

PROVIDING *Fresh* SOLUTIONS
FOR CUSTOMERS AROUND THE WORLD



MANUGRAPH

Technology in Print

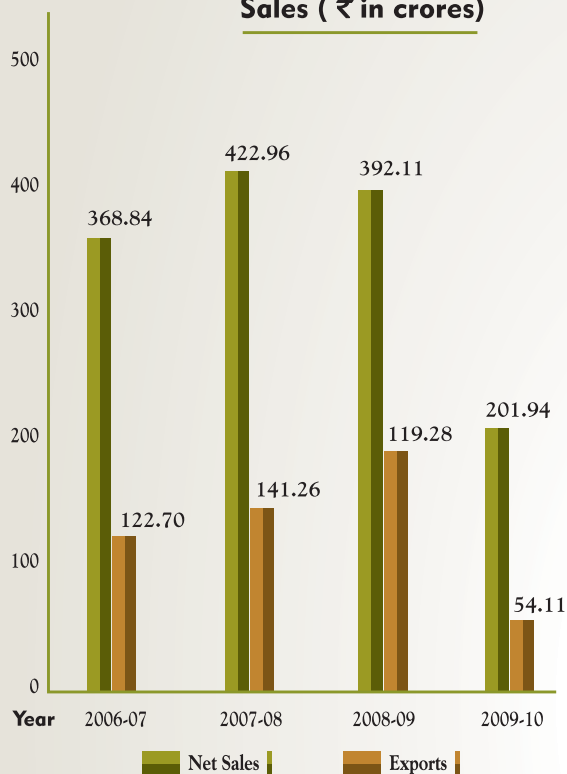
MANUGRAPH INDIA LTD.

38TH ANNUAL REPORT 2009 - 2010

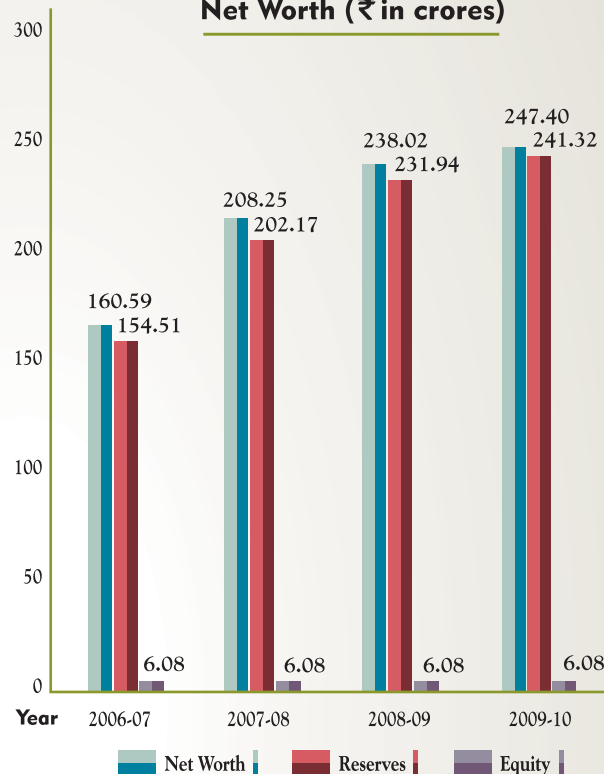
MANUGRAPH INDIA LTD.

(STANDALONE)

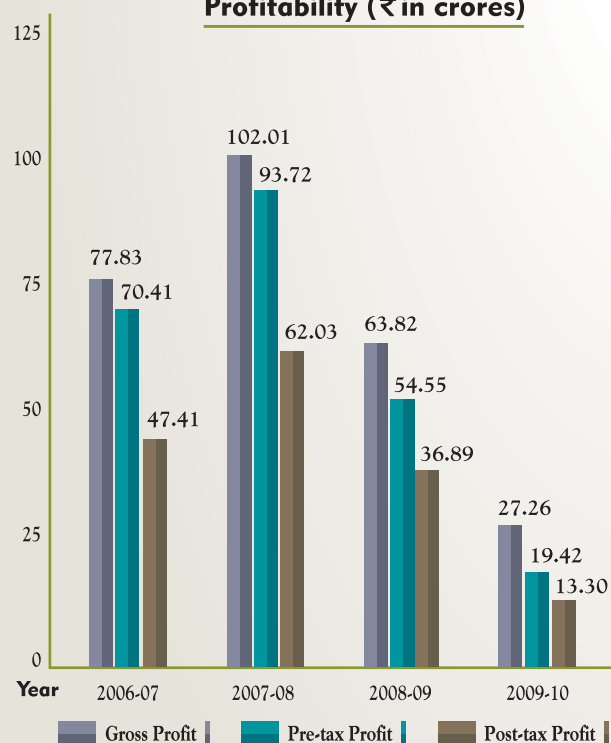
Sales (₹ in crores)



Net Worth (₹ in crores)

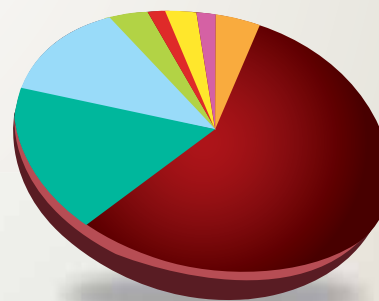


Profitability (₹ in crores)



Distribution of Income

Materials	55.36%	Interest	0.65%
Expenses	17.43%	Income Tax	3.15%
Labour	14.29%	Dividend	1.37%
Depreciation	3.53%	Retained Earnings	4.22%



MANUGRAPH INDIA LIMITED

BOARD OF DIRECTORS

CHAIRMAN

Mr. Sanat M. Shah

DIRECTORS

Mr. Jayant C. Vakil]	
Mr. Jitendra N. Mehrotra]	
(Upto 15.4.2010)]	
Mr. Hiten C. Timbadia]	Independent Non-Executive Directors
Mr. Harshad H. Vasa]	
Mr. Amit N. Dalal]	
Mr. Perses M. Bilimoria]	
(w.e.f. 13.5.2010)]	
Mr. Mohan R. Harshe		Whole-time Director
Mr. Arun Kumar Puri (w.e.f. 11.8.2010)		Non-Executive Director

VICE-CHAIRMAN & MANAGING DIRECTOR

Mr. Sanjay S. Shah

MANAGING DIRECTOR

Mr. Pradeep S. Shah

COMPANY SECRETARY

Mr. Ravindra V. Joshi

MANAGEMENT

Mr. Suresh Narayan	(Chief Financial Officer)
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

BANKERS

State Bank of India
State Bank of Bikaner & Jaipur
Syndicate Bank
Export-Import Bank of India
Axis Bank Ltd.
Standard Chartered Bank

REGISTERED OFFICE

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

CONTENTS

	Page No.		Page No.
Notice.....	2	Schedules A to S.....	38
Directors' Report.....	15	Notes forming part of the	
Report on Corporate Governance.....	21	Accounts - Schedule T	52
General Shareholder Information.....	27	Cash Flow Statement	64
Analysis of Results in Brief	30	Financial Highlights	66
Auditors' Report.....	31	Consolidated Accounts	68
Balance Sheet.....	36	Statement pursuant to Section 212	
Profit and Loss Account.....	37	of the Companies Act, 1956.....	91

38th Annual General Meeting on Monday, the 27th September, 2010 at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai-400 001, at 11.00 a.m.



NOTICE

NOTICE is hereby given that thirty-eighth Annual General Meeting of Members of Manugraph India Limited will be held on Monday the 27th September, 2010 at 11.00 a. 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, 2010 and Profit and Loss account for the year ended 31st March, 2010 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 M/s. Natvarlal Vepari & 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

5. To consider and, if thought fit, to pass, with or without modification (s), the following as an Ordinary Resolution:

RESOLVED THAT Mr. Perses M. Bilimoria who was appointed as an Additional Director at the meeting of the Board of Directors held on 13th May, 2010 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. Perses M. Bilimoria as a candidate for the Office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

6. To consider and, if thought fit, to pass, with or without modification (s), the following as an Ordinary Resolution:

RESOLVED THAT Mr. Arun Kumar Puri who was appointed as an Additional Director at the meeting of the Board of Directors held on 11th August, 2010 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 her intention to propose Mr. Arun Kumar Puri 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 of the Company be and is hereby accorded for the appointment of Mr. Arun Kumar Puri as the Whole-time Director (Works) of the Company for a period of 3(three) years with effect from 1st September, 2010 till 31st August, 2013, on the remuneration and perquisites and terms and conditions as set out in the draft agreement between the Company and Mr. Arun Kumar Puri, 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. Arun Kumar Puri 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. Arun Kumar Puri (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 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 3 (three) years with effect from 1st April, 2010 till 31st March, 2013, 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 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. 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 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 3 (three) years with effect from 1st April, 2010 till 31st March, 2013, on the remuneration and perquisites and terms and conditions as set out in the draft agreement between the Company and Mr. Pradeep S. Shah, 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. 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.

10. To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

RESOLVED THAT 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. Mohan

R. Harshe as Whole-time Director designated as Director (Works), for a period of 1(one) year with effect from 1st July, 2010 on the remuneration and perquisites and terms and conditions as set out in the draft Agreement submitted to this 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. Mohan R. Harshe as minimum remuneration, notwithstanding that in any financial year of the Company during the tenure 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 alter and vary the terms and conditions of the said re-appointment and /or draft Agreement in such manner as may be agreed to between the Board of Directors and Mr. Mohan R. Harshe and to do all acts, deeds, matters and things, as it may at its absolute discretion, consider necessary, expedient or desirable, to give effect to the foregoing resolution.

11. To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution:

RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the following Article of the Articles of Association of the Company is hereby altered in the following manner :

The existing Article 139:

139.The qualification of a Director shall be the holding of shares in the Company of the nominal value of Rs.1000/- (Equity)

be deleted and in its place and stead the following Article be substituted as Article 139 :

139.It shall not be necessary for a Director to hold any qualification shares in the Company.

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 expedient.

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

Date : 11th August, 2010.

By Order of the Board of Directors

Sanjay S. Shah
Vice Chairman & Managing Director

NOTES :

1. Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 in respect of item Nos.5 to 11 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. Intimate any change in their addresses/bank details to the Depository Participant if shares are held in electronic form.
 - 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 registrar and share transfer agents, Link Intime India Private Limited.
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 representatives 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 desiring 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 10 (Ten) 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 18th September, 2010 to Monday the 27th September, 2010, 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 17th September, 2010.

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	Dividends for the year	Dividend per share Rs.	Due date of the proposed transfer to the Central Government
(1)	(2)	(3)	(4)
29.08.2003	31.03.2003	1.20	02.11.2010
30.07.2004	31.03.2004	4.00	02.10.2011
10.01.2005	Interim 04-05	4.00	13.03.2012
10.08.2005	31.03.2005	6.00	13.10.2012
25.10.2005	Interim 05-06	1.50*	28.12.2012
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

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

Your Company has maintained and followed a practice of sending an Indemnity Letter – cum – Reminder to each and every eligible shareholder, whose dividend remains unpaid / unclaimed, 3 (three) Months before the actual due date for Transfer of Unpaid / Unclaimed Dividend Amount to the Investor Education & Protection Fund of the Central Government.

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 all the unencashed dividend warrants to the Registered Office of the Company for revalidation at least one month before due dates specified in column 4 of the above table and encash them before the due date of transfer to the Central Government.

11. In respect of re-appointment of the existing Directors and appointment of new directors, a statement containing details of the concerned Directors is annexed as Annexure A to this notice.

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

Date : 11th August, 2010.

By Order of the Board of Directors

SANJAY S. SHAH
Vice Chairman & Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

Mr. Perses M. Bilimoria was appointed by the Board of Directors of the Company as an additional Director of the Company with effect from 13th May, 2010 under section 260 of the Companies Act, 1956 read with article 135 of the Articles of Association of the Company. Mr. Perses M. Bilimoria will hold office as an additional Director up to the date of the ensuing Annual General Meeting. A Notice in writing alongwith deposit from a member has been received by the Company under section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Mr. Perses M. Bilimoria for appointment as a Director of the Company. Mr. Perses M. Bilimoria being eligible, offers himself for appointment.

Mr. Perses M. Bilimoria is a Commerce Graduate. In order to avail benefit of his valuable and expert advice and guidance, the Board commends passing of the resolution as set out in item No.5 of the accompanying notice.

None of the Directors other than Mr. Perses M. Bilimoria is deemed to be concerned or interested in this resolution.

Item Nos. 6 & 7

Mr. Arun Kumar Puri was appointed by the Board of Directors of the Company as an additional Director of the Company with effect from 11th August, 2010 under section 260 of the Companies Act, 1956 read with article 135 of the Articles of Association of the Company. Mr. Arun Kumar Puri will hold office as an additional Director up to the date of the ensuing Annual General Meeting. A Notice in writing alongwith deposit from a member has been received by the Company under section 257 of the Companies Act, 1956, signifying her intention to propose the candidature of Mr. Arun Kumar Puri for appointment as a Director of the Company. Mr. Arun Kumar Puri being eligible, offers himself for appointment.

