

GLOBAL



CUSTOMISATION



41ST ANNUAL REPORT 2012 - 2013

TRUST



VISION

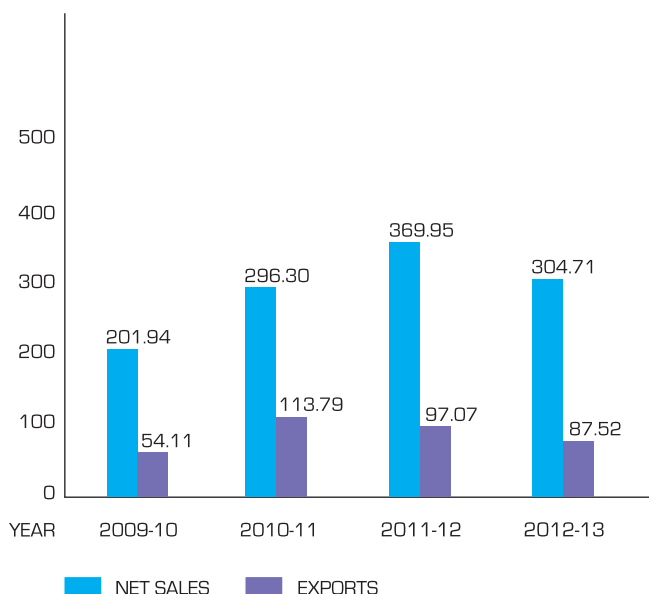


GROWTH

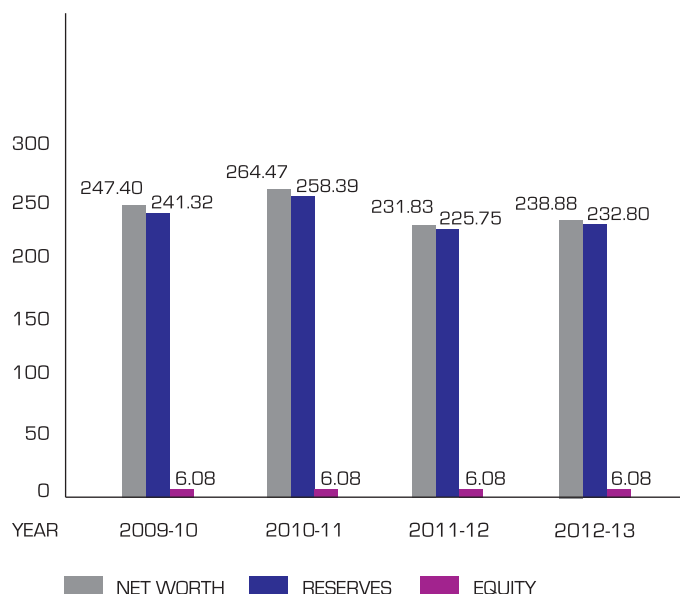
MANUGRAPH INDIA LTD.

STANDALONE

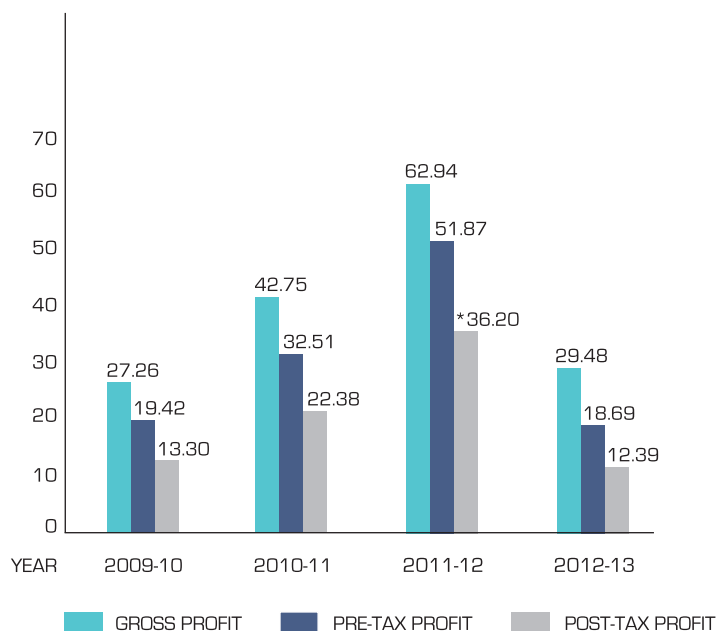
Sales (₹ in crores)



Net Worth (₹ in crores)

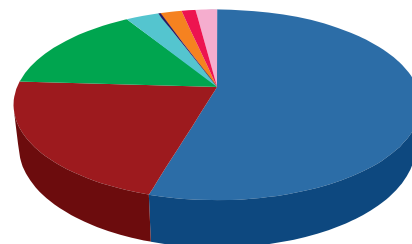


Profitability (₹ in crores)



