES LTD

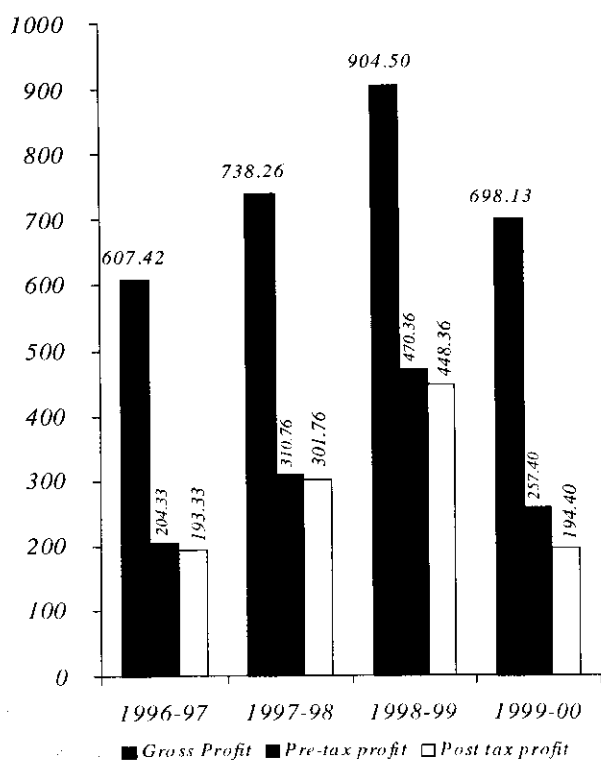
## Sales (Rs. in Lakhs)



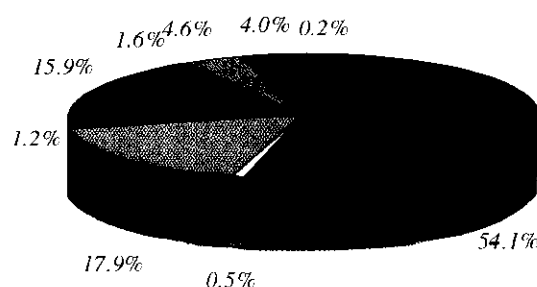
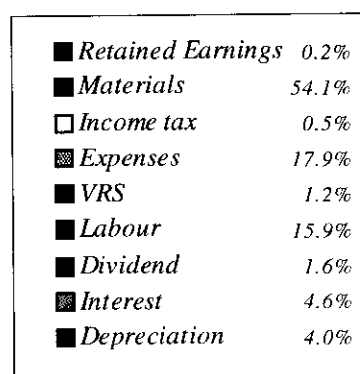
## Net Worth (Rs. in Lakhs)



## Profitability (Rs. in Lakhs)



## Distribution of Income



# MANUGRAPH INDUSTRIES LIMITED

(FORMERLY MASCHINENFABRIK POLYGRAPH (INDIA) LIMITED)

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## REGISTERED OFFICE

Manu Mansion,  
16, Shahid Bhagatsingh Road,  
Fort, Mumbai 400 001.

## WORKS

Plot No. D-1, MIDC Shirol Industrial Area,  
Poona-Bangalore Road, Shirol, Kolhapur,  
Maharashtra.

Warnanagar, Kodoli, Tal. Panhala,  
Dist. Kolhapur - 416 113, Maharashtra.

Gokul Shirgaon, Plot No. A/8, MIDC,  
Kolhapur, Maharashtra.

## BOARD OF DIRECTORS

Sanat M. Shah	(Chairman)
Vijaychandra N. Cantol	
Harshad H. Vasa	
Jayant C. Vakil	
Jitendra N. Mehrotra	
Sanjay S. Shah	(Whole-Time Director)
Pradeep S. Shah	(Whole-Time Director)
Mohan R. Harshe	(Whole-Time Director)

## COMPANY SECRETARY

Vijay H. Modi

## AUDITORS

Messrs. B.F.Pavri & Co.  
Chartered Accountants

## SOLICITORS & ADVOCATES

Messrs. Tyabji Dayabhai

## BANKERS

State Bank of India  
State Bank of Bikaner & Jaipur  
Canara Bank  
Syndicate Bank

28th Annual General Meeting on Thursday, the 31st August, 2000 at M.C.Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai-400 001, at 3.00 P.M.

