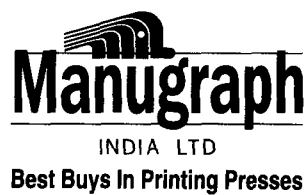


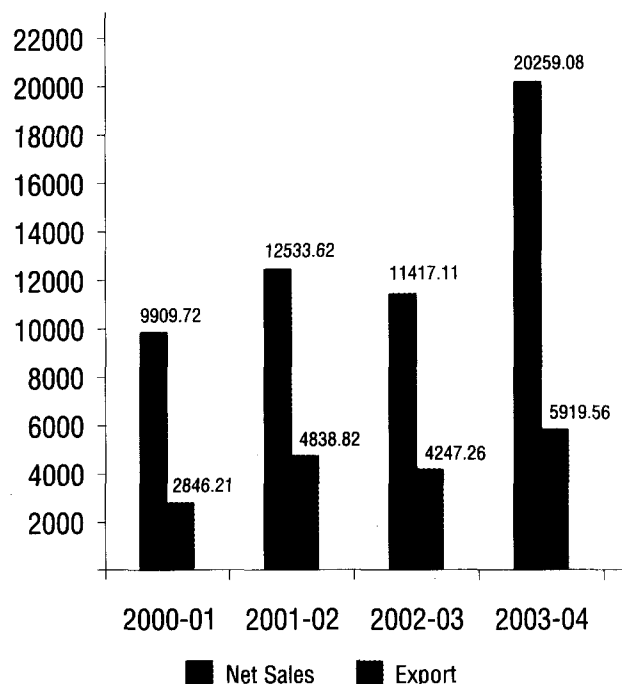


Company!
Forward March!

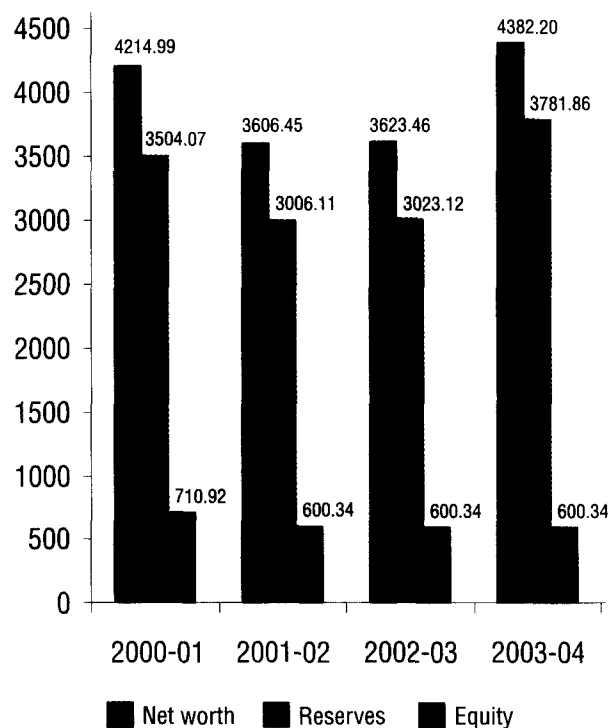


32nd Annual Report 2003-2004

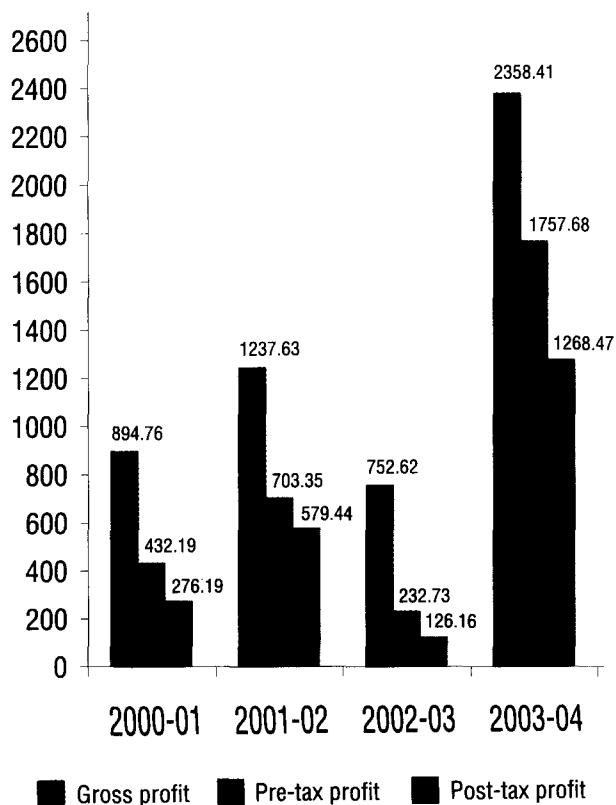
Sales (Rs. in lakhs)