On the recommendation of the Remuneration Committee, the Board of Directors at its meeting held on 11.8.2010 has appointed Mr. Arun Kumar Puri as Whole Time Director (Works) for a period of 3(three) years with effect from 1st September, 2010 on the terms and conditions as set out in the draft agreement to be executed by the company with the said director.

Mr. Arun Kumar Puri is a Science Graduate with specialisation in Mechanical Engineering and has also completed M.B.A.

The terms and conditions of appointment of Mr. Arun Kumar Puri as Whole Time Director (Works) of the company are given below :

- a) Period : 3 (three years)
- b) Basic Salary
Rs.1,40,000/- per month in the scale of Rs.1,40,000/- — 10,000/- — Rs.1,60,000/-
- c) The perquisites and other allowances payable to Arun Kumar Puri in addition to his above mentioned salary shall be as follows:-

Perquisites/Allowances

House Rent Allowance	Rs.42,000/- p. m.
Soft Furnishing	Rs.21,000/- p. m.
Special Allowance	Rs.22,000/- p.m.
Servant/Mali Allowance	Rs. 7,000/- p.m.
Leave Travel Assistance	Rs. 5,000/- p.m.
Medical Exp. Reimbursement	Rs. 2,000/- p.m.
Additional Bonus	Rs.2,40,000/- per year payable on prorata basis (subject to applicable tax)

He may be eligible for other benefits as per rules of the company subject to the discretion of the management.

Car with Driver will be provided for official use.

- d) Gratuity payable in accordance with the gratuity Scheme of the Company provided that it does not exceed half month's salary for every completed year of continuous service.

- e) The Whole-time Director (Works) shall be eligible for leave as per Rules of the Company and encashment of leave at the end of tenure.
- f) In addition to the above salary and perquisites, the Whole-time Director (Works) shall be entitled to the following benefits :
 - i) Driver and telephone at residence for official purposes will not be considered as perquisites.
 - ii) Personal long distance calls and use of car for private purpose shall be billed by the Company to the Whole-time Director (Works).
 - iii) Reimbursement of expenses incurred by the Whole-time Director (Works) for the purpose of business of the company.

A draft copy of the Agreement to be entered into by the Company with Mr. Arun Kumar Puri according the terms of his appointment for a period of 3 years from 1st September, 2010 to 31st August, 2013 is available for inspection by the Members between 11.00 a. m. and 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. Arun Kumar Puri pursuant to Section 302 of the Companies Act, 1956.

The Whole-time Director (Works) shall not as long as he continues to be a Whole-time Director of the Company, be liable to retire by rotation.

The Whole-time Director (Works) as long as he functions as such, shall not be paid any fee for attending the meeting of the Board of Directors or any Committee or Committees thereof.

Termination

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

Mr. Arun Kumar Puri 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.

The Board commends passing of the resolution as set out in item Nos.6 & 7 of the accompanying notice.

None of the Directors other than Mr. Arun Kumar Puri is deemed to be concerned or interested in this resolution.

Item No. 8

On the recommendation of the Remuneration Committee, the Board of Directors at its meeting held on 11.8.2010 has re-appointed Mr. Sanjay S. Shah, Vice Chairman and Managing Director for further period of 3(three) years with effect from 1st April, 2010 on the terms and conditions as 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.3,50,000/- per month in the scale of Rs.3,50,000/- – 50,000/- – Rs.4,50,000/-.
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 shall 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 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 :

- use his utmost endeavours to promote the interests and welfare of the Company.
- 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.
- 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. and 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. 8 of the accompanying notice.

Except Mr. Sanjay S. Shah himself and Mr. Sanat M. Shah and Mr. Pradeep S. Shah Directors of the company, no other Director is interested in this resolution.

Item No. 9

On the recommendation of the Remuneration Committee, the Board of Directors at its meeting held on 11.8.2010 has re-appointed Mr. Pradeep S. Shah, Managing Director for further period of 3 years with effect from 1st April, 2010 on the terms and conditions as 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.3,50,000/- per month in the scale of Rs.3,50,000/- – 50,000/- – Rs.4,50,000/-.
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 shall 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 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 :

- use his utmost endeavours to promote the interests and welfare of the Company.
- 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.
- 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. and 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.9 of the accompanying notice.

Except Mr. Pradeep S. Shah himself and Mr. Sanat M. Shah and Mr. Sanjay S. Shah Directors of the company, no other Director is interested in this resolution.

Item No. 10

On the recommendation of the Remuneration Committee, the Board of Directors at its meeting held on 11.8.2010 has re-appointed Mr. Mohan R. Harshe, Director (Works) for a period of 1(One) year with effect from 1st July, 2010 on the terms and conditions as set out in the draft agreement to be executed by the company with the said director.

Mr. Mohan R. Harshe is Diploma holder in Mechanical Engineering and has vast knowledge and hands on experience with Printing Machines and the Printing Industry in general.

The terms and conditions of re-appointment of Mr. Mohan R. Harshe as Director (Works) of the company are given below :

- a) Period : 1.7.2010 to 30.6.2011 (one year)
- b) Basic Salary : Rs.70,000/- per month
- c) Perquisites such as house rent allowance, educational allowance, newspapers and periodicals, special allowance, leave travel allowance, soft furnishing, medical reimbursement, holiday resort and conveyance allowance not exceeding Rs.50,000/- (Rupees Fifty Thousand only) per month.
- d) Contribution by the Company to the Provident Fund at a rate not exceeding 12% of the Salary.
- e) Contribution to the Pension Fund and/or Superannuation Fund at a rate not exceeding 15% of the Salary.
- f) Gratuity payable in accordance with the gratuity Scheme of the Company provided that it does not exceed half month's salary for every completed year of continuous service.
- g) The Director (Works) shall be eligible for leave as per Rules of the Company and encashment of leave at the end of tenure.
- h) In addition to the above salary and perquisites, Mr. Mohan R. Harshe Director (Works) of the Company shall be entitled to the following benefits :
 - i) Use of car and telephone at residence for official purposes will not be considered as perquisites.
 - ii) Personal long distance calls and use of car for private purpose shall be billed by the Company to the Director (Works)
 - iii) Reimbursement of expenses incurred by the Director (Works) for the purpose of business of the company.

A draft copy of the Agreement to be entered into by the Company with Mr. Mohan R. Harshe according the terms of his re-appointment for a period of 1(one) year from 1.7.2010 to 30.6.2011 is available for inspection by the Members between 11.00 a. m. and 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. Mohan R. Harshe pursuant to Section 302 of the Companies Act, 1956.

The Director (Works) shall not as long as he continues to be a Whole-time Director of the Company, be liable to retire by rotation.

The Director (Works) as long as he functions as such, shall not be paid any fee for attending the meeting of the Board of Directors or any Committee or Committees thereof.

Termination

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

Mr. Mohan R. Harshe 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.

The Board commends passing of the resolution as set out in item No.10 of the accompanying notice.

None of the Directors other than Mr. M.R. Harshe is deemed to be concerned or interested in this resolution

Item No. 11

As per the requirements of clause 49 of the Listing Agreement entered into by the Company with Stock Exchanges, the Board of the Company shall have optimum combination of Executive Directors and Independent Directors. In terms of provisions of existing Article No.139 of the Articles of Associations of the Company, a Director has to hold at least 500 shares in the company in order to qualify as Director, which is a restrictive condition. Further as per the provisions of Companies Act, 1956, it is not mandatory for a Director to hold any shares in the company to become a director of the Company.

The Board therefore, recommends to alter this article No.139 by substituting the same as given in the resolution at item No.11. The Board commends passing of the resolution as set out in item No.11 of the accompanying notice.

None of the Directors is deemed to be concerned or interested in this resolution.

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

By Order of the Board of Directors

Sanjay S. Shah
Vice Chairman & Managing Director

Date : 11th August, 2010.



ANNEXURE A

Details of directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are given below:

Particulars	Details of the Directors					
Name of the Director	Mr. S. M. Shah	Mr. P. M. Bilimoria	Mr. A. K. Puri	Mr. S. S. Shah	Mr. P. S. Shah	Mr. M. R. Harshe
Date of Birth	28.11.1932	04.09.1959	26.07.1952	31.07.1959	13.12.1960	31.01.1945
Date of appointment	25.04.1972	13.05.2010	11.08.2010	11.08.1989	11.08.1989	16.02.1998
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.	CEO of cobra Indian Beer Pvt. Ltd. from 2002-2007. Introduced Cobra Beer into India from zero to 100 crore Company. Pioneer of Bioplastics in India since 2002. Founder of Bioplastic Society. Pioneer of Biochar initiatives in India since 2007. Founder of Biochar Society an N.G.O. Sitting Member of various MOEF Committees on Plastics.	Strategic business planning, Market development, Customer relationship, Process Improvements/Value engineering and Price negotiation.	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.	He has vast experience in the field of Printing and Printing Technology especially design, assembly & testing.
List of other Directorship	1. Manu Enterprises Ltd.	1. Earthsoul India Pvt. Ltd.	1. Sarachi Realities Pvt. Ltd.	1. Manu Enterprises Ltd.	1. Manu Enterprises Ltd.	Nil
	2. Multigraph Machinery Co. Ltd.	2. Minoo Bilimoria Trading Pvt. Ltd.	2. Transmedical Healthcare Pvt. Ltd.	2. Multigraph Machinery Co. Ltd.	2. Multigraph Machinery Co. Ltd.	
	3. The Dukes Retreat Ltd.	3. Minoo Bilimoria Investment Pvt. Ltd.	3. Hilltop Agro Infrastructure Pvt. Ltd.	3. Multigraph Enterprises Ltd	3. Multigraph Enterprises Ltd.	
	4. Earthmaster Equipment Pvt. Ltd.		4. Balaji Auto Components Pvt. Ltd.	4. Mercongraphic FZC	4. Manugraph (Kenya) Ltd.	
	5. Constrad Agencies (Bombay) Pvt. Ltd.			5. Manugraph DGM Inc., USA	5. Mercongraphic FZC	
	6. Santsu Finance & Investment Pvt. Ltd.			6. Earthmaster Equipment Pvt. Ltd.	6. Manugraph DGM Inc, USA.	
				7. Santsu Finance & Investment Pvt. Ltd.	7. Gar Apparel India Pvt. Ltd.,	
				8. Juno's Hospitality Pvt. Ltd.	8. Santsu Finance & Investment Pvt. Ltd.	
Membership of the committees of other Companies	Nil	Nil	Nil	Nil	Nil	Nil

DIRECTORS' REPORT

including Management Discussion and Analysis Report.

Dear Shareholders,

Your Directors have pleasure in presenting the thirty - eighth Annual Report and audited accounts for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

Particulars	April to March 2009 – 2010 (Rs. in Lakhs)	April to March 2008 – 2009 (Rs. in Lakhs)
Profit for the year	2,725.53	6,382.25
Less: Depreciation	783.46	927.36
Profit before tax	1,942.07	5,454.89
Less: Provision for Taxation		
Current tax	591.52	1,725.50
Deferred tax	17.62	11.66
Fringe benefit tax	–	26.21
	609.14	1,763.37
Provision for wealth tax	2.66	2.77
	611.80	1,766.14
Profit after tax	1,330.27	3,688.75
Less : Income-tax pertaining to previous year	38.40	–
	1,291.87	3,688.75
Add: Balance brought forward from previous year	3,540.52	1,763.45
AMOUNT AVAILABLE FOR APPROPRIATION	4,832.39	5,452.20
APPROPRIATIONS		
Proposed dividend	304.15	608.30
Tax on proposed dividend	50.52	103.38
General reserve	1,200.00	1,200.00
Balance carried to balance sheet	3,277.72	3,540.52
	4,832.39	5,452.20

DIVIDEND

Your Directors recommend dividend of Re. 1/- per equity share of Rs.2/-each (Previous year Rs.2/- per share of Rs.2/-each) subject to the approval of the members at the ensuing Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS**INDUSTRY STRUCTURE AND OPPORTUNITIES**

Results of year 2009-2010 show that the turnover is almost half as compared to the previous year. As a consequence of worldwide recession, your Company was also impacted during the year 2009-10. The previous two years should not be the bench-mark as there was a boom in the printing industry both in India and overseas. However your Company has still maintained it's bottom-line and shown net profit. As informed in the last Directors' Report, the Smartline 4x1 project has been completed and machine deliveries will start from second half of 2010.

OUTLOOK

As informed earlier the US subsidiary has been suitably re-structured and all presslines manufacturing activities for US market will take place from Indian operations. In India, in the current year, we expect a slight improvement as against 2009-10. However this reflection is likely to come only in the second half. Our primary focus is on reducing material cost by sourcing vendors from all over India. The company is also contemplating buying components outright and not making them in-house so as to bring down the cost in certain categories.



