*R*EPRO ©

VALUE ADDED PRINT SOLUTIONS

Growth through Globalisation

REPRO INDIA LIMITED

ANNUAL REPORT

2006-07

Growth through Globalisation
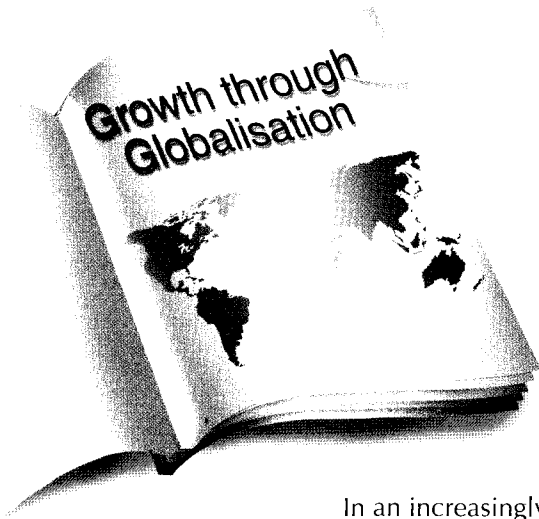
In an increasingly "Flat" world, India is a key hub that countries are outsourcing their manufacturing and service requirements to. We, at Repro have positioned ourselves to be a key player that provides Value Added Printing services to some of the largest publishers and corporates in the USA, UK, Africa, Australia, Canada and India.

Our two pronged strategy has helped us to grow in this environment as well as to further our strategic goal of strengthening our business model and enhancing our global competitiveness:

a. Innovation and creation of products and solutions that will add value to our clients' business
b. Enhancing our infrastructure and deploying the latest technology to aid greater productivity and efficiency

Our growth map will continue on this path and create value for all our stakeholders while benchmarking ourselves with global standards.

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DEAR SHAREHOLDERS,

It is a pleasure to address and communicate with our family of shareholders once again. We have completed our second year as a listed company and are pleased to inform all of you that we are well set on the path of creating value for all our stakeholders.

Our overall path has been one of focus and growth in two main areas :
1. *Growth and expansion of the Exports market with a focus on clients*
2. Focus on technology and the efficiency of internal operations

This path has been strategically taken to realize the benefits of the marketplace as well as to optimize the deliverables. Hence we are set to accelerate the pace of growth that we have set out to achieve and it is our belief that we have taken steps in this direction over the last 2 years.

We have further built upon our portfolio of products and have striven to create state-of-the-art infrastructure to explore new product segments, markets and customers. The focus on being a value added print solutions provider for the domestic and international markets remains the key driver of our business strategy and I would like to expand further as to the specific areas in which we have taken steps to meet this objective :
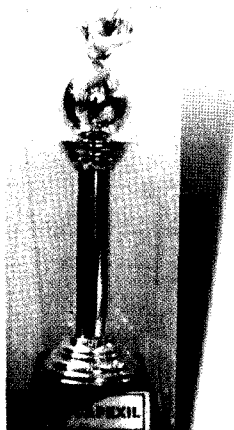
1. Growth and expansion of the Exports market with a focus on potentially large clients

Globally, the requirement for print products is on the rise. With this demand that is required all over the world, the supply of cost efficient solutions and services is paramount. We have strategically positioned ourselves to meet this demand by providing global quality solutions and services to publishers worldwide.

To capitalize on this outsourcing trend, we have innovated on segments, products, raw material and additional services which ensure that the customers receive quality products at a cost efficient price.

As a result of this, we have received for the 2nd year running, the Capexil Special Export Award.

We have focused our efforts to identifying our clients' requirements by adding depth to the services we provide them. This has enabled us to add on more clients with whom we are doing business, for large volumes.

Export Revenues

*Inclusive of export incentives

(Rs. in Crores)

57.90*
52.35*
27.61*

Our Growth in the Exports Segment

The Capexil Special Export Award received by us.