Net Worth (Rs. in lakhs)

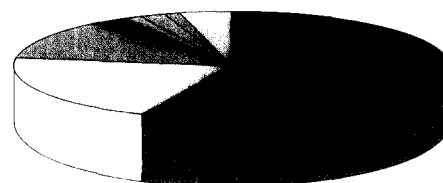


Profitability (Rs. in lakhs)



Distribution of Income

Materials	57%
Expenses	20%
Labour	12%
Depreciation	3%
Interest	0.50%
Income tax	2.30%
Dividend	1%
Retained earnings	4.20 %



MANUGRAPH INDIA LIMITED

(FORMERLY MANUGRAPH INDUSTRIES LIMITED)

BOARD OF DIRECTORS

CHAIRMAN	Mr. Sanat M. Shah	
DIRECTORS	Mr. Jayant C. Vakil	}
	Mr. Jitendra N. Mehrotra	}
	Mr. Hiten C. Timbadia	}
	Mr. Harshad H. Vasa	}
	Mr. Mohan R. Harshe	Whole-Time Director

VICE-CHAIRMAN & MANAGING DIRECTOR Mr. Sanjay S. Shah

MANAGING DIRECTOR Mr. Pradeep S. Shah

MANAGEMENT

Mr. Preetesh Munshi	(Vice President)
Mr. S. M. Mordekar	(General Manager - Operations)
Mr. B. B. Nandgave	(General Manager - Operations)

COMPANY SECRETARY Mr. Vijay H. Modi

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

SOLICITORS & ADVOCATES Messrs. Tyabji Dayabhai

REGISTERED OFFICE Sidhwa House,
N. A. Sawant Marg,
Colaba, Mumbai 400 005.

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32nd Annual General Meeting on Friday, the 30th July, 2004 at M.C.Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai-400 001, at 3.00 P.M.

NOTICE

NOTICE is hereby given that thirty-second Annual General Meeting of Members of Manugraph India Limited will be held on Friday the 30.07.2004 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 receive, consider and adopt the Balance Sheet as at 31st March, 2004 and Profit and Loss account for the year ended 31st March, 2004 and reports of the Directors and the Auditors thereon.
2. To declare a Dividend on Equity shares for the year ended 31st March, 2004.
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. C. Timbadia 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 modification(s) the following ordinary and or special resolutions:

6. As a special resolution

RESOLVED THAT subject to such consents, permissions and approvals as may be required and pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and any statutory modifications or enactment thereof and all guidelines for managerial remuneration issued by the Central government from time to time and subject to such requisite approvals, if any, consent of the Company be and is hereby accorded for the re-appointment of Mr. Sanjay S. Shah as the Vice Chairman and Managing Director of the Company, for a period of three years with effect from 01st April, 2004 to 31st March, 2007 upon and subject to remuneration, terms and conditions as set out in the Agreement dated 15.04.2004 entered into between the Company and Mr. Sanjay S. Shah a draft whereof is laid before the meeting and, for the purpose of identification, subscribed by the Chairman hereof.

RESOLVED FURTHER THAT subject to the limits prescribed from time to time in Section 11 of Part II of Schedule XIII of the Companies Act, 1956, the remuneration payable as aforesaid shall be paid to Mr. Sanjay S. Shah as minimum remuneration, notwithstanding that in any financial year of the Company during the terms of his office as such, the Company may have made no profits or inadequate profits.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to review, revise, increase or enhance the remuneration, perquisites and benefits to be paid or provided to Mr. Sanjay S. Shah (including the minimum remuneration) in accordance with the relevant provisions in the Companies Act, 1956 and/or the rules and regulations made thereunder and/or relaxation or revision in the Guidelines for Managerial Remuneration as may be made and/or announced by the Central Government from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, desirable or appropriate to give effect to this Resolution.