RISKS AND CONCERNS

In the current year 2010-11, the Wage Agreement which was signed in the year 2007 will come to an end. We are hopeful of signing a very marginal wage increment settlement so as not to impact the expenses. Since this is three year Wage Agreement, it is of vital importance and we hope to succeed in our goal.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has an effective system of accounting and administrative controls which ensures that all assets are safe guarded and protected against loss from unauthorised use or disposition. The company's policies, guidelines and procedures are in place to ensure that all transactions are authorised, recorded and reported correctly.

The company has a reporting system, which evaluates and forewarns the management on issues related to compliance. The performance of the company is regularly reviewed by the Board of Directors to ensure that it is in keeping with the overall corporate policy and in line with pre-set objectives.

The company has appointed independent firms of Chartered Accountants, as internal auditors, who carry out audits in different areas of company's operations. The Audit Committee reviews internal audit reports and the adequacy of internal controls.

Discussion on financial performance with respect to operational performance:

HIGHLIGHTS	2009 – 2010 Rs. in lakhs	2008 – 2009 Rs. in lakhs
Net sales	20,193.80	39,211.12
Operating Income	370.43	882.08
Other income	236.25	492.59
Profit before interest, depreciation, and tax	2,869.78	6,741.04
Interest expenditure (Net of income)	144.25	358.79
Depreciation	783.46	927.36
Profit before tax	1,942.07	5,454.89
Taxation		
Current	594.18	1,754.48
Deferred	17.62	11.66
	611.80	1,766.14
Net profit	1,330.27	3,688.75
Earnings per share (in Rs.)	4.37	12.13

The overall performance of the company during the year under consideration has been satisfactory despite prevalent sluggish market conditions.

Sales

Total income from operations was Rs.20,564.23 lakhs including export sales of Rs.5,410.50 lakhs.

Other income

Other income consists of dividend, rent and profit on sale of investments.

Interest

The company is continuing its efforts to bring down the finance costs.

Income-tax

As required by Accounting Standard AS-22, issued by the Institute of Chartered Accountants of India, deferred tax liability of Rs.17.62 lakhs has been adjusted in the profit and loss Account.

Earnings per share

Earnings per share stood at Rs.4.37 per share in 2009-2010.

Personnel

During the Year your company has paid production linked incentives. Industrial relations remained very cordial at all levels.

As at the year end, the manpower strength stood at 1222 nos. as against total of 1327(including contract workers) as at the previous year end.

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are given in the Annexure B, forming part of this report.

Cautionary Note

The statements forming part of the Directors' Report may contain certain forward looking statements within the meaning of the applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the company to be materially different from any future results, performances or achievements that may be expressed or implied, since the company's operations are influenced by many external and internal factors beyond the control of the management.

FIXED DEPOSITS

During the year, the company has not accepted/renewed any deposits. The balance in the fixed deposit account as on 31st March, 2010 was Nil.

INSURANCE

The buildings, plant and machinery, stock in trade, standing charges and loss of profits have been adequately and appropriately insured.

CAPITAL EXPENDITURE

Your company incurred Rs.582.28 lakhs towards capital expenditure consisting of building, plant and machinery and other fixed assets during the year under review, which will continue in the current year 2010-11 to improve, enhance and modernise both the plants.

CONSOLIDATED ACCOUNTS

In accordance with the requirements of Accounting Standard AS – 21, prescribed by the Institute of Chartered Accountants of India, the consolidated accounts of the company and its subsidiaries are annexed to this report.

SUBSIDIARY COMPANIES

Your company has received approval under Section 212(8) of the Companies Act, 1956 from Government of India, Ministry of Corporate Affairs, vide their letter No.47/223/2010-CL-III dated 05/04/2010 for exemption from attaching the Balance Sheets etc of its subsidiaries viz Constrad Agencies (Bombay) Private Limited, Manugraph Kenya Ltd. and Manugraph DGM Inc., USA, under subsection (1) of Section 212 of the Companies Act, 1956 for the year ended 31.3.2010 on the application made by the company. Accordingly audited statements of accounts along with the directors' report for the year ended 31st March, 2010 of the said subsidiaries of your company are not annexed.

The Company is however, presenting in the Annual Report the Consolidated Financial Statements of the said Subsidiaries duly audited by the statutory auditors of the Company and the same are in compliance with the applicable accounting standards and the Listing Agreement. The information relating to the subsidiaries is disclosed in the consolidated financial statement under the sub-heads (a) Capital (b) Reserves (c) Total Assets (d) Total Liabilities (e) Details of Investment (except in case of investment in the subsidiaries) (f) Turnover (g) Profit before taxation (h) Provision for taxation (i) Profit after taxation and (j) Proposed dividend.

The annual accounts of the subsidiaries and related detailed information will be made available to the investors seeking such information at any point of time and would also be posted on the Company's website. The annual accounts of the subsidiaries shall also be kept for inspection by any investor at the Registered/Head office of the Company.

CORPORATE GOVERNANCE

Your company is fully committed to the philosophy of conducting its business with due compliance of laws, rules and regulations. The sound internal control and efficient management information systems, which play a pivotal role in corporate governance, are in place in your company.

We are pleased to inform you that your company has complied in all material respects with the features of corporate governance as specified in the Listing Agreement. A certificate of compliance from the statutory auditors together with a report on corporate governance forms part of this report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and company's articles of association, Mr. Sanat M. Shah retires by rotation and is eligible for re-appointment. The Board recommends his re-appointment.

Mr. Jayant C. Vakil also retires by rotation at this Annual General Meeting and is eligible for re-appointment, however, he has not offered for re-appointment as Director of the Company due to his preoccupation.

The Board places on record its deep sense of appreciation for the invaluable contribution made by Mr. Jayant C. Vakil for professional advice and support to the Company during his tenure as Director of the Company for over 24 years.

Your Directors express their profound grief on the unexpected sudden demise of Mr. Jitendra N. Mehrotra on 15th April, 2010. Mr. Jitendra N. Mehrotra had been associated with the company for over past 23 years and was advising the Board on various matters and extending his professional support to the Board.

The Directors place on record their deep sense of appreciation for the invaluable contribution made by Mr. Jitendra N. Mehrotra during his tenure as director of the Company.

Mr. Perses M. Bilimoria was appointed as an additional Director w.e.f. 13th May, 2010. Mr. Arun Kumar Puri was appointed as an additional Director w.e.f. 11th August, 2010.

On the recommendation of Remuneration Committee, the Board of Directors, at its meeting held on 11.8.2010 re-appointed Mr. Sanjay S. Shah as Vice Chairman & Managing Director, Mr. Pradeep S. Shah as Managing Director for a period of 3 years w.e.f. 1.4.2010, Mr. Mohan R. Harshe as Director (Works) for a period of 1 year w.e.f. 1.7.2010 and appointed Mr. Arun Kumar Puri as Whole-time Director (Works) for a period of 3 years w.e.f. 1st September, 2010 subject to the approval of the members of the company at the ensuing Annual General Meeting.

Brief profiles of Mr. Sanat M. Shah, Mr. Perses M. Bilimoria Mr. Arun Kumar Puri, Mr. Sanjay S. Shah, Mr. Pradeep S. Shah, Mr. Mohan R. Harshe proposed to be re-appointed/appointed as Directors of the Company are given in Annexure A to the notice convening the ensuing Annual General Meeting.

AUDITORS

Messrs B. F. Pavri & Co. auditors, have informed that they are not seeking re-appointment. The Audit Committee and Board of Directors have evaluated the appointment of auditors and are of the opinion that in the best interest of the company Messrs Natvarlal Vepari & Co. be appointed as the company's auditors. The Directors place on record their appreciation of the services rendered by Messrs B. F. Pavri & Co. since the inception of the company.

Messrs Natvarlal Vepari & Co. have confirmed that they are eligible for appointment as auditors. Messrs Natvarlal Vepari & Co., if appointed, will hold office up to the conclusion of the next Annual General Meeting of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the directors confirm that, to the best of their knowledge and belief:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2010, and of the profit of the company for the year ended on that date;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given as Annexure C to this report.

ACKNOWLEDGEMENTS

The directors would like to thank the employee unions, shareholders, customers, suppliers, bankers, financial institutions, all other business associates and various departments of Central Government and State Government for the continuous support given by them to the company and their confidence in its management.

For and on behalf of the Board

Mumbai
Dated 11th August, 2010

S. M. SHAH
CHAIRMAN

ANNEXURE B TO THE DIRECTORS' REPORT

STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2010.

Sr. No.	Name	Designation and nature of employment	Gross Remuneration (Rs.)	Qualification	Date of Commencement of Employment	Total Experience	Age in Years	Last Employment
1	Mr. Arun Kumar Puri	President-Plant Operations, Permanent employee	29,71,860.00	B.Sc. (Mech. Engg.), MBA	01.11.2008	35 years	58	President, Imperial Auto Industries Ltd.
2	Mr. Suresh C. Narayan	Chief Financial Officer, Permanent employee	20,86,682.00	B.Com. A.C.A.	19.11.2008	25 years	50	Sutherland Global Services Pvt. Ltd.

Notes:

1. Gross remuneration comprises of salary, allowances and monetary value of perquisites paid for the year.
2. Employees mentioned above are not related to any of the Directors of the Company.

ANNEXURE C TO THE DIRECTORS' REPORT

INFORMATION REQUIRED UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY :

Apart from implementing systematically the energy conservation methods mentioned in the earlier reports, conscious efforts were made to bring awareness among energy users for energy conservation. The additional efforts were also made :

1. Use of Asian (14 x 4) 56W Street lights instead of 250 W SV lamp.
2. Use of 9W/11W CFL tube lights on machine by replacing 40 W ordinary bulbs.
3. Use of electronics ballast with 28W T5 tubes against conventional copper chokes
4. 95 W LED lights under trial for High bay instead of 400W MV lamp.
5. Installed Automatic Power Factor Correction (APFC) panel to maintain Power factor to unity resulting in optimum utilization of power.
6. Use of Beblec Energy Saving Units for lighting loads of Tool room and Office buildings.
7. Replaced old Power Transformers by more Energy efficient new Transformer.

B. TECHNOLOGY ABSORPTION :

1. Efforts made in technology absorption:

The focus on improvement in existing products & development of new products was maintained throughout the year. Thrust is given on strengthening manpower infrastructure in application of Computer Aided Engineering software and application of Data Acquisition System for Design of Experiments, to meet the future requirements of high speed, high performance machines. The new machines & main features under development are :

- I. Hiline Express.
- II. New Version of Hiline.
- III. F2:3:3 in different cut offs.
- IV. Double former Single delivery Folder (For Smartline).
- V. AP6050 Paster.
- VI. MDGM 430 Max.
- VII. Quarter Fold and Balloon Former development for 2:3:3 Folder.
- VIII. MDGM F1270 Folder indegenisation.

2. Benefits derived as a result of the above R&D :

- I. New products development.
- II. More automation on existing products.
- III. Cost reduction & space saving on machines.
- IV. Performance improvement.
- V. Expanding Domestic & Export market.
- VI. Import substitution.

3. Expenditure on R&D :

	(Rs. In Lakhs)
I. Capital	0.07
II. Recurring	183.23
III. Total	183.30
IV. Total R&D expenditure as a percentage of net sales	0.91%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

1. Activities relating to exports: initiatives taken to increase exports, develop new export markets for products and services; and export plans;

During the year under review, the Company continuously explored the possibilities of exporting more of its products to countries in Europe, Middle East Asia, Africa, South America and Australia.

2. Total foreign exchange used and earned :

The information on foreign exchange earnings and outgo is contained in notes 17, 18, 19 and 21 in Schedule T - Notes forming part of the Annual Accounts.

REPORT ON CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, a report on Corporate Governance is given below.

I MANDATORY REQUIREMENTS

1. Company's philosophy on code of governance

Manugraph India Ltd. (MIL) is committed to good Corporate Governance. The mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges have been fully implemented by your company. The principles of transparency, accountability, trusteeship and integrity are at the core of the company's basic character. The company firmly believes in the right of its stakeholders to information regarding the company's business and financial performance.

2. Board of Directors

The present strength of your company's Board is ten directors comprising of three promoter directors viz. Mr. S. M. Shah, Mr. S. S. Shah and Mr. P. S. Shah. Mr. S. M. Shah is Non-Executive Chairman of the Company. Mr. S. S. Shah is Vice Chairman and Managing Director and Mr. P. S. Shah is Managing Director of the Company. Mr. M. R. Harshe is Director (Works). Mr. A. K. Puri is Director (appointed w.e.f. 11.8.2010), Mr. Jayant C. Vakil (upto 27.9.2010), Mr. Harshad H. Vasa, Mr. Hiten C. Timbadia, Mr. Amit N. Dalal and Mr. Perses M. Bilimoria are other five non-executive independent directors. Mr. Jitendra N. Mehrotra expired on 15th April, 2010.