We are one of the few companies in the world to be compliant with Global Manufacturing Principles (GMP), Ethical Trading Initiatives (ETI) and Suppliers Ethical Database Exchange (SEDEX) requirements.

We are also providing services to a lot of clients in Africa, where there is great need to provide educational material for World Bank funded projects. This effort has been consistently and rapidly growing over the last few years and we are confident that this area will be one of continued focus for us in the years to come.
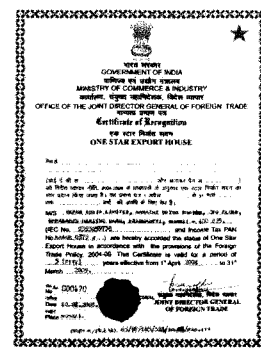
We are currently a One Star Export House

We are one of the few companies in the world that are compliant with GMP, ETI and SEDEX requirements.

Another area of high growth and vast potential is Print on Demand.
Today's business environment demands quick, reliable methods of producing, fulfilling and distributing communication material. Getting content to end users as expeditiously as possible, without error, and with the utmost flexibility, is the need of the hour.

We offer our clients the Digital Print on Demand which enables them to overcome the following challenges

1. Multiplicity of titles
2. Content management
3. High growth coupled with complexity of change management leading to obsolescence and frequent revisions
4. International delivery requirements of globalize corporations

The solution is to offer customized documents as per the users requirements.
These documents are required in the following segments :

1. Education
2. Training & Technology Products Support Materials specially in the IT Industry,
3. Personalized Collateral Management and Fulfillment
4. The Publishing industry
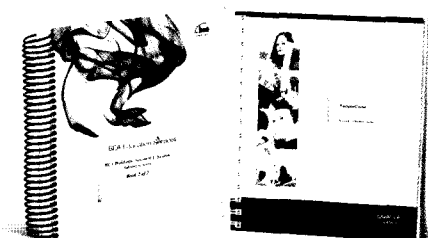
Print on Demand Services - area of high growth
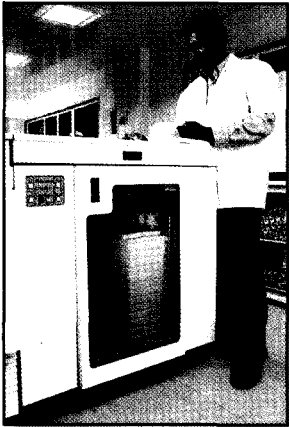
Our Print on Demand services

We are also a member of an international partnering alliance. It is a worldwide network of partners to service logistics and distribution to fulfill a solution in all parts of the world. There are 7 partners serving the complete globe. We at Repro take care of the Indian subcontinent and are in the process of setting up a facility for Africa and Middle East geography.

Hence our holistic solutions approach has enabled us to get a stronghold in the global market. We continue to remain effective Print Process Outsourcing partners whether it is for a single customized document or whether it is for a million copies of a title. Additionally, our customers in USA, UK and Africa use our services not just in print but also in all the parts of the value chain to create and deliver products across the globe.
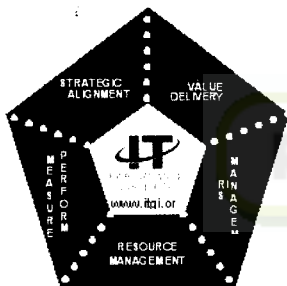
2. Focus on technology and the efficiency of internal operations

Over the last few months, we have focused on setting up an ERP system to automate the flow of information and aid in the planning of the flow of products and services. The aim is to make the operations more process oriented and to access analysed information. This information will further help us to focus on strengthening the efficiency and profitability of the company. The ERP project has been taken on with EFI Hagen OA MIS system. (EFI Hagen is Print Industry ERP & MIS Automation Solutions us Company)

The following is a pictorial depiction of making the organization more process oriented and borderless.