7. As a Special Resolution

RESOLVED THAT subject to such consents, permissions and approvals as may be required and pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and any statutory modifications or enactment thereof and all guidelines for managerial remuneration issued by the Central government from time to time and subject to such requisite approvals, if any, consent of the Company be and is hereby accorded for the re-appointment of Mr. Pradeep S. Shah as Managing Director of the Company, for a period of three years with effect from 01st April, 2004 to 31st March, 2007 upon and subject to remuneration, terms and conditions as set out in the Agreement dated 15.04.2004 entered into between the Company and Mr. Pradeep S. Shah a draft whereof is laid before the meeting and, for the purpose of identification, subscribed by the Chairman hereof.

RESOLVED FURTHER THAT subject to the limits prescribed from time to time in Section II of Part II of Schedule XIII of the Companies Act, 1956, the remuneration payable as aforesaid shall be paid to Mr. Pradeep S. Shah as minimum remuneration, notwithstanding that in any financial year of the Company during the term of his office as such, the Company may have made no profits or inadequate profits.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to review, revise, increase or enhance the remuneration, perquisites and benefits to be paid or provided to Mr. Pradeep S. Shah (including the minimum remuneration) in accordance with the relevant provisions in the Companies Act, 1956 and/or the rules and regulations made thereunder and/or relaxation or revision in the Guidelines for Managerial Remuneration as may be made and/or announced by the Central Government from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, desirable or appropriate to give effect to this Resolution.

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

V. H. MODI
Company Secretary

N O T E S :

1. Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 in respect of item Nos.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. A brief profile of the Directors retiring by rotation and eligible for re-appointment, as required by Clause 49 VI A of the Listing Agreement signed by the Company with The Stock Exchange, Mumbai is given in the Report on Corporate Governance.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday the 23rd July, 2004 to Friday the 30th July, 2004 (Both days inclusive).
5. 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 Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078.
 - 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 balance sheets, 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 Limited. 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.

6. 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 :

<u>Date of Declaration of dividend</u>	<u>Date of Dividend warrant</u>	<u>Dividends for the year</u>	<u>Dividend Rs. per share</u>	<u>Due date of the proposed transfer to the Central Government</u>
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
31.08.2000	29.09.2000	1999-00	2.00	28.09.2007
30.07.2001	07.08.2001	2000-01	1.20	06.08.2008
30.07.2002	03.08.2002	2001-02	1.80	02.08.2009
29.08.2003	01.09.2003	2002-03	1.20	31.08.2010

It may please be noted that no claim will lie from a member once the transfer is made to the credit of the Investor Education & Protection Fund of the Central Government, under the amended provisions of Section 205(C) of the Companies Act, 1956.

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

7. 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.
8. Members are requested to inform their Bank Account Numbers and Bank branch details to the Company to enable it to include these details in the dividend warrants and thus minimise the chances of loss of dividend warrants. The above information may be given to the Company's Registered Office or its Registrars and Share Transfer Agents on or before 22.07.2004.
9. Dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2004 when declared at the meeting, will be paid :
- to those members whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company and its Registrars on or before 22.07.2004.
 - in respect of shares held in electronic form, to those "deemed members" whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on 22.07.2004.

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

V. H. MODI
Company Secretary

Registered Office : Sidhwa House, 1st Floor,
N. A. Sawant Marg,
Colaba,
Mumbai - 400 005.

Date : 29th June, 2004.

ANNEXURE TO THE NOTICE

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

ITEM NO. 6

The Remuneration Committee subject to the approval of the shareholders has recommended the reappointment of Mr. Sanjay S. Shah as Vice Chairman and Managing Director of the Company for a period of three years with effect from 01st April, 2004.

Mr. Sanjay S. Shah in addition to his duties as Managing Director of the Company shall hold the office of the Vice Chairman.

The terms and conditions of re-appointment of Mr. Sanjay S. Shah as Vice Chairman and Managing Director of the Company is given below:

- I. The period of appointment is from 1st April, 2004 to 31st March, 2007.
- II. Remuneration of Vice Chairman and Managing Director, Salary, Incentive and Retirement Benefits.
 1. Salary, perquisites and other allowance not exceeding Rs.3,00,000/- per month.
 2. Incentive payable in accordance with the Incentive Scheme as may be applicable to the Top Management Team of the Company from time to time.
 3. The Company's contribution to the Provident Fund, Superannuation Fund (or other benefit permissible in lieu thereof) or annuity fund will be as per the rules of the Company and the same will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 4. Gratuity payable in accordance with the gratuity Scheme of the Company provided that it does not exceed one half month's salary for every completed year of continuous service, since the date on which Mr. Sanjay S. Shah was appointed with effect from 01.11.1992.