Distribution of Income

MATERIALS	54.52%	INTEREST	0.19%
EXPENSES	21.42%	TAXES	2.06%
MANPOWER	15.29%	DIVIDEND	1.33%
DEPRECIATION	3.14%	RETAINED EARNINGS	2.05%



*[before exceptional item]

MANUGRAPH INDIA LIMITED

BOARD OF DIRECTORS

Chairman	Mr. Sanat M. Shah	
Vice-Chairman & Managing Director	Mr. Sanjay S. Shah	
Managing Director	Mr. Pradeep S. Shah	
Directors	Mr. Hiten C. Timbadia	} <i>Independent Non-Executive Directors</i>
	Mr. Amit N. Dalal	
	Mr. Perses M. Bilimoria	
	Mr. Abhay J. Mehrotra	
	Mr. Jai S. Diwanji	
	Mr. Bhupal B. Nandgave (w.e.f. 10-12-2012)	<i>Whole-time Director (Works)</i>

Company Secretary	Mr. Ravindra V. Joshi
Chief Financial Officer	Mr. Suresh Narayan
Auditors	Messers Natvarlal Vepari & Co. <i>Chartered Accountants</i>
Bankers	State Bank of India State Bank of Bikaner & Jaipur Standard Chartered Bank
Registered Office	Sidhwa House, 1st Floor, N. A. Sawant Marg, Colaba, Mumbai 400 005.

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41st Annual General Meeting on Thursday, the 1st August, 2013 at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai-400 001 at 3.15 p.m.

NOTICE

NOTICE is hereby given that forty-first Annual General Meeting of Members of MANUGRAPH INDIA LIMITED will be held on Thursday, the 1st August, 2013 at 3.15 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, 2013 and Profit and Loss account for the year ended 31st March, 2013 together with reports of the Directors and the Auditors thereon;
2. To declare dividend on equity shares;
3. To appoint a Director in place of Mr. Sanat M. Shah who retires by rotation and being eligible offers himself for re-appointment;
4. To appoint a Director in place of Mr. Abhay J. Mehrotra who retires by rotation and being eligible offers himself for re-appointment;
5. To appoint M/s. Natvarlal Vepari & Co., Chartered Accountants, Mumbai, Firm Registration No.106971W 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 Mr. Bhupal B. Nandgave who was appointed as an Additional Director at the meeting of the Board of Directors held on 10th December, 2012 and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Bhupal B. Nandgave as a candidate for the Office of Director of the Company, be and is hereby appointed as a Director of the Company."

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/approval of the Company be and is hereby accorded for the appointment of Mr. Bhupal B. Nandgave as the Whole-time Director (Works) of the Company for a period of 3 (three) years with effect from 10th December, 2012 till 9th December, 2015, on the remuneration and perquisites and terms and conditions as set out in the agreement between the Company and Mr. Bhupal B. Nandgave, a copy whereof laid before the meeting and initialed 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. Bhupal B. Nandgave 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. Bhupal B. Nandgave (including the minimum remuneration) in accordance with the relevant provisions in the Companies Act, 1956 and/or the rules and regulations made hereunder 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”.

8. To consider and, if thought fit, to pass, with or without modification(s), the following 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 (“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 the approval of the Central Government and subject to such conditions and modifications as may be imposed or prescribed by any authorities while granting such sanctions, approvals and permissions, consent of the Company be and is hereby accorded for the re-appointment of Mr. Sanjay S. Shah as the Vice Chairman & Managing Director of the Company, for a period of 3 (three) years with effect from 1st April, 2013 till 31st March, 2016, on the following remuneration and perquisites and terms and conditions as set out in the draft agreement to be entered into between the Company and Mr. Sanjay S. Shah, laid before the meeting and initialed by the chairman for the purpose of identification:

Salary and perquisites and Allowances together with Retirals:

1. **Basic Salary:** Rs.4,50,000/- per month in the scale of Rs.4,50,000/- to Rs.9,00,000/- as per rules of the company and to grant such increments within the said scale

(Amount Rs.)

Financial year	Annual Salary	Perquisites and Allowances (per annum)	Retirals (per annum)	Total (per annum)
01.4.2013 to 31.3.2014	54,00,000	43,20,000	12,67,615	1,09,87,615
01.4.2014 to 31.3.2015	66,00,000	52,80,000	15,49,308	1,34,29,308
01.4.2015 to 31.3.2016	78,00,000	62,40,000	18,31,000	1,58,71,000

Commission:

In addition to the salary, allowances and perquisites, in the years in which the Company has sufficient profit, the appointee shall be paid commission on the annual net profits of the Company, as may be decided by the Remuneration Committee and/or 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.