Our IT Strategy

Process Oriented Enterprise
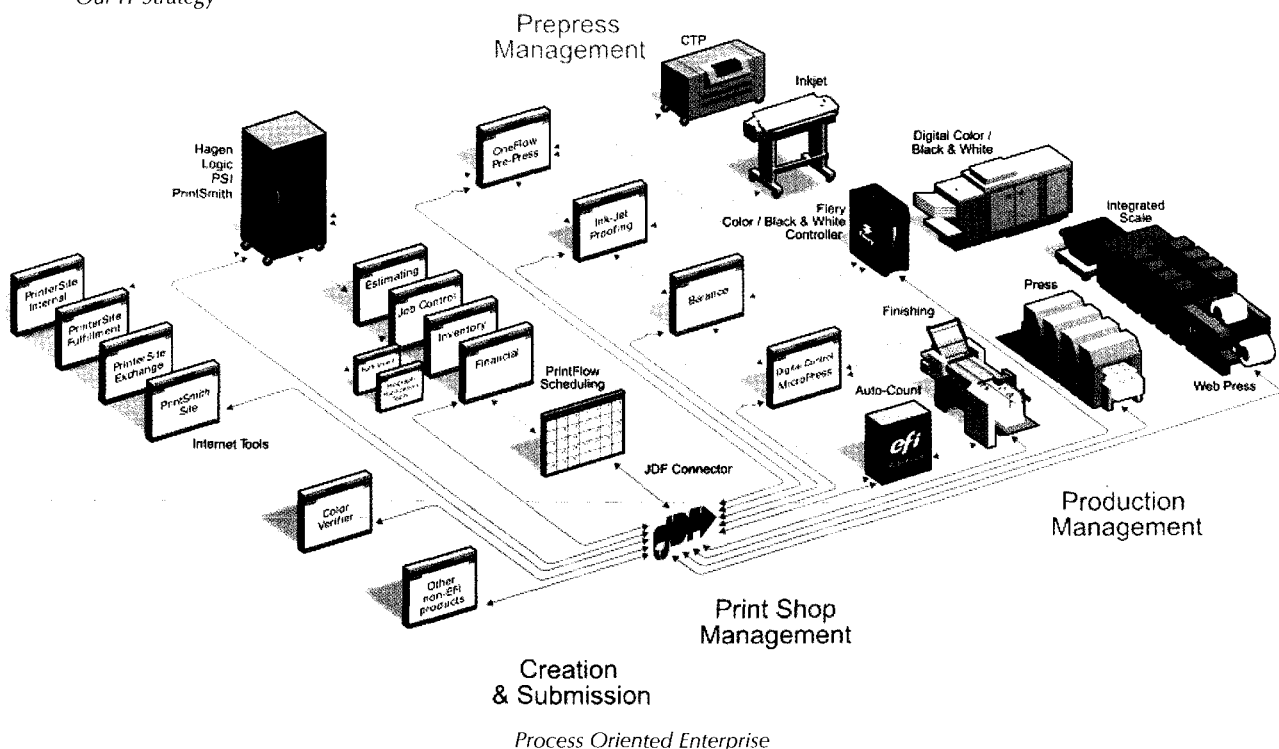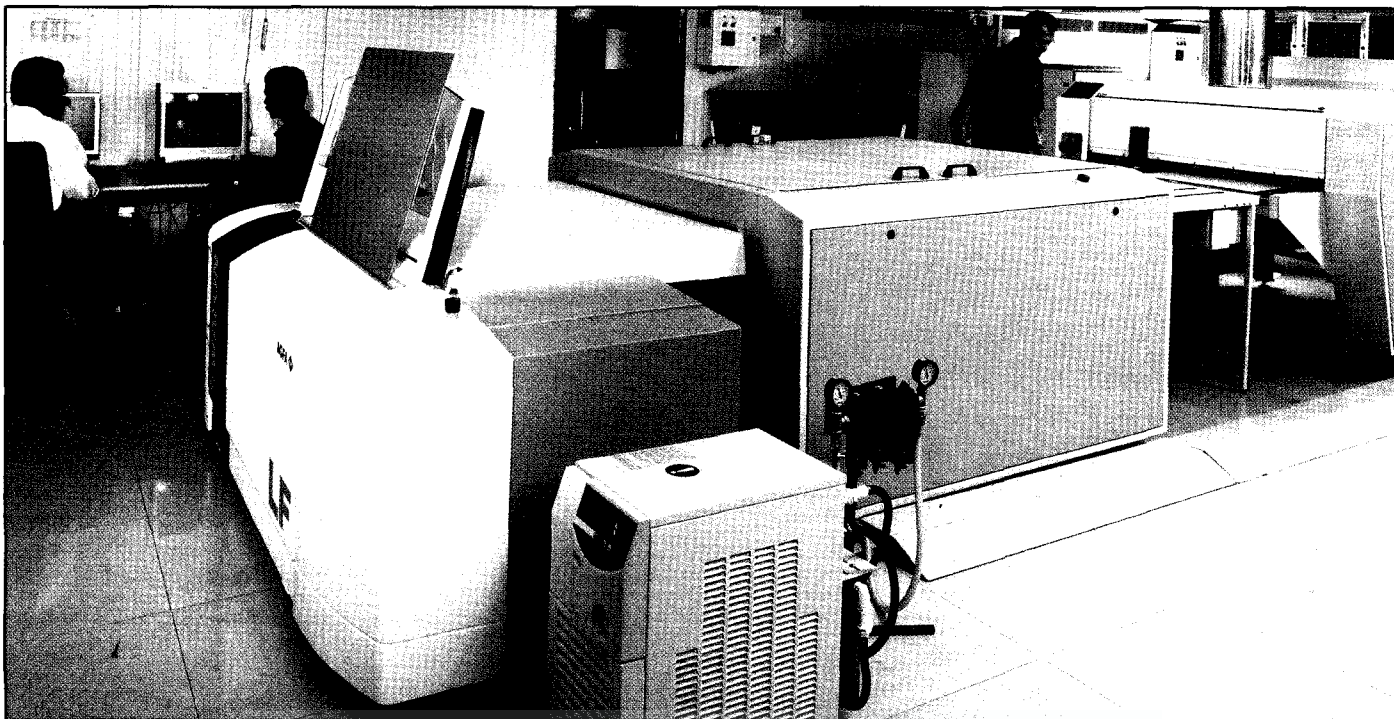
Computer to Plate - Technology that enables the movement of digital files directly to plate