During the financial year 2009 – 2010, five Board Meetings were held on 29th April, 2009, 31st July, 2009, 18th August, 2009, 29th October, 2009 and 29th January, 2010.

The attendance at board meetings held during the financial year 2009-2010 and at the last annual general meeting (AGM), the number of other directorships and committee memberships / chairmanships of directors as on 31st March, 2010, are as follows:

Sr. No.	Name of the Director	Category	Board membership in other companies (*)	Committee chairmanship in other companies	Committee membership in other companies	No. of Board Meetings of MIL attended	Attendance at the last AGM (Yes/No)
1	Mr. Sanat M. Shah	Non-Executive Chairman (Promoter)	6	Nil	Nil	5	Yes
2	Mr. Sanjay S. Shah	Vice Chairman & Managing Director (Promoter)	8	Nil	Nil	5	Yes
3	Mr. Pradeep S. Shah	Managing Director (Promoter)	8	Nil	Nil	4	Yes
4	Mr. Mohan R. Harshe	Director (Works) Executive - Non Independent	Nil	Nil	Nil	4	Yes
5	Mr. Jayant C. Vakil (Upto 27.9.2010)	Independent Non-Executive Director	Nil	Nil	Nil	3	Yes
6	Mr. Harshad H. Vasa	Independent Non-Executive Director	3	Nil	Nil	5	Yes
7	Mr. Jitendra N. Mehrotra (expired on 15.4.2010)	Independent Non-Executive Director	4	Nil	Nil	5	No
8	Mr. Hiten C. Timbadia	Independent Non-Executive Director	1	Nil	1	5	Yes
9	Mr. Amit N. Dalal	Independent Non-Executive Director	9	Nil	5	4	Yes

* Includes private companies and foreign company directorship.

Mr. Jitendra N. Mehrotra expired on 15.4.2010, Mr. Perses M. Bilimoria was appointed as an additional director w.e.f. 13.5.2010 and Mr. Arun Kumar Puri was appointed as additional Director w.e.f. 11.8.2010. Hence the details pertaining to these directors are not incorporated in the above table. Mr. Jayant C. Vakil retires by rotation on 27.9.2010 and is eligible for re-appointment, however, he has not offered for re-appointment as Director of the Company due to his preoccupation. Hence his tenure as director ceases on 27.9.2010.

3. Audit Committee

Your company has an Audit Committee comprising of three non-executive independent directors viz. Mr. Hiten C. Timbadia, Mr. Harshad H. Vasa and Mr. Perses M. Bilimoria (w.e.f. 13.5.2010). Mr. Hiten C. Timbadia is the Chairman of the committee.

The Company Secretary acted as secretary to the committee.

The Vice-chairman and Managing Director is an invitee to the meetings. The Statutory Auditors are also invited to attend the meetings.

The terms of reference of the audit committee cover the matters specified under clause 49 of the Listing Agreement as well as in section 292A of the Companies Act, 1956.

During the year under review, six audit committee meetings were held on 27.04.2009, 29.07.2009, 17.08.2009, 28.10.2009, 28.01.2010 and 23.02.2010.

Attendance at the audit committee meetings:

Sr. No.	Name of the director	No. of meetings held	No. of meetings attended
1	Mr. Hiten C. Timbadia	6	6
2	Mr. Harshad H. Vasa	6	6
3	Mr. Jitendra N. Mehrotra (Expired on 15.4.2010)	6	4
4	Mr. Perses M. Bilimoria	Appointed w.e.f. 13.5.2010.	

Two members of the audit committee were present at the last Annual General Meeting held on 29th September, 2009.

4. Remuneration Committee

Terms of reference :

The broad terms of reference of the committee are to determine and recommend to the board, compensation payable to Managing Directors and Whole-time Directors.

The Remuneration Committee consists of Mr. Harshad H. Vasa, Mr. Hiten C. Timbadia and Mr. Perses M. Bilimoria. Mr. Hiten C. Timbadia is the Chairman of the Committee (effective from 11.8.2010). All are non-executive independent directors.

A meeting of Remuneration Committee was held on 17th August, 2009. Attendance at the remuneration committee meeting is given below.

Sr. No.	Name of the director	Meetings held	Meetings attended
1	Mr. Harshad H. Vasa	1	1
2	Mr. Hiten C. Timbadia	1	1
3	Mr. Jitendra N. Mehrotra (Expired on 15.4.2010)	1	1
4	Mr. Perses M. Bilimoria	Appointed w.e.f. 13.5.2010	

The details of remuneration paid to the directors of the company during the financial year 2009 – 10 are given below:

Sr. No.	Name of the Director	Details of Salary and perquisites Rs.	Sitting fee for board and committee meetings Rs.
1	Mr. Sanjay S. Shah	*81,38,874.59	–
2	Mr. Pradeep S. Shah	*81,40,714.00	–
3	Mr. Mohan R. Harshe	14,61,776.00	–
4	Mr. Sanat M. Shah	–	50,000.00
5	Mr. Jayant C. Vakil	–	30,000.00
6	Mr. Harshad H. Vasa	–	96,000.00
7	Mr. Hiten C. Timbadia	–	96,000.00
8	Mr. Amit N. Dalal	–	40,000.00
9	Mr. Jitendra N. Mehrotra (Expired on 15.4.2010)	–	84,000.00

* includes commission for financial year 2009-10

The remuneration paid to Managing Directors and Whole-time Director is within the ceiling prescribed under the provisions of the Companies Act, 1956.

Sr. No.	Name of the Director	Service Contract	Notice Period	Severance Fee
1	Mr. Sanjay S. Shah - Vice Chairman & Managing Director	1-4-2010 to 31-3-2013*	Three Months	Nil
2	Mr. Pradeep S. Shah - Managing Director	1-4-2010 to 31-3-2013*	Three Months	Nil
3	Mr. Mohan R. Harshe - Director (Works)	1-7-2010 to 30-6-2011*	Three Months	Nil
4	Mr. Arun Kumar Puri - Whole-time Director (Works)	1-9-2010 to 31-8-2013*	Three Months	Nil

* Subject to re-appointment/appointment at the ensuing AGM

Except the Managing Directors and Whole-time Director, all the members of the board are liable to retire by rotation.

Your company presently does not have a scheme for grant of stock options or performance-linked incentives for its directors.

5. Shares and Debentures Committee

The company has Shares and Debentures Committee comprising of Mr. Harshad H. Vasa and Mr. Sanjay S. Shah. Mr. Harshad H. Vasa is the Chairman of the committee.

The Shares and Debentures Committee also functions as Shareholders' / Investors' Grievance Committee to look into the shareholders' and investors' grievances. The Company Secretary acts as the Compliance Officer and Secretary to the Shares and Debentures Committee.

All shares received for transfers are registered and despatched within thirty days of receipt, provided the documents are correct and valid in all respects.

There were no pending share transfers as on 31st March, 2010.

During the year under review, the company received 11 complaints from shareholders relating to non-receipt of dividend, non-receipt of annual report and non-receipt of shares sent for transfer. The complaints were duly attended to and there were no complaints pending for more than 30 (Thirty) days as on 31st March, 2010.

Status of receipt and redressal of Investor's Grievances during the financial year is as under :

Investors' Grievances pending as on 1.4.2009	Nil
Add : Investors' Grievances received during the year	11
Less : Investors' Grievances redressed during the year	11
Investors' Grievances pending as on 31.3.2010	Nil

6. General Body Meetings

Financial year	2008-2009 37th AGM	2007-2008 36th AGM	2006-2007 35th AGM
Venue	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001
Day	Tuesday	Thursday	Tuesday
Date	29th September, 2009	28th August, 2008	11th September, 2007
Time	11.30 a. m.	3.30 p. m.	3.30 p. m.
No. of Special Resolution(s) passed	Nil	Nil	Nil

All resolutions as set out in the respective notices were duly passed by the shareholders.

No special resolution was put through postal ballot at the last annual general meeting. No special resolution requiring postal ballot is being proposed at the ensuing annual general meeting.

7. Disclosures**CEO and CFO Certification :**

The Managing Director and Chief Financial Officer have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

Related Parties Transactions :

The company has not entered into any transaction of a material nature with the promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large. The register of contracts containing transactions, in which directors are interested, is placed before the board regularly.

Code of Conduct :

The Board of Directors has laid down a "Code of Conduct" (Code) for all the Board Members and the senior management of the Company and this Code is posted on the Website of the Company. Annual compliance declaration is obtained from every person covered by the Code.

Risk Management :

The Audit Committee and the Board periodically discuss the significant business risks identified by the Management and review the measures taken for their mitigation.

Statutory Compliance, Penalties and Strictures :

The company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to capital markets. During the last three years, no penalties or strictures have been imposed by them on the company.

8. Means of Communication

The quarterly and half yearly results of the company are published in the following newspapers :

Business Standard (English newspaper)

Sakal (Marathi newspaper)

The financial results are also made available at Company's Website www.manugraph.com for shareholders/investors information.

II. NON-MANDATORY REQUIREMENTS

- A. Office of the chairman of the board and reimbursement of expenses by the company.

The company is presently reimbursing the expenses incurred in performance of duties.

- B. Shareholders' rights – furnishing of half-yearly results.

The company's half-yearly results are published in English and Marathi newspapers having wide circulation.

- C. Postal Ballot

The company will seek shareholders' approval through postal ballot in respect of such resolutions as are laid down in Companies (Passing of Resolution by Postal Ballot) Rules, 2001, as and when the occasion arises.

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges on Code of Corporate Governance, Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the company is annexed. The Auditors' Certificate will also be sent to the Stock Exchanges, Mumbai where the company's shares are listed, alongwith the annual report to be filed by the company.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

TO
THE MEMBERS
MANUGRAPH INDIA LIMITED
MUMBAI.

We have examined the relevant records relating to compliance of conditions of Corporate Governance by Manugraph India Limited for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

FOR B. F. PAVRI & CO.
CHARTERED ACCOUNTANTS
(Registration No. 107865W)

BURJOR F. PAVRI
PROPRIETOR
Membership No. 4931

Mumbai
Date : 11th August, 2010

GENERAL SHAREHOLDER INFORMATION**i. Annual general meeting**

Date and Time : 27th September, 2010 at 11.00 a. m.
 Venue : M. C. Ghia Hall,
 Bhogilal Hargovindas Building,
 18/20, Kaikhushru Dubash Marg,
 Mumbai – 400 001.

ii. Financial calendar

Financial year : April to March
 Financial reporting (tentative)
 First quarter results : 11th August, 2010
 Half-yearly results : Second week of November, 2010
 Third quarter results : Second week of February, 2011
 Fourth quarter results : Second week of May, 2011

iii. Dates of book closure

: From : Saturday the 18th September, 2010
 To : Monday the 27th September, 2010
 (both days inclusive)

iv. Dividend payment date

: On or before 25th October, 2010

v. Listing of Equity shares on Stock Exchanges

Name of Stock Exchanges	Stock Code/Symbol
Bombay Stock Exchange Limited	505324
National Stock Exchange of India Limited	MANUGRAPH
	Security Series: EQ

vi. ISIN Number

: INE-867A 01022

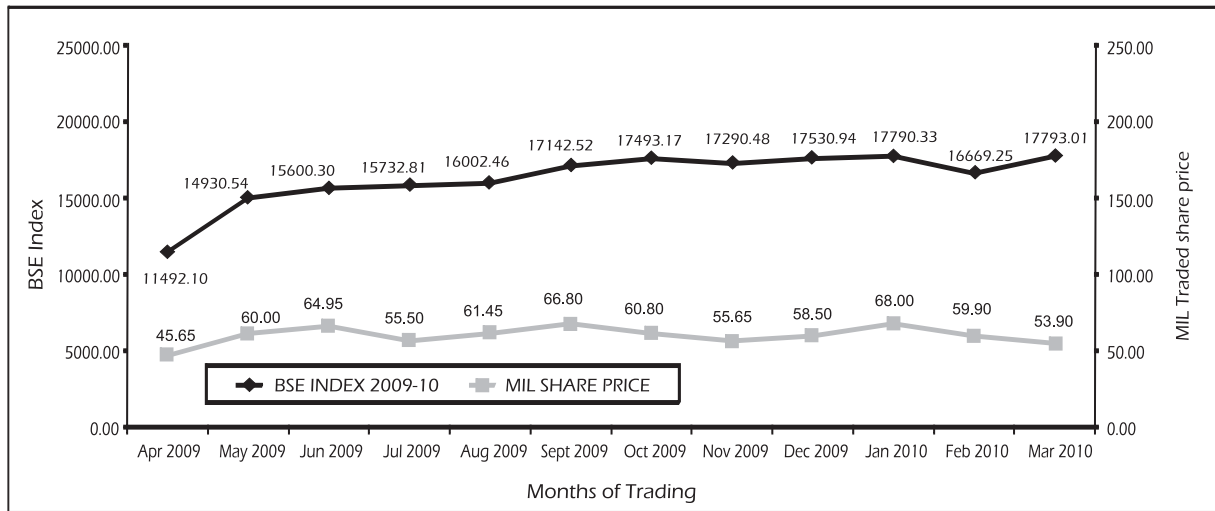
The company has paid listing fee to both the Stock Exchanges upto the financial year 2010-2011.

vii. Market price data :

Monthly high and low quotations of shares traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the financial year 2009 - 2010:

Months	Bombay Stock Exchange Ltd. (BSE)		National Stock Exchange of India Ltd (NSE)	
	Month's High price	Month's Low price	Month's High price	Month's Low price
April, 2009	45.65	29.10	44.90	29.00
May, 2009	60.00	34.40	59.70	34.05
June, 2009	64.95	42.10	64.50	42.00
July, 2009	55.50	38.30	55.00	38.00
August, 2009	61.45	45.20	61.40	45.50
September, 2009	66.80	56.10	66.70	56.00
October, 2009	60.80	45.85	60.30	44.90
November, 2009	55.65	42.70	59.90	43.00
December, 2009	58.50	50.00	58.45	49.55
January, 2010	68.00	50.25	69.00	49.00
February, 2010	59.90	46.90	59.65	46.60
March, 2010	53.90	44.90	54.00	44.75

viii **Performance in comparison to broad-based indices BSE Sensex.**



ix. **Registrar and share transfer agents**

: Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup(W),
Mumbai – 400 078,
Phone : 25963838
Fax : 2594 6969
Email: mumbai@linkintime.co.in

x. **Share transfer system**

: Share transfers in physical forms have to be lodged with Link Intime India Pvt. Limited at the above mentioned address.