## N O T I C E

NOTICE is hereby given that Twenty-eighth Annual General Meeting of Members of Manugraph Industries Limited will be held on Thursday the 31st August, 2000 at 3.00 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001 to transact the following business :

1. To consider and adopt the Balance Sheet as at 31st March, 2000 and Profit and Loss account for the year ended 31st March, 2000 and reports of the Directors and the Auditors thereon.
2. To declare a Dividend on Equity shares for the year ended 31st March, 2000.
3. To appoint a Director in place of Mr. S. M. Shah who retires by rotation, but being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. H. H. Vasa who retires by rotation, but being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following resolutions :

#### 6. As a Special Resolution

RESOLVED THAT the consent of the Members be and is hereby accorded to the Board of Directors thereby vesting authority in respect of Equity Shares/Preference Shares/Fully Convertible Debentures/Partly Convertible Debentures/ Non-Convertible Debentures and/or other securities being acquired/purchased/invested/transferred by Foreign Institutional Investors (FIIs) and/or other persons/entities as may be permitted by the Government of India/Securities & Exchange Board of India/Reserve Bank of India/other competent authority from time to time upto 40% or such other higher percentage as may be stipulated for each series of securities issued and listed on any of the stock exchanges under Portfolio Investment Scheme and/or any other Scheme.

RESOLVED FURTHER THAT should this limit be enhanced by the Government of India/Securities & Exchange Board of India/Reserve Bank of India/other competent authority, the permission of the Members is hereby granted to the Board of Directors to permit the said 40% or any such enhanced limit as may be permitted by Government of India/Securities & Exchange Board of India/Reserve Bank of India/other competent authority.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable and to settle any question, difficulty or doubt that may arise in regard to the said acquisition/purchase/investment/transfer of Equity Shares/Preference Shares/Fully Convertible Debentures/Partly Convertible Debentures/Non-Convertible Debentures/other securities.

#### 7. As a Special Resolution

RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered in the following manner :

- (i) Insert new definitions and modify existing definitions in Article 2 under the heading "INTERPRETATION" as under :
  - a) Beneficial Owner means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996. Beneficial Owner
  - b) Bye-laws means bye-laws made by a Depository under section 26 of the Depositories Act, 1996. Bye-laws

c) Depositories Act means the Depositories Act, 1996, and any statutory modifications or re-enactment thereof for the time being in force.

d) "Depository" means a Company formed and registered under The Companies Act, 1956 (1 of 1956) ("the Act") and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

Depository

e) Record includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the Regulations;

Record

f) "Regulations" means the regulations made by SEBI;

Regulations

g) "SEBI" means Securities and Exchange Board of India;

SEBI

h) "Security" means such security as may be specified by SEBI from time to time;

security

i) Existing definition "Members" be modified to read as under :

"Shareholder or member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the memorandum of the Company and every person holding Equity Shares and/or Preference Shares of the Company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository.

Shareholder  
or member

(II) The following new Article 73 (C) with marginal note be inserted after the existing Article 73 (B)

1) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its shares/debentures and other Securities (both existing and future) held by the Depository and to offer its shares, debentures and other Securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules framed thereunder if any.

Dematerialisation  
of securities

2) Every Person holding or subscribing to Securities, offered by the Company shall have the option to receive the 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 the Securities.

Option for Investors

Where a person opts to hold his Security with a Depository, the Company shall intimate such Depository the details of allotment of such Security and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the Security.