We have also invested in an integrated state-of-the-art CTP infrastructure which will enable the efficient movement of digital graphics and files from the computer directly to plate. Besides improving the cost efficiency of the operation, this will lead to further saving of time, effort and will also ensure a higher quality product.

In the area of pre-press, press and post press we have further invested in state-of-the-art German, American and Swiss technology for machines.

Besides these expansive measures, we have worked towards standardizing our raw material and reducing inventory holding costs.

*Adding onto our infrastructure -
Muller Martini Vellore Saddle Stitching Line*

All these efforts in conjunction with our focus on opening up newer markets will enable us to move forward on the path to consolidating our position in the print process outsourcing industry.

I thank all of you for trusting in us, in our capability and in our vision of continuing and growing on the path of Print Process Outsourcing.

Vinod Vohra,
Chairman.

GROWING GEOGRAPHIES

Addressing the needs of our clients and expanding geographies and new product segments.

Focussing on client needs for some of the largest publishers in the US, UK, Africa.

Based on our core skills, we have specialized in niche product categories.
We have value engineered products and delivered value to customers
in terms of cost, time and quality.

PRESS OUT &
BUILD BOOKS

ACTIVITY BOOKS

STICKER BOOKS

8" X 8" FORMATS

PAINT WITH
WATER BOOKS

BOOK
PLUS