During the year under review, all shares received for transfer were registered and despatched within thirty days of receipt, provided the documents were correct and valid in all respects.

Normally it takes 10 days for processing of demat requests from the date of receipt of the same from Depository Participants.

xi. **Distribution of shareholdings as on 31st March, 2010 :**

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 – 500	12347	79.76	2013549	6.62
501 – 1000	1563	10.10	1250043	4.11
1001 – 2000	884	5.71	1327041	4.36
2001 – 3000	263	1.70	668602	2.20
3001 – 4000	132	0.86	468529	1.54
4001 – 5000	70	0.45	328091	1.08
5001 – 10000	126	0.81	904620	2.97
10001 and above	95	0.61	23454586	77.12
Total	15480	100.00	30415061	100.00

xii. Shareholding pattern as on 31st March, 2010

Category	No. of shares held	% of shareholding
A Promoter's Holding	17343602	57.02
Sub-Total (A):-	17343602	57.02
B Non-promoter's holding		
1 Institutional Investors		
a. Mutual Funds / UTI	2448919	8.06
b. Banks	375	0.00
c. Insurance Companies	1649550	5.42
d. Foreign Institutional Investors	344	0.00
Sub-Total (B):-	4099188	13.48
2. Others		
a. Private Corporate Bodies	1047292	3.44
b. Indian Public	6813049	22.40
c. Directors and their relatives	75527	0.25
d. Non-Resident Individuals	555669	1.83
e. Foreign Companies	250	0.00
f. Foreign Nationals	113154	0.37
g. Any other (Clearing Members)	367330	1.21
Sub-Total (C):-	8972271	29.50
Grand Total [A+B+C]:-	30415061	100.00

- xiii. **Dematerialisation of shares and liquidity** : 50.84 per cent of the company's paid-up equity share capital has been dematerialised upto 31st March, 2010.
- xiv. **Outstanding GDR/Warrants or convertible bonds, conversion dates and likely impact on equity** : Not applicable
- xv. **Plant Locations:** : Plot No. D – 1, MIDC Shiroli Industrial Area, Pune-Bangalore Road, Shiroli, Kolhapur, Maharashtra.
Warananagar, Kodoli, Tal. Panhala, Dist. Kolhapur, Maharashtra,
Gokul Shirgaon, Plot No.A/8, MIDC, Kolhapur, Maharashtra
- xvi. **Address for correspondence** : The Company Secretary, Manugraph India Limited,
Sidhwa House, 1st Floor, N. A. Sawant Marg, Colaba,
Mumbai – 400 005
Phone : 22852256/57/58
Fax : 22870702
E-mail : sharegrievances@manugraph.com.

Declaration by the Vice Chairman and Managing Director under clause 49 of the Listing Agreement regarding adherence to the Code of Conduct.

In accordance with Clause 49(ID) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the directors and the senior management personnel of the company have affirmed compliance with the code of conduct, as applicable to them for the financial year ended 31st March, 2010.

Mumbai
11th August, 2010

For MANUGRAPH INDIA LIMITED
SANJAY S. SHAH
Vice Chairman & Managing Director

ANALYSIS OF RESULTS IN BRIEF

(Rupees in lakhs)

	Year ended 31st March, 2010		Year ended 31st March, 2009	
SALES	21,606.19		43,126.56	
Operating income	370.43		882.08	
Other income	236.25		492.59	
		%		%
	22,212.87	100.00	44,501.23	100.00
Less : Cost of materials and services	14,755.57	66.43	29,732.30	66.81
Materials	12,297.51	55.36	23,536.98	52.89
Services	2,458.06	11.07	6,195.32	13.92
VALUE ADDED	7,457.30	33.57	14,768.93	33.19
Disposal of value added		%		%
To employees	3,175.13	14.29	4,112.45	9.25
To government (excise duties and income-tax)	2,113.10	9.51	5,784.96	13.00
To providers of capital	448.40	2.02	967.09	2.17
Financial institutions, bankers and others (interest)	144.25	0.65	358.79	0.80
Shareholders (dividend)	304.15	1.37	608.30	1.37
Re-invested in business	1,720.67	7.75	3,904.43	8.77
Depreciation set aside	783.46	3.53	927.36	2.08
Profit retained	937.21	4.22	2,977.07	6.69
	7,457.30	33.57	14,768.93	33.19



AUDITORS' REPORT

TO THE MEMBERS OF
MANUGRAPH INDIA LIMITED
MUMBAI.

1. We have audited the attached balance sheet of MANUGRAPH INDIA LIMITED, as at 31st March, 2010, the profit and loss account and also the cash flow statement of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) we have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of those books;
 - (iii) the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account ;
 - (iv) in our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956;
 - (v) on the basis of the written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the said directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956; and
 - (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) in the case of the balance sheet, of the state of affairs of the company as at 31st March, 2010;
 - (b) in the case of the profit and loss account, of the profit of the company for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flows of the company for the year ended on that date.

FOR B. F. PAVRI & CO.
CHARTERED ACCOUNTANTS
(Registration No. 107865W)

(BURJOR F. PAVRI)
PROPRIETOR
Membership No.4931

MUMBAI,
11th August, 2010



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, a major portion of fixed assets has been physically verified by the management during the year in accordance with a phased programme of verification adopted by the company. In our opinion, the frequency of physical verification is reasonable. Having regard to the size of the operations of the company and on the basis of explanations received, in our opinion, the net differences found on physical verification were not significant.
- (c) The company has not disposed off any substantial part of its fixed assets so as to affect its going concern status.
- (ii) (a) As explained to us, the inventories of finished goods and work-in-progress in the company's custody have been physically verified by the management as at the end of the financial year. In respect of inventories of stores, spare parts and raw materials, there is a perpetual inventory system and a substantial portion of the inventories have been physically verified during the year. In our opinion, the frequency of verification is reasonable. In case of materials lying with third parties, certificates confirming inventories have been received in respect of the substantial portion of the stocks held at the year end.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to the book records were not material having regard to the size of the operations of the company.
- (iii) (a) The company has granted unsecured loans to two wholly owned subsidiary companies covered in the register maintained under section 301 of the Companies Act, 1956. In respect of the said loans, the maximum amount outstanding at any time during the year is Rs. 2,984.93 lakhs and the year end balance Rs. 2,984.93 lakhs.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been given by the company are not prima facie prejudicial to the interest of the company.
- (c) The terms of repayment of loans and payment of interest have been stipulated. In respect of the principal amount and interest, there are no overdue amounts.
- (d) According to the information and explanation given to us, the company has during the year, not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventories and fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under the said section have been so entered.
- (b) In our opinion and having regard to our comments in paragraph (iv) above, and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public during the period covered by our audit report. Therefore the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- (vii) On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that the coverage of internal audit functions carried out by the firms of chartered accountants appointed by the management is commensurate with the size of the company and the nature of its business.
- (viii) According to the information given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for any of the products of the company.
- (ix) (a) According to the records of the company examined by us, in our opinion, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, details of dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute are stated in the statement attached herewith.
- (x) The company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions, banks and debenture holders.
- (xii) According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In respect of shares, securities, debentures and other investments dealt in or traded by the company, proper records have been maintained in respect of transactions and contracts and timely entries have been made therein. All the investments are held by the company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions on which the company has given guarantee for loan taken by its subsidiary from bank are not prima facie prejudicial to the interest of the company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the company were, prima facie, applied by the company during the year for the purposes for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds raised on short-term basis have prima facie not been used during the year for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year.
- (xix) In our opinion and according to the information and explanations given to us, the company has not issued any secured debentures during the period covered by our audit report. Accordingly, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xx) During the period covered by our audit report, the company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, and to the best of our knowledge and belief, no material fraud on or by the company has been noticed or reported during the year.

FOR B. F. PAVRI & CO.
CHARTERED ACCOUNTANTS
(Registration No. 107865W)

(BURJOR F. PAVRI)
PROPRIETOR
Membership No.4931

MUMBAI,
11th August, 2010

**STATEMENT OF STATUTORY DUES OUTSTANDING ON ACCOUNT OF
DISPUTES, AS ON 31ST MARCH, 2010, REFERRED TO IN PARA 4(IX)(C) OF THE
ANNEXURE TO THE AUDITORS' REPORT**

Name of statute	Nature of dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs duty on two dryers	2,552,145	Assessment Year 1987 - 1988	Customs, Excise & Service tax Appellate Tribunal, Mumbai
The Central Excise Act, 1944	Duty on scrap generated at vendors end	479,846	01.07.07 to 30.11.07	The Assistant Commissioner, Central Excise, Kolhapur-II
The Central Excise Act, 1944	Duty on jigs and fixtures	116,073	01.04.04 to 31.12.04	Customs, Excise & Service tax Appellate Tribunal, West Zonal Bench, Mumbai.
The Central Excise Act, 1944	Duty on sale of spares to related persons	944,654	01.12.00 to 31.05.05	Customs, Excise & Service tax Appellate Tribunal, West Zonal Bench, Mumbai.
The Central Excise Act, 1944	Duty on sale of spares to related persons	3,006	01.06.05 to 31.12.05	The Assistant Commissioner, Central Excise, Kolhapur-II
The Central Excise Act, 1944	Duty on sale of spares to related persons	6,879	01.01.06 to 30.06.06	The Deputy Commissioner, Central Excise, Kolhapur-II
The Central Excise Act, 1944	Duty on sale of spares to related persons	12,135	01.07.06 to 30.11.06	The Assistant Commissioner, Central Excise, Kolhapur-II
The Central Excise Act, 1944	Duty on sale of spares to related persons	5,421	01.12.06 to 30.06.07	The Assistant Commissioner, Central Excise, Kolhapur-II
The Central Excise Act, 1944	Duty on sale of spares to related persons	15,265	01.07.07 to 31.03.08	The Assistant Commissioner, Central Excise, Kolhapur-II
The Central Excise Act, 1944	Claim for refund of duty on scrap generated during job work	54,578	01.04.03 to 31.03.04	The Assistant Commissioner, Central Excise, Kolhapur-II
The Central Excise Act, 1944	Duty on debit notes raised on vendors towards recovery of raw material cost	56,196	01.07.01 to 31.03.02	The High Court of Judicature, Mumbai
Finance Act, 1994 Service Tax Rules, 1994	Interest on service tax on goods transport operators	51,405	Assessment Year 2001 - 2002	The Commissioner, Central Excise (Appeals-II), Pune
Finance Act, 1994 Service Tax Rules, 1994	Service tax on technical know- how	741,680	Assessment Year 2005 - 2006	The Deputy Commissioner, Central Excise, Kolhapur-I Division
Finance Act, 1994 Service Tax Rules, 1994	Service tax on clearing and forwarding charges paid by the company for the services availed from clearing and forwarding agents	203,671	01.07.97 to 31.08.99	Customs, Excise & Service tax Appellate Tribunal, West Zonal Bench, Mumbai.