In addition to salary and Incentive, the Vice Chairman and Managing Director will be entitled to the following perquisites :

Housing :

The Company shall provide a fully furnished rent free residential accommodation, failing which it will pay to Mr. Sanjay S. Shah on a monthly basis a house rent allowance in lieu of the house.

The Company shall bear all expenses, which may be incurred, on such house in accordance with Vice Chairman and Managing Director's status, including but not limited to insurance, security charges, maintenance and repair of the house and the furniture, fixtures and furnishings therein, gas, electricity and water along with all amenities, facilities and utilities.

Conveyance :

Free use of Company's car for the work of the Company along with driver, insurance, petrol, cost of repairs, overhauling, maintenance and garage rent.

Communication Facilities :

The Company shall bear all expenses of the Communication facilities installed at the Vice Chairman and Managing Director's residence – including but not limited to Telephones (land lines/mobiles), Faxes, Computers/Laptops, Internet Connection.

Club Fees :

Fees of Corporate/Health Clubs (not exceeding 4 clubs) shall be borne by the Company.

Medical Reimbursement :

Medical expenses incurred by the Vice Chairman and Managing Director for himself and his family shall be reimbursed in full by the Company, either directly or through Mediclaim Insurance.

Personal Accident Insurance :

Personal Accident Insurance of a reasonable insured value commensurate with the earnings of the Vice Chairman and Managing Director shall be taken by the Company.

Leave :

The Vice Chairman and Managing Director shall be eligible for leave as per Rules of the Company and encashment of leave at the end of tenure.

Leave Travel Concession :

The Vice Chairman and Managing Director shall be eligible for Leave Travel concession for self and family once in a year in accordance with the rules of the Company.

Entertainment, Travelling and other incidental expenses :

The Company shall reimburse entertainment, travelling and other incidental expenses actually and properly incurred by the Vice Chairman and Managing Director for the business of the Company.

Other Benefits :

The Vice Chairman and Managing Director shall be entitled to the other benefits, schemes, privileges and amenities such as housing loans and other loans at concessional rate of interest, credit cards, as may be granted from time to time to the Top Management of the Company, in accordance with the relevant schemes.

Valuation of perquisites :

Perquisites mentioned in above shall be evaluated in accordance with the Income Tax Rules, 1961 wherever applicable, and in other cases at the actual cost to the Company.

Maximum Remuneration :

Except with the permission of the Central Government, remuneration to the Vice Chairman and Managing Director shall not exceed the limits specified under the provisions of Section 309 of act.

Disentitlements :

The Vice Chairman and Managing Director shall not be entitled to sitting fees for attending Meetings of the Board of Directors of the Company or any Committee or Committees thereof.

Termination :

The Agreement may be terminated by either party giving the other party three months' notice.

Mr. Sanjay S. Shah undertakes, to the best of his skill and ability:

- a. To use his utmost endeavours to promote the interests and welfare of the Company.
- b. To conform to and comply with the Directions and regulations of the Company and all such orders and Directions as may from time to time be given by the Board.
- c. To devote the whole of his time and attention to the business of the Company.

I. GENERAL INFORMATION :

1. Nature of Industry : Manufacturer of Printing machinery
2. Date of Commencement of Commercial Production : The Company is an existing company and is in operation since 1973

Financial Year	2003-04	2002-03
	Rs. P.	Rs. P.
3. Financial performance :		
Earning per share	21.13	2.10
Dividend per share	4.00	1.20
Networth per share	73.00	60.36
4. Export performance (Rs. in lakhs)	5919.56	4247.26

II Information about the Appointee :

The Remuneration committee noted that Mr. Sanjay S. Shah, Vice Chairman and Managing Director is responsible for ensuring profitable growth of the company with adequate control on costs, investments in current and fixed assets and maintaining over all financial discipline throughout the organisation. Mr. Sanjay S. Shah has rich experience in multifarious areas of Accounting, Financial Management, Labour, Industrial Relation and Administrative functions encompassing over two decades.

