

# MANUGRAPH INDIA LIMITED

## BOARD OF DIRECTORS

### CHAIRMAN

Mr. Sanat M. Shah

### DIRECTORS

Mr. Jayant C. Vakil ]

Mr. Jitendra N. Mehrotra ]

Mr. Hiten C. Timbadia ] Independent Non-Executive Directors

Mr. Harshad H. Vasa ]

Mr. Amit N. Dalal ]

Mr. Mohan R. Harshe Whole-time Director

### VICE-CHAIRMAN & MANAGING DIRECTOR

Mr. Sanjay S. Shah

### MANAGING DIRECTOR

Mr. Pradeep S. Shah

### MANAGEMENT

Mr. S. M. Mordekar (General Manager - Operations)

Mr. B. B. Nandgave (General Manager - Operations)

### AUDITORS

Messrs B. F. Pavri & Co.  
Chartered Accountants

### SOLICITORS & ADVOCATES

Messrs Tyabji Dayabhai

### REGISTERED OFFICE

Sidhwa House, 1st Floor,  
N. A. Sawant Marg, Colaba,  
Mumbai 400 005.

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35th Annual General Meeting on Tuesday, the 11th September, 2007 at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai-400 001, at 3.30 p.m.

## NOTICE

NOTICE is hereby given that thirty-fifth Annual General Meeting of Members of Manugraph India Limited will be held on Tuesday the 11th September, 2007 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001, to transact the following business :

### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2007 and Profit and Loss Account for the year ended 31st March, 2007 together with reports of the Directors and the Auditors thereon;
2. To declare a dividend on equity shares;
3. To appoint a Director in place of Mr. S. M. Shah who retires by rotation and being eligible offers himself for re-appointment;
4. To appoint a Director in place of Mr. J. C. Vakil who retires by rotation and being eligible offers himself for re-appointment;
5. To appoint M/s B. F. Pavri & Co. Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### AS SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary 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, ("the Act") 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 1st April, 2007 till 31st March, 2010, on the remuneration and perquisites and terms and conditions as set out in the draft agreement between the company and Mr. Sanjay S. Shah, laid before the meeting and initialled by the chairman for the purpose of identification.

**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. 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. To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary 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 ("the Act"), 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 the Managing Director of the Company, for a period of three years with effect from 1st April, 2007 till 31st March, 2010, on the following terms and conditions as set out in the draft agreement between the company and Mr. Pradeep S. Shah, laid before the meeting and initialled by the chairman for the purpose of identification.

**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 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. 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.

Registered Office : Sidhwa House, 1<sup>st</sup> Floor,  
N. A. Sawant Marg,  
Colaba,  
Mumbai – 400 005.

By Order of the Board of Directors

Sanjay S. Shah  
Vice Chairman & Managing Director

Date : 23rd July, 2007.



## 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 PROXIES 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 be closed from Saturday, 1st September, 2007 to Tuesday, 11th September, 2007, both days inclusive.
4. Members are requested to:
  - a) intimate any change in their addresses to the company's registrar and share transfer agents, Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078,
  - b) quote client ID and DP ID numbers in respect of shares held in dematerialised form and ledger folio number in respect of shares held in physical form in all the correspondence.
5. Members / Proxies are requested to bring Annual Report and attendance slip duly filled in.
6. Corporate members are requested to send a duly certified copy of the board resolution authorising their representatives to attend and vote at the annual general meeting.
7. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
8. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the amendment to the Companies Act, 1956. Members desiring to avail of this facility may send their nomination in the prescribed Form No. 2B duly filled in to Intime Spectrum Registry Limited.
9. 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 at least ten days in advance of the meeting so that the information required can be made readily available at the meeting to the extent possible.
10. The final dividend, as recommended by the board, if declared at the annual general meeting, will be paid on or after 18th September, 2007 to those persons or their mandates :
  - a) whose names appear as beneficial owners as at the end of the business hours on 31st August, 2007 in the list of beneficial owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
  - b) whose names appear as members in the register of members of the company after giving effect to valid share transfers in physical form lodged with the company/its registrar and share transfer agents on or before 31st August, 2007.

### Unclaimed Dividends :

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
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
30.07.2004	03.08.2004	2003-04	4.00	02.08.2011

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
10.01.2005 (interim)	28.01.2005	2004-05	4.00	27.01.2012
10.08.2005 (final)	16.08.2005	2004-05	6.00	15.08.2012
25.10.2005 (interim)	15.11.2005	2005-06	1.50*	14.11.2012
18.08.2006 (final)	25.08.2006	2005-06	2.50*	24.08.2013
05.02.2007 (interim)	27.02.2007	2006-07	2.00*	26.02.2014

\*The paid up value of equity share is Rs. 2/- per share w.e.f. 10.10.2005.

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.

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Colaba,  
Mumbai – 400 005.