**STATEMENT OF STATUTORY DUES OUTSTANDING ON ACCOUNT OF
DISPUTES, AS ON 31ST MARCH, 2010, REFERRED TO IN PARA 4(IX)(C) OF THE
ANNEXURE TO THE AUDITORS' REPORT**

Name of statute	Nature of dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 Service Tax Rules, 1994	Service tax on services rendered in respect of repairs and maintenance	4,943	01.08.03 to 31.08.03	Customs, Excise & Service tax Appellate Tribunal, West Zonal Bench, Mumbai
Finance Act, 1994 Service Tax Rules, 1994	Service tax on services rendered in respect of installation, commissioning, repairs and maintenance	272,794	01.04.04 to 31.03.07	The Assistant Commissioner, Central Excise, Kolhapur-I Division
TOTAL		<u><u>5,520,691</u></u>		

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Capital	A	608.30	608.30
Reserves and surplus	B	24,131.37	23,194.16
		24,739.67	23,802.46
LOAN FUNDS			
Secured loans	C	3,186.47	6,114.78
Unsecured loans	D	1,500.00	–
Deferred payment liability	E	315.81	511.90
		5,002.28	6,626.68
DEFERRED TAX LIABILITY	F	543.94	526.32
TOTAL FUNDS EMPLOYED		30,285.89	30,955.46
APPLICATION OF FUNDS			
FIXED ASSETS	G		
Gross block		14,764.38	14,241.16
Less: Depreciation		7,489.93	6,724.66
Net block		7,274.45	7,516.50
Capital work-in-progress		64.75	243.77
		7,339.20	7,760.27
INVESTMENTS	H	14,150.91	12,487.58
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	I	8,782.96	12,752.85
Sundry debtors	J	1,208.01	1,624.77
Cash and bank balances	K	4,415.25	3,388.66
Loans and advances	L	10,240.36	14,588.78
		24,646.58	32,355.06
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Liabilities	M	9,944.09	9,301.94
Provisions	N	5,906.71	12,345.51
		15,850.80	21,647.45
NET CURRENT ASSETS		8,795.78	10,707.61
TOTAL ASSETS (NET)		30,285.89	30,955.46
CONTINGENT LIABILITIES AND NOTES ON BALANCE SHEET	T		

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.

Chartered Accountants

(Burjor F. Pavri)

Proprietor

R. V. Joshi
Company Secretary

S. M. Shah

S. S. Shah

P. S. Shah

M. R. Harshe

Chairman

Vice-Chairman and Managing Director

Managing Director

Whole-time Director

Mumbai, 11th August, 2010

Mumbai, 11th August, 2010



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
INCOME			
Sales (gross) (Excluding sales return Rs. 16.72 lakhs - previous year : Rs. 3.70 lakhs)		21,606.19	43,126.56
Less : Excise duty		1,412.39	3,915.44
Net sales		20,193.80	39,211.12
Operating income	O	370.43	882.08
Other income	P	236.25	492.59
		20,800.48	40,585.79
EXPENDITURE			
Materials	Q	12,073.09	22,969.95
Other expenses	R	5,886.25	10,967.78
Depreciation		783.46	927.36
Interest	S	144.25	358.79
		18,887.05	35,223.88
Less: Expenditure transferred to capital accounts		28.64	92.98
TOTAL EXPENDITURE		18,858.41	35,130.90
PROFIT BEFORE TAX		1,942.07	5,454.89
Less : Provision for taxation			
Current tax		591.52	1,725.50
Deferred tax		17.62	11.66
Fringe benefit tax		—	26.21
		609.14	1,763.37
Add : Provision for wealth tax		2.66	2.77
		611.80	1,766.14
PROFIT AFTER TAX		1,330.27	3,688.75
Less : Income-tax pertaining to previous year		38.40	—
		1,291.87	3,688.75
Add: Balance brought forward from last year		3,540.52	1,763.45
AMOUNT AVAILABE FOR APPROPRIATIONS		4,832.39	5,452.20
APPROPRIATIONS			
Proposed dividend		304.15	608.30
Tax on proposed dividend		50.51	103.38
General reserve		1,200.00	1,200.00
		1,554.66	1,911.68
BALANCE CARRIED TO BALANCE SHEET		3,277.73	3,540.52
Basic and diluted earnings per share (Rs.) (Schedule 'T'. Note. 22)		4.37	12.13
NOTES ON PROFIT AND LOSS ACCOUNT	T		

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.

Chartered Accountants

(Burjor F. Pavri)

Proprietor

R. V. Joshi

Company Secretary

S. M. Shah

S. S. Shah

P. S. Shah

M. R. Harshe

Chairman

Vice-Chairman and Managing Director

Managing Director

Whole-time Director

Mumbai, 11th August, 2010

Mumbai, 11th August, 2010



SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

		As at 31st March, 2009 (Rs. in lakhs)	(Rs. in lakhs)
SCHEDULE 'A'			
CAPITAL			
AUTHORISED			
9,85,00,000 equity shares of Rs. 2 each	1,970.00		1,970.00
10,000 preference shares of Rs.100 each	10.00		10.00
20,000 unclassified shares of Rs.100 each	20.00		20.00
3,50,000 redeemable preference shares of Rs. 100 each	350.00		350.00
		2,350.00	2,350.00
ISSUED			
3,04,15,061 (previous year : 3,04,15,061) equity shares of Rs. 2 each		608.30	608.30
SUBSCRIBED			
3,04,15,061 (previous year : 3,04,15,061) equity shares of Rs. 2 each, fully paid up		608.30	608.30
<p>Of the above equity shares,</p> <p>2,21,840 equity shares of Rs.10 each, fully paid up, allotted (at premium of Rs.10 per share) on conversion of part of the face value (i.e.Rs.40) of each 14 per cent secured redeemable convertible debenture of Rs.140.</p> <p>20,28,822 equity shares of Rs.10 each, fully paid up, allotted (at premium of Rs. 35 per share) on conversion of each zero per cent interest secured fully convertible debenture of Rs. 90.</p> <p>3,20,000 equity shares of Rs.10 each, fully paid up, allotted (at premium of Rs. 35 per share) on conversion of each zero per cent interest secured fully convertible debenture of Rs. 90 issued to non-residents of Indian nationality/ origin and Overseas Corporate Bodies.</p> <p>10,40,000 equity shares of Rs. 10 each, allotted to shareholders of the erstwhile Manuweb International Limited in the ratio of one equity share of Rs. 10 each credited as fully paid up in exchange for one equity share of Rs. 10 each fully paid up held in the erstwhile Manuweb International Limited pursuant to Mumbai High Court's Order.</p> <p>During the year ended 31st March, 2002, the company bought-back and cancelled 11,05,825 equity shares of Rs. 10 each under the scheme of buy-back of the shares at Rs. 30 per share. Accordingly, the issued and subscribed share capital was reduced from Rs. 7,10,91,760 to Rs. 6,00,33,510</p> <p>The equity shares of Rs. 10 each have been sub-divided into 5 equity shares of Rs. 2 each pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on 19th September, 2005.</p> <p>3,98,306 equity shares of Rs. 2 each, fully paid up, allotted to 9 foreign nationals at premium of Rs. 246 per share on 20th December, 2006. Accordingly, the issued and subscribed share capital increased from Rs. 6,00,33,510 to Rs. 6,08,30,122</p>			
TOTAL		608.30	608.30

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

		As at 31st March, 2009 (Rs. in lakhs)
	(Rs. in lakhs)	(Rs. in lakhs)
SCHEDULE 'B'		
RESERVES AND SURPLUS		
Capital reserve		
Balance per last balance sheet	70.00	70.00
Amalgamation capital reserve		
Surplus on amalgamation	128.00	128.00
Share premium		
Balance per last balance sheet	2,145.06	2,145.06
Capital redemption reserve		
Balance per last balance sheet	110.58	110.58
General Reserve		
Balance per last balance sheet	17,200.00	16,000.00
Add : Amount transferred from profit and loss account	1,200.00	1,200.00
	18,400.00	17,200.00
Profit and loss account		
Balance carried forward	3,277.73	3,540.52
TOTAL	24,131.37	23,194.16

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

		As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'C'		
SECURED LOANS		
From State Bank of India		
The term loan is secured by the mortgage by deposit of title deeds in respect of all the immoveable properties of the company and by hypothecation of all moveable assets of the company, present and future, subject to prior charges in favour of the company's bankers for securing the borrowings for working capital requirements, save and except property situated at Panhala, Kolhapur.	–	1,514.15
From Export-Import Bank of India		
Term loans under production equipment finance programme Secured by first charge by way of hypothecation of moveable fixed assets, present and future and mortgage of land and other immoveable properties, present and future of the company	1,686.47	3,016.34
Cash credit account		
State Bank of India		
Secured by hypothecation of stock-in- trade, stores, book-debts and other receivables and second charge on the company's moveable and immoveable properties, save and except property situated at Panhala, Kolhapur.	1,500.00	1,584.29
TOTAL	3,186.47	6,114.78

SCHEDULE 'D'**UNSECURED LOANS**

Export Import Bank of India (repayable within one year)	1,500.00	–
TOTAL	1,500.00	–

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'E'		
DEFERRED PAYMENT LIABILITY		
Due for balance purchase consideration payable for acquisition of shares of subsidiary Manugraph DGM Inc.	315.81	511.90
TOTAL	315.81	511.90
SCHEDULE 'F'		
DEFERRED TAX LIABILITY		
Deferred Tax Liability		
Arising on account of		
difference between book and tax depreciation	677.15	683.34
	677.15	683.34
Deferred tax assets :		
Arising on account of		
provision for leave encashment	70.71	73.47
provision for transitional gratuity liability	43.24	48.82
provision for warranty expenses	16.12	25.75
provision for doubtful debts and advances	3.14	3.62
provision for diminution in value of current investments	—	5.36
	133.21	157.02
Net deferred tax liability	543.94	526.32
TOTAL	543.94	526.32

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULE 'G'

FIXED ASSETS

(Rs. in lakhs)

Description of assets	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Original cost as at 31st March, 2009	Additions during the year	Deductions during the year	Original cost as at 31st March, 2010	Upto 31st March, 2009	Provided during the year adjustments	On deductions/ adjustments	Upto 31st March, 2010
Freehold land	14.69	-	-	14.69	-	-	-	14.69
Leasehold land	7.64	-	-	7.64	-	-	-	7.64
Buildings	1,430.20	331.91	-	1,762.11	442.19	41.80	-	1,278.12
Office premises	448.23	-	-	448.23	82.08	7.31	-	358.84
Plant and machinery	8,304.57	13.81	0.68	8,317.70	3,878.06	489.97	0.68	4,367.35
Jigs and fixtures	979.34	43.13	1.13	1,021.34	541.01	59.46	0.38	600.09
Dies and patterns	389.15	23.37	14.63	397.89	242.43	28.74	11.19	259.98
Instruments	428.28	3.17	1.63	429.82	305.92	18.02	1.53	322.41
Electrical installations	267.38	95.21	-	362.59	98.11	12.29	-	110.40
Furniture, fixtures and equipments	1,302.83	10.43	0.67	1,312.59	802.75	82.38	0.25	884.88
Vehicles	448.11	31.98	11.05	469.04	113.38	42.27	4.16	151.49
Technical documentation	60.09	-	-	60.09	60.09	-	-	60.09
Technical know-how	160.65	-	-	160.65	158.64	1.22	-	159.86
Capital work-in-progress	14,241.16	553.01	29.79	14,764.38	6,724.66	783.46	18.19	7,489.93
TOTAL	243.77	29.27	208.29	64.75	-	-	-	64.75
Previous year	14,484.93	582.28	238.08	14,829.13	6,724.66	783.46	18.19	7,489.93
	13,477.31	1,549.50	541.88	14,484.93	6,149.23	927.36	351.93	6,724.66

Note :

Office premises include Rs. 100/- being cost of 1 share in Anand Chambers Owners' Association.