- Incentive payable in accordance with the Incentive Scheme as may be applicable to the Top Management Team of the Company from time to time.
- 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.
- 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 01.12.1992.
- 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.

f. **Variable Pay:**

Variable pay (over and above the remuneration stated above) and any other benefits and other allowances including but without limitation to payment of exgratia/bonus, gratuity etc. as per rules of the company.

In addition to above, any other allowance, benefits and perquisites as per Rules of the Company as are applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, benefits and perquisites as the Board may from time to time decide.

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 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.

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”.

9. To consider and, if thought fit, to pass, with or without modification(s), the following 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 (“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 the approval of the Central Government and subject to such conditions and modifications as may be imposed or prescribed by any authorities while granting such sanctions, approvals and permissions, 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 3 (three) years with effect from 1st April, 2013 till 31st March, 2016, on the following remuneration and perquisites and terms and conditions as set out in the draft agreement to be entered into between the Company and Mr. Pradeep S. Shah, laid before the meeting and initialed by the chairman for the purpose of identification:

Salary and perquisites and Allowances together with Retirals:

1. **Basic Salary:** Rs.4,50,000/- per month in the scale of Rs.4,50,000/- to Rs.9,00,000/- as per rules of the company and to grant such increments within the said scale

(Amount Rs.)

Financial year	Annual Salary	Perquisites and Allowances (per annum)	Retirals (per annum)	Total (per annum)
01.4.2013 to 31.3.2014	54,00,000	43,20,000	12,67,615	1,09,87,615
01.4.2014 to 31.3.2015	66,00,000	52,80,000	15,49,308	1,34,29,308
01.4.2015 to 31.3.2016	78,00,000	62,40,000	18,31,000	1,58,71,000

Commission:

In addition to the salary, allowances and perquisites, in the years in which the Company has sufficient profit, the appointee shall be paid commission on the annual net profits of the Company, as may be decided by the Remuneration Committee and/or 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.

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 01.12.1992.

5. 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.

f. **Variable pay:**

Variable pay (over and above the remuneration stated above) and any other benefits and other allowances including but without limitation to payment of exgratia/bonus, gratuity etc. as per rules of the company.

In addition to above, any other allowance, benefits and perquisites as per Rules of the Company as are applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, benefits and perquisites as the Board may from time to time decide.

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 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.

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”.

By Order of the Board of Directors

Sanjay S. Shah
Vice Chairman & Managing Director

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

Date: 29th May, 2013

NOTES:

1. Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 in respect of Item Nos. 6 to 9 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. Members are requested to:
 - (a) intimate any change in their addresses to the company's registrar and share transfer agents, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai-400 078, if shares are held in physical form. If shares are held in electronic form, intimate any change in their addresses/bank details to the concerned Depository Participant.

- (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.
- (c) intimate Permanent Account Number (PAN) and contact telephone number to the company's said registrar and share transfer agents at their above address.
4. Members/Proxies are requested to bring copy of Annual Report and attendance slip duly filled in.
 5. Corporate members are requested to send a duly certified copy of the board resolution authorising their representative(s) to attend and vote at the annual general meeting.
 6. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
 7. 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 desirous to avail of this facility may send their nomination in the prescribed Form No.2B annexed to this report, duly filled in to Link Intime India Private Limited.
 8. 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 15 (Fifteen) days in advance of the meeting so that the information required can be made readily available at the meeting to the extent possible.
 9. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, the 20th July, 2013 to Thursday, the 1st August, 2013, both days inclusive.
 10. The dividend, as recommended by the board, if declared at the Annual General Meeting, will be paid within the prescribed time limit to those persons or their mandates:
 - (a) on the basis of beneficial ownership as per details furnished for this purpose 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 19th July, 2013.

Unclaimed Dividends:

The details of dividends paid by the Company and their respective due dates for the mandatory transfer to Investor Education and Protection Fund of the Central Government, if they remain unencashed, are as under:

Date of Declaration of dividend	Dividends for the year	Dividend per share Rs.	Due date for the mandatory transfer to the Central Government
(1)	(2)	(3)	(4)
18.08.2006	31.03.2006	2.50	21.10.2013
05.02.2007	Interim 06-07	2.00	11.04.2014
11.09.2007	31.03.2007	1.00	15.11.2014
02.11.2007	Interim 07-08	2.00	06.01.2015
28.08.2008	31.03.2008	2.00	01.11.2015
29.09.2009	31.03.2009	2.00	02.12.2016
27.09.2010	31.03.2010	1.00	29.11.2017
27.09.2011	31.03.2011	1.50	29.11.2018
01.08.2012	31.03.2012	2.50	04.10.2019