By Order of the Board of Directors

Sanjay S. Shah  
Vice Chairman & Managing Director

Date : 23rd July, 2007.

## ANNEXURE TO THE NOTICE

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

## Item No. 6

On the recommendation of the Remuneration Committee, the Board of Directors at their meeting held on 30.04.2007 has re-appointed Mr. Sanjay S. Shah, Vice Chairman and Managing Director for further period of 3 years with effect from 1st April, 2007 on the terms and conditions set out in the draft agreement to be entered into between the Company on one part and Mr. Sanjay S. Shah on the other part.

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

1. **Basic Salary:**  
Rs. 2,50,000/- per month in the scale of Rs. 2,50,000/- — 30,000/- — Rs. 3,10,000/-.
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 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 i.e. with effect from 01.11.1992.

The appointee shall also be paid an amount equivalent to 80% of the basic salary towards the following:

House Rent Allowance	: 60% of the Basic Salary
Insurance, security charges, maintenance and repairs of house, servants' salaries, society charges, property tax, furniture, fixtures and electrical appliances, expenditure incurred on gas, electricity, water, medical benefits, club fees and personal accident insurance.	: 20% of the Basic Salary

In addition, the appointee shall be entitled to the following benefits/perquisites:

**a. Conveyance:**

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

**b. Communication Facilities:**

The Company shall bear all expenses of the communication facilities at the appointee's residence – including but not limited to telephones (land lines/mobiles), faxes, computers/laptops, internet connection.

**c. Leave:**

The appointee shall be eligible for leave, leave travel concessions and encashment of leave as per the Rules of the Company.

**d. Entertainment, Travelling and other incidental expenses:**

The Company shall reimburse entertainment, travelling and other incidental expenses actually incurred by the appointee for the business of the Company.

**e. Other Benefits:**

The appointee 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.

**Commission:**

In addition to the salary, allowances and perquisites, in the years in which the Company has sufficient profit, the appointee be paid commission on the annual net profits of the Company, as may be decided by the Board of Directors, at the end of each financial year, computed in the manner laid down under Section 349 of the Act and subject to the ceiling laid down under Sections 198 and 309 of the Act on the total remuneration.

**Other terms and conditions:**

The remuneration and other terms and conditions of this appointment may be varied/enhanced from time to time by the Board of Directors (which expression shall be deemed to include Remuneration Committee) as it may in its discretion deem fit within the maximum amounts payable to the appointee as per Schedule XIII to the Companies Act, 1956, so as to conform with the provisions of the Companies Act, 1956.

**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.

**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 to :

- a. use his utmost endeavours to promote the interests and welfare of the Company.
- b. 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. devote the whole of his time and attention to the business of the Company.

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 as the Vice Chairman and Managing Director of the Company will have substantial power 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.

A draft copy of the Agreement to be entered into between the Company on one part and Mr. Sanjay S. Shah on the other part is available for inspection by the Members between 11.00 a.m. to 2.00 p.m. on any working day at the Registered office of the Company. This may be treated as an abstract of the draft agreement to be executed between the Company and Mr. Sanjay S. Shah pursuant to Section 302 of the Companies Act, 1956.

The Board commends passing of the resolution 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.

**Item No. 7**

On the recommendation of the Remuneration Committee, the Board of Directors at their meeting held on 30.04.2007 has re-appointed Mr. Pradeep S. Shah, Managing Director for further period of 3 years with effect from 1st April, 2007 on the terms and conditions set out in the draft agreement to be entered into between the Company on one part and Mr. Pradeep S. Shah on the other part.

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

1. Basic Salary:

Rs. 2,50,000/- per month in the scale of Rs. 2,50,000/- — Rs. 30,000/- — Rs. 3,10,000/-.



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 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 i.e. with effect from 01.11.1992.

The appointee shall also be paid an amount equivalent to 80% of the basic salary towards the following:

House Rent Allowance	: 60% of the Basic Salary
Insurance, security charges, maintenance and repairs of house, servants' salaries, society charges, property tax, furniture, fixtures and electrical appliances, expenditure incurred on gas, electricity, water, medical benefits, club fees and personal accident insurance	: 20% of the Basic Salary

In addition, the appointee shall be entitled to the following benefits/ perquisites:

**a. Conveyance:**

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

**b. Communication Facilities:**

The Company shall bear all expenses of the communication facilities at the appointee's residence – including but not limited to telephones (land lines/mobiles), faxes, computers/laptops, Internet connection.

**c. Leave:**

The appointee shall be eligible for leave, leave travel concessions and encashment of leave as per the Rules of the Company.

**d. Entertainment, Travelling and other incidental expenses:**

The Company shall reimburse entertainment, travelling and other incidental expenses actually incurred by the appointee for the business of the Company.

**e. Other Benefits:**

The appointee 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.