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

Securities in Depositories  
to be in fungible form

- |  |   |
|--|---|
| <p>4) a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of Security on behalf of the beneficial owner;</p> <p>b) Save as otherwise provided in (a) above, the Depository as a registered owner of the Securities shall not have any voting rights or any other right in respect of the Securities held by it;</p> <p>c) Every person holding Securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities held by a Depository.</p> | <p>Rights of Depositories and Beneficial Owners</p>   |
| <p>5) Notwithstanding anything to the contrary contained in the Act, or these Articles, where the 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 and discs or such other mode as may be prescribed.</p>   | <p>Depository to furnish information</p>  |
| <p>6) If a beneficial owner seeks to opt out of a Depository in respect of any Security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the information as above, make appropriate entries in its record and shall inform the company accordingly.</p> <p>The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificates of Security to the beneficial owner or the transferee as the case may be.</p>  | <p>Option to opt out in respect of any security</p>   |
| <p>7) Notwithstanding anything to the contrary contained in these Articles.</p> <p>(i) Section 83 of the Act shall not apply to the shares with a Depository;</p> <p>(ii) Section 108 of the Act, shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository.</p>  | <p>Section 83 and 108 of the act not to apply</p>   |
| <p>8) Notwithstanding anything contained in the Act or these Articles, where Securities are dealt with in a Depository, the Company shall intimate the details of allotment of Securities to the Depository immediately on allotment of such Securities.</p>   | <p>Intimation to Depository</p>   |
| <p>9) In case of transfer of shares, debentures and other marketable Securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.</p>   | <p>Applicability of the Depositories Act.</p>   |
| <p>10) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividend or bonus or service of notices and all or any other matters connected with the Company, and accordingly the Company shall not, except as ordered</p>  | <p>Company to recognise the rights of Registered Holders as also the Beneficial Owners in the records of the Depository</p> |

by a Court of Competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

III) The following new Article 184(i) be inserted after the existing Article 184

The Company shall cause to be kept at its registered office or at such other place as decided/to be decided by the Board of Directors, the Register and Index of Members in accordance with Sections 150 and 151 and other applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with the details of shares held in physical and dematerialised form in any media as may be permitted by law including in any form of electronic media. The Company may also keep a Foreign Register of Members and Debentureholders in accordance with Section 157 of the Act.

#### NOTES :

1. Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 in respect of items 6 and 7 being special business is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books of the company will remain closed from Friday the 25th August, 2000 to Thursday the 31st August, 2000 (Both days inclusive).
4. The members are requested to :
  - a) intimate changes, if any, in their registered addresses to the Company's Registrars and Share Transfer Agents M/s. Intime Spectrum Registry Private Limited, 260 Shanti Industrial Estate, Sarojini Naidu Road, Mulund(W), Mumbai - 400 080.
  - b) quote ledger folio numbers in all their correspondence,
  - c) Consolidation of Folios. It has been observed that certain shareholders of the Company are holding shares under multiple folios. With a view to render prompt and efficient service to our shareholders as well as to avoid duplication of expenses in sending Annual Reports, dividend warrants etc., the Company is desirous of eliminating holding under multiple folios. In case, you are holding shares of the Company in more than one folio (in the same sequence of joint names in joint holding), you are requested to send a letter of request alongwith the relevant share certificates to the Company or to the Registrars and share Transfer Agents, M/s Intime Spectrum Registry Pvt. Ltd. The consolidation of multiple folios in one common folio will help the Company to serve you better at all times.
  - d) As per the provisions of the amended Companies Act, 1956, facility for making nominations is now available for members, debenture holders and fixed Deposit holders in respect of the shares, debentures and deposits held by them.
  - e) bring their copies of the Annual Reports and the Attendance Slips with them at the Annual General Meeting.
5. The dividends which remain unclaimed/unencashed over a period of 7 years have to be transferred by the Company to Investor Education & Protection Fund, constituted by the Central Government under Section 205(A) & 205(C) of the Companies Act, 1956.

The details of dividends paid by the Company and their respective due dates of the proposed transfer to such Fund of the Central Government if they remain unencashed are as under :

Date of declaration of dividend	Date of Dividend warrant	Dividends for the year	Dividend Rs. per Share	Due date of the proposed transfer to the Central Government
30.10.1995	09.12.1995	1994-95	1.20	08.12.2002
30.09.1996	07.11.1996	1995-96	0.80	06.11.2003
25.09.1997	05.11.1997	1996-97	1.00	04.11.2004
31.08.1998	09.10.1998	1997-98	1.20	08.10.2005
31.08.1999	04.10.1999	1998-99	1.80	03.10.2006

It may please be noted that no claim shall be made by the shareholders for the unclaimed dividends once they will be transferred to the credit of the Investor Education & Protection Fund of the Central Government, under the amended provisions of Sec. 205(B) of the Companies Act, 1956.

In view of the new regulation, the Shareholders are advised to send all the unencashed dividend warrants to the Registered Office of the Company for revalidation and encash them before the due date of the proposed transfer to the Central Government.

6. Members desirous of getting any information about the accounts and operations of the company are requested to address their queries to the Secretary of the company atleast ten days in advance of the meeting so that the information required can be made readily available at the meeting to the extent possible.