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

			As at 31st March, 2009 (Rs. in lakhs)	
(Rs. in lakhs)				
SCHEDULE 'H'				
INVESTMENTS				
LONG TERM INVESTMENTS (AT COST)	Nos.	Cost	Nos.	Cost
In Government securities (unquoted)				
6 years National Savings Certificates - VIII issue	–	0.52	–	0.52
Equity shares of Rs. 10/- each fully paid up (unless otherwise specified)				
In subsidiary companies (unquoted)				
Constrad Agencies (Bombay) Private Limited (shares of Rs.100/- each)	5000	177.16	5000	177.16
Manugraph Kenya Limited, Nairobi (shares of K. Shs.100 each)	22500	22.67	22500	22.67
Manugraph DGM Inc. USA (shares of US\$ 0.01 each)	388290	9,510.21	388290	9,510.21
Trade Investments				
Manugraph Securities and Finance Private Limited (unquoted)	250	0.03	250	0.03
Other Investments				
Shree Warna Sahakari Bank Limited (unquoted)	2000	0.50	2000	0.50
INVESTMENTS IN MUTUAL FUNDS				
Units of the face value of Rs. 10/- each (quoted)				
IDFC Fixed Maturity Plan - Yearly Series 17 Plan A Growth	–	–	6000000	600.00
LIC MF Fixed Maturity Plan - Sr.37 - 13 months	–	–	3000000	300.00
Birla Sun Life Short Term Fund - Instl.	5000000	525.52	–	–
TOTAL - LONG TERM INVESTMENTS		10,236.61		10,611.09

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

				As at 31st March, 2009 (Rs. in lakhs)
				(Rs. in lakhs)
CURRENT INVESTMENTS (AT COST)				
INVESTMENTS IN MUTUAL FUNDS	Nos.	Cost	Nos.	Cost
(Units of the face value of Rs. 10/- each, unless otherwise specified) (quoted)				
IDFC Money Manager Fund Treasury Plan	—	—	1000000	104.47
Birla Sun Life Short Term Fund - Instl.	—	—	5000000	509.29
IDFC SSIF Short Term Plan B	—	—	5000000	518.24
IDFC SSIF Investment Plan A - Growth	—	—	2500000	250.00
JP Morgan India Treasury Fund - Super Instl.	—	—	5000000	510.28
Birla Dynamic Bond Fund - Retail	3024416	314.77	—	—
HDFC Short Term Plan	11340960	1,170.54	—	—
Reliance Short Term Fund	1948523	207.21	—	—
Templeton India Short Term Income Plan (Rs. 1000/- each)	38658	415.36	—	—
Birla Sun Life MIP II - Saving 5 Plan	2703539	306.42	—	—
IDFC Money Manager Treasury Plan - Dividend	4981221	500.00	—	—
LIC MF Income Plus - Dividend	4998950	500.00	—	—
Prudential ICICI Short Term Plan	4266102	500.00	—	—
		3,914.30		1,892.28
Less : Provision for diminution in value of current investments		—		15.79
TOTAL - CURRENT INVESTMENTS		3,914.30		1,876.49
TOTAL		14,150.91		12,487.58

Notes :

- Aggregate of quoted investments

Cost	4,439.82	2,776.49
Market value	4,447.48	2,871.86
- Aggregate of unquoted investments

Cost	9,711.09	9,711.09
------	-----------------	----------
- 6 Years National Savings Certificates -
VIII Issue of the face value of Rs. 52,500
(previous year: Rs. 52,500) have been deposited
with the sales-tax authorities and a customer.
- Details of investments purchased and sold during
the year are stated in Schedule 'T' - Note. 4

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010As at 31st
March, 2009
(Rs. in lakhs)

(Rs. in lakhs)

SCHEDULE 'I'**INVENTORIES**Per inventory taken, valued and certified by
the whole-time director

Stores and spares	120.33	129.01
Consumable tools	60.78	99.19
Finished products	1,472.17	6,193.24
Work-in progress	960.83	630.32
Manufactured components	2,528.66	2,337.37
Raw materials and components	3,640.19	3,363.72
TOTAL	8,782.96	12,752.85

SCHEDULE 'J'**SUNDRY DEBTORS**

Over six months old (unsecured)

Considered good	337.49	598.01
Considered doubtful	9.44	10.65
	346.93	608.66
Less: Provision for doubtful debts	9.44	10.65

337.49 598.01

Others (unsecured)

Considered good	870.52	1,026.76
-----------------	---------------	----------

TOTAL **1,208.01** 1,624.77**Note :**

Amounts due from the subsidiaries

Over six months old	109.77	75.45
Others	75.44	96.18

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'K'		
CASH AND BANK BALANCES		
Cash balance on hand	15.77	22.29
Bank balances		
With scheduled banks		
In current accounts	1,347.85	1,239.26
In cash credit accounts	2029.08	654.97
In fixed deposit accounts	958.58	1413.59
In unclaimed dividend accounts	63.51	57.64
	4,399.02	3,365.46
With Shree Warna Sahakari Bank Limited		
In current account (Maximum balance at any time during the year Rs. 15.57 lakhs - previous year : Rs. 18.98 lakhs)	0.46	0.91
TOTAL	4,415.25	3,388.66
SCHEDULE 'L'		
LOANS AND ADVANCES		
Considered good except otherwise stated		
Advances to subsidiary companies	2984.93	1093.97
Advances recoverable in cash or in kind or for value to be received		
Considered good	1,428.49	1,746.94
Advance payments against taxes	5,705.02	11,358.08
Balances with Central Excise Collectorate	121.92	389.79
TOTAL	10,240.36	14,588.78
Note:		
Advances recoverable in cash or in kind or for value to be received include :		
Amount due by officers of the company	12.06	11.86
Maximum during the year	15.24	16.14

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010As at 31st
March, 2009
(Rs. in lakhs)

(Rs. in lakhs)

SCHEDULE 'M'**LIABILITIES**

Sundry creditors

Subsidiary companies	50.50	56.59
Micro, Small and Medium Enterprises	160.15	85.73
Others	3,368.71	3,548.14

3,579.36 3,690.46

Advances received from customers

6,289.24 5,529.59

Unclaimed dividends*

63.51 57.64

Interest accrued but not due on loans

11.98 24.25

TOTAL

9,944.09 9,301.94

* There are no amounts due and outstanding
to be credited to Investor Education and Protection Fund

SCHEDULE 'N'**PROVISIONS**

Provision for taxation	5,290.64	11,341.93
Proposed dividend	304.15	608.30
Provision for tax on proposed dividend	50.51	103.38
Other provisions	261.41	291.90

(Refer Schedule 'T' - Note 8)

TOTAL

5,906.71 12,345.51



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
SCHEDULE 'O'		
OPERATING INCOME		
Service and erection charges received (Tax deducted at source Rs. 16.95 lakhs - previous year Rs. 22.73 lakhs)	250.36	685.46
Miscellaneous receipts	101.63	150.45
Profit on sale of assets (Net)	–	43.59
Sundry credit balances appropriated	1.45	2.58
Excess provision for doubtful debts and advances	1.21	–
Excess provision for diminution in value of investments	15.78	–
TOTAL	370.43	882.08
SCHEDULE 'P'		
OTHER INCOME		
Dividend	136.69	203.17
Rent (gross) (Tax deducted at source Rs. 4.43 lakhs - previous year Rs. 5.62 lakhs)	28.98	27.21
Profit on sale of investments	70.58	262.21
TOTAL	236.25	492.59

SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
SCHEDULE 'Q'		
MATERIALS		
A. Consumption of raw materials and components		
Opening stock	3,363.72	3,353.86
Add : Purchases		
(including component processing charges Rs. 324.18 lakhs - previous year : Rs. 1,128.56 lakhs)	8,394.24	25,154.73
	<u>11,757.96</u>	<u>28,508.59</u>
Less: Closing stock	3,640.19	3,363.72
Consumption		
(excluding amount capitalised Rs.13.20 lakhs - previous year : Rs. 20.94 lakhs)	8,117.77	25,144.87
B. Excise duty on closing stock of finished products	99.90	343.85
Less : Provision for excise duty on opening stock of finished products	343.85	240.65
	<u>(243.95)</u>	<u>103.20</u>
C. Decrease / Increase in stock of finished products, work-in-progress and manufactured components		
Closing stock		
Finished products	1,472.17	6,193.24
Work-in-progress	960.83	630.32
Manufactured components	2,528.66	2,337.37
	<u>4,961.66</u>	<u>9,160.93</u>
Less: Opening stock		
Finished products	6,193.24	3,189.45
Work-in-progress	630.32	1,058.84
Manufactured components	2,337.37	2,634.52
	<u>9,160.93</u>	<u>6,882.81</u>
	4,199.27	(2,278.12)
TOTAL	<u><u>12,073.09</u></u>	<u><u>22,969.95</u></u>

SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
SCHEDULE 'R'		
OTHER EXPENSES		
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES		
Salaries, wages, bonus and allowances	2,788.76	3,589.55
Company's contributions to provident and other funds	225.72	236.13
Company's contributions to Employees' Group Gratuity Scheme	51.61	90.46
Welfare expenses	109.04	196.31
	3,175.13	4,112.45
OPERATION AND OTHER EXPENSES		
Stores and tools consumed	224.42	567.03
Electricity charges	88.65	179.42
Repairs to machinery	29.43	149.87
Repairs to buildings	12.69	27.92
Other repairs	50.52	71.28
Rent	9.87	8.39
Rates and taxes (other than on income)	5.33	3.29
Insurance charges	17.29	36.98
Travelling and conveyance	250.69	195.99
Advertisement and sales promotion expenses	74.23	740.20
Commission on sales	743.82	1,354.19
Royalty on sales	–	20.35
Bank and finance charges	202.32	153.83
Bad debts	118.98	3.57
Sundry debit balances written off	0.38	5.51
Loss on sale of assets	2.12	–
Fixed assets written off	4.23	48.89
Warranty expenses	36.22	196.27
Research and development expenses	183.23	431.28
Donations	10.20	47.22
Exchange loss (Net)	58.54	1,520.14
Expenses incurred on damaged capital goods	–	72.45
Legal and professional fees	87.47	54.05
Miscellaneous expenses	322.94	505.09
Short provision and adjustments relating to previous years	123.00	178.22
	2,656.57	6,571.43
FREIGHT AND HANDLING CHARGES	44.45	91.74
PACKING AND FORWARDING CHARGES	6.14	167.92
DIRECTORS' FEES	3.96	4.12
PROVISION FOR DOUBTFUL DEBTS AND ADVANCES	–	4.33
PROVISION FOR DIMINUTION IN VALUE OF CURRENT INVESTMENTS	–	15.79
TOTAL	5,886.25	10,967.78



SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
SCHEDULE 'S'		
INTEREST		
On fixed deposits and fixed loans	136.47	403.99
On cash credit accounts	144.37	68.55
Others	39.84	8.65
	320.68	481.19
Less : Interest on deposits, debts etc. (gross)		
(Tax deducted at source Rs. 18.42 lakhs- previous year : Rs. 12.18 lakhs)	176.43	122.40
TOTAL	144.25	358.79

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

2009 - 2010	2008 - 2009
(Rs. in lakhs)	(Rs. in lakhs)

SCHEDULE 'T'**NOTES FORMING PART OF THE BALANCE****SHEET AND THE PROFIT AND LOSS ACCOUNT****1 Accounting Policies****Basis for preparation of accounts**

The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting in accordance with the generally accepted accounting principles, accounting standards notified under section 211(3C) of the Companies Act, 1956, and the relevant provisions thereof.

Sales

Sales comprise of sale of goods and spare parts and are net of trade discount and sales returns.

Employee benefits

- (i) Provident fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the profit and loss account in the year in which the contributions to the fund are accrued.
- (ii) Superannuation fund is a defined contribution scheme and contributions to the scheme are charged to the profit and loss account in the year when the contributions accrue. The scheme is funded with an insurance company in the form of a qualifying insurance policy.
- (iii) The company has a defined benefit gratuity scheme. For the defined benefit scheme, actuarial valuations are being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the profit and loss account in the period in which they occur.
- (iv) Leave encashment benefit is provided on the basis of actuarial valuation done at the end of the year. The aforesaid leave liability is not funded.

Research and development

Revenue expenditure on research and development is charged to profit and loss account in the year in which it is incurred. Capital expenditure on research and development is included in additions to fixed assets under appropriate heads.

Depreciation

Depreciation on fixed assets is provided on straight-line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Transactions in foreign currencies

Transactions in foreign currencies are accounted for in the following manner :

Transactions covered by forward contracts are accounted for by recognising the difference between the forward rate and the exchange rate on the date of the transaction as income or expenditure over the life of the contract.

Transactions not covered by forward contracts are accounted for in the following manner :

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
--	-------------------------------	-------------------------------

- (i) Export sales and import purchases are accounted for at exchange rates prevailing at the time of the transactions.
- (ii) Gains/losses arising out of the foreign currency transactions are recognised in the profit and loss account.
- (iii) Other assets and liabilities are restated at the rates ruling at the year-end and the differences on such retranslation are recognised in the profit and loss account.

The company has not used any other derivative instrument except forward contracts which have been used for hedging its foreign currency exposure. The company has not undertaken any speculative or trading activity through derivative instruments.

As at the year end the company had unutilised foreign exchange forward contracts of USD 3,500,000 (previous year USD 9,363,530)

Fixed assests

Fixed assets are stated at their original cost of acquisition including incidental expenses related to acquisition and installation of the concerned assests.

The fixed assests manufactured by the company are stated at manufacturing cost. Fixed assets are shown net of accumulated depreciation.

Impairment of assets

Cash generating units/assets are assessed for possible impairment at balance sheet date based on external and internal sources of information. Impairment losses, if any, are recognised as an expense in the profit and loss account.

Investments

Long term investments are stated at cost less other than temporary diminution in value, if any. Current investments are stated at lower of cost and fair value, determined on a portfolio basis.

Inventories

Cost of inventories is generally ascertained on the weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares are stated at lower of cost and net realisable value.

Consumable tools are stated at cost or under.

Work-in-progress and manufactured components are valued at estimated cost.

Finished products are valued at lower of cost and net realisable value.

Excise duty is included in the value of finished products inventory.

Provision for doubtful debts/advances

Sundry debtors/advances are stated after making adequate provision for doubtful debts/advances.