**Commission:**

In addition to the salary, allowances and perquisites, in the years in which the Company has sufficient profit, the appointee be paid commission on the annual net profits of the Company, as may be decided by the Board of Directors, at the end of each financial year, computed in the manner laid down under Section 349 of the Act and subject to the ceiling laid down under Sections 198 and 309 of the Act on the total remuneration.

**Other terms and conditions:**

The remuneration and other terms and conditions of this appointment may be varied/enhanced from time to time by the Board of Directors (which expression shall be deemed to include Remuneration Committee) as it may in its discretion deem fit within the maximum amounts payable to the appointee as per Schedule XIII to the Companies Act, 1956, so as to conform with the provisions of the Companies Act, 1956.

**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.



**Termination**

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

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

- a. use his utmost endeavours to promote the interests and welfare of the Company.
- b. 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. devote the whole of his time and attention to the business of the Company.

Mr. Pradeep S. Shah, Managing Director is responsible for product design & development, industrial engineering, production planning, developing new printing machinery, installing productions systems and training personnel and achieving production targets.

Mr. Pradeep S. Shah as the Managing Director of the Company will have substantial powers of management and shall exercise the same subject to the superintendence, control and direction of the Board. Taking into consideration his expertise, he is best suited for the responsibilities currently assigned to him by the Board of Directors.

A draft copy of the Agreement to be entered into between the Company on one part and Mr. Pradeep S. Shah on the other part is available for inspection by the Members between 11.00 a.m. to 2.00 p.m. on any working day at the Registered office of the Company. This may be treated as an abstract of the draft agreement to be executed between the Company and Mr. Pradeep S. Shah pursuant to Section 302 of the Companies Act, 1956.

The Board commends passing of the resolution as set out in item No. 7 of the accompanying notice.

Mr. Pradeep S. Shah is concerned and interested in resolution under item No. 7.

Mr. Sanat M. Shah and Mr. Sanjay S. Shah Directors of the company being related to Mr. Pradeep S. Shah may be deemed to be concerned and interested in the resolution under item No.7.

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

Registered Office : Sidhwa House, 1<sup>st</sup> Floor,  
N. A. Sawant Marg,  
Colaba,  
Mumbai – 400 005.

By Order of the Board of Directors

Sanjay S. Shah  
Vice Chairman & Managing Director

Date : 23rd July, 2007.

**Details of directors seeking appointment/re-appointment at the forthcoming annual general meeting are given below :**

Name of the Director	Mr. S. M. Shah	Mr. J. C. Vakil	Mr. S. S. Shah	Mr. P. S. Shah
Date of Birth	28.11.1932	12.05.1933	31.07.1959	13.12.1960
Date of appointment	25.04.1972	20.03.1986	11.08.1989	11.08.1989
Expertise in specific functional areas	As promoter, has been associated with the company from 1972. His profound business experience in the field of printing industry and his guidance and direction over a period of 35 years have enabled the company to earn international recognition as manufacturer of quality printing machines.	Partner of Tyabji Dayabhai, Solicitor, Advocate and Notary. He has wide experience in Corporate legal matters.	He has rich experience in multifarious areas of Accounting, Financial Management, Labour, Industrial Relation and administrative functions encompassing over two decades	He is responsible for product design & development, Industrial engineering, production planning, developing new printing machinery, installing production systems and training personnel and achieving production target and has vast experience and knowledge in these fields encompassing over two decades.
List of other Directorship	<ol style="list-style-type: none"> <li>1. Manu Enterprises Ltd.</li> <li>2. Multigraph Machney Co. Ltd.</li> <li>3. The Dukes Retreat Ltd.</li> <li>4. Manugraph DGM Inc, USA</li> <li>5. Earthmaster Equipment Pvt. Ltd.</li> <li>6. Constrad Agencies (Bombay) Pvt. Ltd.</li> <li>7. Santsu Finance &amp; Investment Pvt. Ltd.</li> </ol>	Stovec Industries Limited	<ol style="list-style-type: none"> <li>1. Manu Enterprises Ltd.</li> <li>2. Multigraph Machney Co. Ltd.</li> <li>3. Multigraph Enterprises Ltd.</li> <li>4. Manugraph Impex FZC</li> <li>5. Manugraph DGM Inc., USA</li> <li>6. Earthmaster Equipment Pvt. Ltd.</li> <li>7. Santsu Finance &amp; Investment Pvt. Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Manu Enterprises Ltd.</li> <li>2. Multigraph Machinery Co. Ltd.</li> <li>3. Multigraph Enterprises Ltd.</li> <li>4. Manugraph (Kenya) Ltd.</li> <li>5. Manugraph Impex FZC</li> <li>6. Manugraph DGM Inc, USA</li> <li>7. Garr Apparel India Pvt. Ltd.</li> <li>8. Santsu Finance &amp; Investment Pvt. Ltd.</li> <li>9. Island City Motors Pvt. Ltd.</li> </ol>
Chairmanship/ Membership of the committees of other Companies	Nil	Nil	Nil	Nil