Job Profile and his suitability : Mr. Sanjay S. Shah is the Vice Chairman and Managing Director of the Company. He will have substantial powers of management and shall exercise the same subject to the superintendence, control and direction of the Board. He is over all responsible for the day to day management of the Company. Taking into consideration his expertise, he is best suited for the responsibilities currently assigned to him by the Board of Directors.

Remuneration Proposed : Details of remuneration proposed have been given in the notice. While fixing the salary of Mr. Sanjay S. Shah, Vice Chairman and Managing Director, the Remuneration Committee took into account the financial position of the Company, trend in the industry, appointee's qualifications, experience and background, past performance, past remuneration and his usefulness to the organization in totality and objectivity in determining the remuneration package of Mr. Sanjay S. Shah while striking a balance between the interest of the Company and the shareholders.

III. Other information :

(1) **Reason for loss or inadequate profits:** The market was stagnant during the financial year 2002-2003 and therefore, the margins were severally affected.

(2) **Steps taken or proposed to be taken for improvement and Expected increase in Productivity and profits in measurable terms :**

The Company has already achieved excellent performance during the current financial year 2003-2004 and considering the order book position, the company has leverage to achieve higher profits.

IV. Details of Director seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement).

Name of the director	Mr. Sanjay S. Shah
Date of Appointment on the Board	11.08.1989
Qualification	B.Com.
List of other Companies in which Directorship held as on 31.03.2004	<ol style="list-style-type: none"> 1. Manu Enterprises Limited 2. Multigraph Machinery Co. Limited 3. Multigraph Enterprises Limited 4. Manugraph Mauritius holding Limited 5. Manugraph Impex FZC 6. Earthmaster Equipment Private Limited 7. Santsu Finance and Investment Private Limited.

The Board commends passing of the Resolutions as set out in item No.6 of the accompanying notice.

Mr. Sanjay S. Shah is concerned and interested in resolution under item No.6.

Mr. Sanat M. Shah and Mr. Pradeep S. Shah Directors of the Company being related to Mr. Sanjay S. Shah may be deemed to be concerned and interested in the resolution under item No.6.

Save as aforesaid, none of the other Directors of the Company is, in any way, concerned or interested in this item.

The Agreement entered into by the Company with Mr. Sanjay S. Shah is available for inspection on any working day of the Company between 11.00 A. M. and 2.00 P. M. only at the Registered Office of the Company. This may be treated as an abstract of the agreement dated 15.04.2004 executed between the Company and Mr. Sanjay S. Shah pursuant to Section 302 of the Companies Act, 1956.

ITEM NO. 7

The Remuneration Committee subject to the approval of the shareholders has recommended the reappointment of Mr. Pradeep S. Shah as Managing Director of the Company for a period of three years with effect from 01st April, 2004.

The terms and conditions of re-appointment of Mr. Pradeep S. Shah as Managing Director of the Company is given below :

- I. The period of appointment is from 1st April, 2004 to 31st March, 2007.
- II. Remuneration of Managing Director, Salary, Incentive and Retirement Benefits.
 1. Salary, perquisites and other allowance not exceeding Rs.3,00,000/- per month.
 2. Incentive payable in accordance with the Incentive Scheme as may be applicable to the Top Management Team of the Company from time to time.
 3. The Company's contribution to the Provident Fund, Superannuation Fund (or other benefit permissible in lieu thereof) or annuity fund will be as per the rules of the Company and the same will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 4. Gratuity payable in accordance with the gratuity Scheme of the Company provided that it does not exceed one half month's salary for every completed year of continuous service, since the date on which Mr. Pradeep S. Shah was appointed with effect from 01.11.1992.

In addition to salary and Incentive, the Managing Director will be entitled to the following perquisites :

Housing:

The Company shall provide a fully furnished rent free residential accommodation, failing which it will pay to Mr. Pradeep S. Shah on a monthly basis a house rent allowance in lieu of the house.

The Company shall bear all expenses, which may be incurred, on such house in accordance with Managing Director's status, including but not limited to insurance, security charges, maintenance and repair of the house and the furniture, fixtures and furnishings therein, gas, electricity and water along with all amenities, facilities and utilities.

Conveyance :

Free use of Company's car for the work of the Company along with driver, insurance, petrol, cost of repairs, overhauling, maintenance and garage rent.

Communication Facilities :

The Company shall bear all expenses of the Communication facilities installed at the Managing Director's residence – including but not limited to Telephones (land lines/mobiles), Faxes, Computers/Laptops, Internet Connection.