By Order of the Board  
For MANUGRAPH INDUSTRIES LIMITED

V. H. MODI  
Company Secretary

**Registered Office :**

Manu Mansion,  
16, Shahid Bhagatsingh Road,  
Fort, Mumbai - 400 001.  
Date : 31st July, 2000.

**ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956.

**ITEM NO. 6**

The investment by Foreign Institutional Investors (FIIs), in the equity of Indian companies was permitted to the extent of 30% of equity capital of such companies. Recently, the Government of India has raised the limit of such investments to 40% of the paid-up capital of such companies, subject to approval of Board of Directors and approval of members of the investee company by way of a Special Resolution.

Since the increased investment by FIIs is considered to be in the interest of the Company, the Board commends passing of the resolution as set out in item No.6 of the accompanying Notice.

None of the Directors of the Company may be considered to be concerned or interested in passing of the Resolution.

**ITEM NO. 7**

The company has entered into an agreement with National Securities Depository Limited (NSDL) Central Depository Services(I) Limited (CDSL) and the equity shares of the company are available for dematerialisation w.e.f. 19th November, 1999 and 1st March, 2000 respectively

The Securities and Exchange Board of India has made compulsory dematerialised trading of the Company's equity shares by all investors with effect from 24th July, 2000.

Consequent upon the enactment of Depositories Act, 1996, the Depositories Act, 1996 has amended some of the provisions of the Companies Act, 1956 pertaining to issue, holding, transfer, transmission and dealing in shares and other securities as also issue of relevant certificates for facilitating introduction and implementation of the depository system.

In view of the above, it is proposed to alter the Articles of Association of the Company by amending/ incorporating the relevant provisions to bring the Articles in line with the amended provisions.

Resolution No.7 in the accompanying Notice lists out the amendments as above.

The Directors recommend the resolution for approval of Members.

None of the Directors of the company is concerned or interested in the Resolution except to the extent of their shareholding.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the members of the Company at its Registered Office between 11.00 a. m. and 1.00 p. m. on any working day of the Company.

By Order of the Board  
**For MANUGRAPH INDUSTRIES LIMITED**

**V. H. MODI**  
Company Secretary

**Registered Office :**

Manu Mansion,  
16, Shahid Bhagatsingh Road,  
Fort, Mumbai - 400 001.  
Date : 31st July, 2000

## DIRECTORS' REPORT

Your Directors hereby present the Twenty-eighth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2000.

### FINANCIAL HIGHLIGHTS :

The salient features of the Company's working are as under:

	April to March 1999-2000 (Rs. in lakhs)	April to March 1998-99 (Rs. in lakhs)
PROFIT FOR THE YEAR	<b>839.25</b>	1180.29
LESS: Depreciation	<b>440.73</b>	434.14
	<b>398.52</b>	746.15
Less : Compensation under Voluntary Retirement Scheme	<b>141.12</b>	243.59
Payment relating to earlier year on account of settlement with employees	<b>Nil</b>	32.20
	<b>141.12</b>	275.79
PROFIT BEFORE TAX	<b>257.40</b>	470.36
Less : Provision for taxation	<b>63.00</b>	22.00
	<b>194.40</b>	448.36
Add : Amount transferred from Debenture Redemption Reserves	<b>Nil</b>	548.31
	<b>194.40</b>	996.67
Add : Balance brought forward from last year	<b>105.21</b>	38.89
AMOUNT AVAILABLE FOR APPROPRIATION	<b>299.61</b>	1035.56
APPROPRIATIONS		
Proposed Dividend	<b>142.18</b>	127.96
Tax on Proposed Dividend	<b>31.28</b>	14.08
General Reserve	<b>15.00</b>	788.31
Balance carried to Balance Sheet	<b>111.15</b>	105.21

### YEAR IN RETROSPECT AND DIVIDEND

Though the total sales were at Rs 10,965.92 lakhs in the current year, the gross profit before extra-ordinary items declined from Rs 1180.29 lakhs in 1998-99 to Rs 839.25 lakhs in 99-00 due to the fact that the Company accounted for Rs 222.09 lakhs towards the change in the Valuation of inventories to comply with the revised Accounting Standard (AS-2) issued by the Institute of Chartered Accountants of India.

Your Directors have recommended a dividend of Rs 2.00 per Share aggregating to Rs 142.18 lakhs subject to the approval by the members at the annual general meeting.