Taxation

Provision for income-tax is made on the basis of the estimated taxable income per the provisions of the Income-tax Act, 1961 and the relevant Finance Act. The company provides for deferred tax using the liability method, based on the tax effects of timing differences resulting from the recognition of items in the financial statements and in estimating its current income-tax provision.

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)		
Provisions, contingent liabilities and contingent assets				
Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.				
2 Contingent liabilities				
(i) Claims against the company not acknowledged as debts :	63.32	33.03		
(ii) Income-tax, sales tax, customs duty, excise duty and service tax demands against which the company has preferred appeals/made representations	55.21	91.55		
(iii) Unexpired letters of credit opened by banks amount to :	214.58	12.51		
(iv) On account of guarantees executed by the company's bankers	3398.55	8.34		
(v) On account of undertakings given by the company in favour of Customs Authority	3504.20	953.50		
(vi) On account of the following guarantees given by the company in respect of credit facilities given to it's subsidiary Manugraph DGM, Inc. by their bankers : Undertaking in the form of support agreement in favour of subsidiary's bankers and bank guarantee for the value of USD. 5 million	3266.67	3861.85		
3 Estimated amount of contracts remaining to be executed on capital account and not provided for was :	3.37	441.28		
4 The particulars of investments purchased and sold during the year are as under.				
Name of the company	Nos.	Purchase cost Rs.	Nos.	Purchase cost Rs.
IDFC Arbitrage Plus Fund Plan -A				
Dividend Reinvestment	—	—	1000000.000	100,000,000
Reliance Floating Rate Fund				
Dividend Reinvestment	—	—	9914634.993	100,000,000
J P Morgan India Active Bond Fund Instl.				
Dividend Reinvestment	—	—	4930237.144	50,000,000
DSP ML FMP 3M Series 16 Instl.				
Dividend Reinvestment	—	—	5000000.000	50,000,000
IDFC Liquid Plus Fund Treasury Plan				
Dividend Reinvestment	—	—	5970401.670	60,184,000
IDFC Fixed Maturity Plan Quarterly Series 47				
Dividend Reinvestment	—	—	2000000.000	20,000,000
IDFC Money Manager Treasury Plan				
Weekly Dividend Reinvestment	1443595.44	14,552,886	—	—
TATA Short Term Bond Fund Dividend	1667722.89	20,000,000	—	—
DWS Twin Advantages Fund Regular				
Monthly Dividend	2305337.32	25,000,000	—	—

**SCHEDULE FORMING PART OF THE ACCOUNTS FOR
THE YEAR ENDED 31ST MARCH, 2010**

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)		
5 The current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.				
6 Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) The company has amounts due to suppliers under MSMED as at 31st March, 2010. The disclosure pursuant to the said Act is as under :				
(a) (i) Principal amount remaining unpaid to any supplier	30.81	64.33		
(ii) Interest on (a) (i) above	0.51	1.92		
(b) (i) The amount of principal paid beyond the appointed date	894.84	870.05		
(ii) The amount of interest paid beyond the appointed date	—	—		
(c) Amount of interest due and payable on delayed payments	23.54	21.31		
(d) Amount of interest accrued and due as at 31st March, 2010	24.05	23.23		
(e) Total outstanding dues of micro, small and medium enterprises	160.15	85.73		
The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the company.				
7 Confirmations from some of the creditors were not received by the company and therefore their balances are per books of account only.				
8 Other provisions :				
Particulars	As at 1 st April, 2009	Provision made during the year	Amounts utilised/ reversed during the year	As at 31st March, 2010
(i) Leave encashment	216.14	—	3.26	212.88
	(192.88)	(23.26)	(—)	(216.14)
(ii) Warranty expenses	75.76	—	27.23	48.53
	(19.27)	(56.49)	(—)	(75.76)
	291.90	—	30.49	261.41
	(212.15)	(79.75)	(—)	(291.90)
9 Revenue expenses on research and development activities amounting to Rs. 183.23 lakhs (previous year Rs. 431.28 lakhs) as certified by the management, have been debited to the profit and loss account, per past practice of the company.				

**SCHEDULE FORMING PART OF THE ACCOUNTS FOR
THE YEAR ENDED 31ST MARCH, 2010**

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
10 Miscellaneous expenses :	322.94	505.09
This amount includes fees and out of pocket expenses paid to the auditors as follows :		
Audit fees	13.75	12.50
In other capacities		
Tax audit	1.80	1.40
Taxation matters	—	2.55
Other services	4.83	3.50
Reimbursement of travelling and out of pocket expenses	0.13	0.15
11 (a) Managerial remuneration under section 198 of the Companies Act, 1956 for managing directors and whole-time director.		
Salary	75.92	76.52
Rent allowance	25.58	40.62
Commission	50.00	240.00
Perquisites	15.58	14.86
Company's contributions to provident and other funds	10.33	10.29
	<u>177.41</u>	<u>382.29</u>
(b) Computation of net profit for commission payable to managing directors.		
Profit before taxation per profit and loss account	1,942.07	5,454.89
Add : Managing and other directors' remuneration and commission	177.41	382.29
Depreciation charged in accounts	783.46	927.36
Loss on sale of assets	2.12	—
Fixed assets written off	4.23	48.89
Directors' fees	3.96	4.12
Provision for doubtful debts and advances	—	4.33
Provision for earned leave wages	—	23.26
Provision for warranty expenses	—	56.49
Provision for diminution in value of current investments	—	15.79
Provision for gratuity liability	—	32.09
	<u>971.18</u>	<u>1,494.62</u>
	2,913.25	6,949.51
Less : Depreciation under section 350 of the Companies Act, 1956	783.46	927.36
Profit on sale of assets	—	43.59
Profit on sale of investments	70.58	262.21
Excess provision for doubtful debts and advances	1.21	—

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
Excess Provision for earned leave wages	3.26	—
Excess Provision for warranty expenses	27.22	—
Excess provision for diminution in value of current investments	15.78	—
	901.51	1,233.16
Net profit per section 309(5) of the Companies Act, 1956	2,011.74	5,716.35
Maximum managerial remuneration to two managing directors. 10% of the net profit Rs. 2011.74 lakhs	201.17	571.64
Commission payable, restricted to -		
Vice-Chairman and Managing Director	25.00	120.00
Managing Director	25.00	120.00
12 The company provides gratuity to all employees. The benefit is in the form of lumpsum payments to vested employees on resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary and dearness allowance for each completed year of service. Vesting occurs upon completion of five years of service. The company makes annual contributions to fund administered by trustees and managed by Life Insurance Corporation of India, for amounts notified by it. The gratuity benefit is a defined benefit plan.		
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Present value of obligation as at April 1, 2009	867.59	766.67
Interest cost	69.41	61.33
Current service cost	38.85	36.16
Benefits paid	(78.57)	(41.87)
Actuarial gain/(loss) on obligation	6.50	45.30
Present value of obligation as at March 31, 2010	903.77	867.59
Reconciliation of opening and closing balances of the fair value of plan assets		
Fair value of plan assets as at April 1, 2009	723.96	555.14
Expected return on plan assets	63.15	52.33
Contributions	65.06	158.36
Benefits paid	(78.57)	(41.87)
Actuarial gain/(loss) on plan assets	—	—
Fair value of plan assets as at March 31, 2010	773.60	723.96
Amount recognised in Balance Sheet :		
Fair value of plan assets as at the end of the year	773.60	723.96
Present value of obligation as at the end of the year	903.77	867.59
Asset/(liability) recognised in the balance sheet	(130.17)	(143.63)
Expense recognised in the Profit and Loss account :		
Interest cost	69.41	61.33
Current service cost	38.85	36.16
Expected return on plan assets	(63.15)	(52.33)
Net actuarial gain/(loss) recognised in the year	6.50	45.30
Net cost	51.61	90.46
Assumptions		
Discount rate	8%	8%
Salary escalation rate (annual)	4%	4%



SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

13 The operation of the company represents wholly one segment of activity relating to production of printing machines and the entire production operations are located in India. Accordingly all earnings, assets and liabilities relate to this activity only.

14 Licenced capacity, installed capacity and production	Licenced capacity Nos.	Installed capacity* Nos.	Production Nos.
Printing units	N.A. (N.A.)	960 (960)	253 (784)

* Installed capacities are as certified by the whole-time director, but not verified by the auditors, being a technical matter.

15 Turnover and closing and opening stocks of products manufactured

Turnover	Quantity (Nos.)	Amount (Rs. in lakhs)
Printing units	376 (703)	19,362.54 (37,199.75)
Spares and accessories		831.26 (2,011.37)
		20,193.80 (39,211.12)

Closing and Opening Stocks

	Closing stock		Opening stock	
	Quantity (Nos.)	Amount (Rs. in lakhs)	Quantity (Nos.)	Amount (Rs. in lakhs)
Printing units	28 (151)	1,472.17 (6,193.24)	151 (70)	6,193.24 (3,189.45)

16 Raw materials and components consumed

Items	Unit	Quantity	Amount (Rs. in lakhs)
Steel and other metals	Mtrs.	10155 (26353)	683.34 (1,327.11)
Castings	Kgs.	740151 (2650717)	433.30 (1,841.12)
Electrical parts			1,967.97 (6,476.65)
Components			5,033.16 (15,499.99)
			8,117.77 (25,144.87)

Note:

The consumption in value has been ascertained on the basis of opening stock plus purchases less closing stock as adjusted on account of excesses and shortages ascertained on physical count and write off of obsolete and unserviceable components.

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

17 Value of imports (calculated on C.I.F. basis)

	(Rs. in lakhs)
Components	934.64
	(4,590.69)
Capital goods	—
	(355.23)
Stores, spares and tools	20.29
	(110.20)

18 Expenditure in foreign currencies

Royalty on sales	—
	(17.65)
Professional fees	25.60
	(1.32)
Interest	136.47
	(40.40)
Payments on other accounts	168.40
	(730.21)

19 Remittances in foreign currencies for dividend

The company has remitted during the year dividend in foreign currency to non-resident shareholders. The particulars of dividend paid during the year are as under.

Number of non-resident shareholders	9
	(11)
Number of equity shares of Rs. 2 each held by them	130,154
	(415,306)
Amount of dividend remitted (Rs.)	260,308
For 2008 - 2009	(830,612)

20 Value of imported and indigenous raw materials and components consumed and the percentage of each to the total consumption.

	Amount (Rs. in lakhs)	Percentage
Imported - C.I.F., custom duty and other charges	780.56	10%
	(6,291.01)	(25%)
Indigenously obtained	7,337.21	90%
	(18,853.86)	(75%)
	8,117.77	100%
	(25,144.87)	(100%)

Note :

In giving the above information, the company has taken the view that spares and components as referred to in clause 4D(c) of part II of Schedule VI cover only such items as go directly into production.

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

21 Earnings in foreign exchange

(Rs. in lakhs)

Export of printing units (calculated on F.O.B. basis)	5,410.50 (11,928.19)
Interest	59.25 (60.64)

22 Earnings per share

(a) Net profit after tax available for equity shareholders	1,330.27 (3,688.75)
(b) Weighted average number of equity shares of Rs. 2 each outstanding during the year (No. of shares)	30415061 (30415061)
(c) Basic and diluted earnings per share (Rs.) (a/b)	4.37 (12.13)

23 DISCLOSURE PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

Name of Loanees	As at 31st March, 2010 (Rs. in lakhs)	Maximum amount outstanding during 2009 - 2010 (Rs. in lakhs)
Amount of Loans / Advances in nature of loan outstanding with no repayment schedule		
Subsidiary Companies		
Manugraph DGM Inc. U.S.A.	2981.93 (1090.97)	2981.93 (1090.97)
Advances in nature of loan carrying Nil rate of interest		
Constrad Agencies (Bombay) Private Limited	3.00 (3.00)	3.00 (3.00)

NOTE :

None of these loanees have, per se, made investment in shares of the company



SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

24 Related parties disclosure (as identified by the management)

Related party relationships

(a) Subsidiary companies	Constrad Agencies (Bombay) Private Limited Manugraph Kenya Limited Manugraph DGM Inc. USA.
(b) Other related parties where control exists	Multigraph Machinery Company Limited Manu Enterprises Limited Manubhai Sons and Company
(c) Key management personnel	Mr. Sanjay S. Shah, Vice-Chairman and Managing Director Mr. Pradeep S. Shah, Managing Director
(d) Relatives of key management personnel	Mr. Sanat M. Shah, (Father of Messrs. Sanjay and Pradeep Shah) Mrs. Ameeta S. Shah, (Spouse of Mr. Sanjay S. Shah) Mrs. Rupali P. Shah, (Spouse of Mr. Pradeep S. Shah)

Transactions with related parties

Type of related party	Description of the nature of transactions	Volume of transactions during 2009 - 2010	Rupees in lakhs	
			Amount outstanding as on 31st March, 2010 Receivable	Payable
Subsidiary companies	Purchase of goods	348.63 (32.72)		10.26 (31.98)
	Sale of goods	231.11 (253.58)	191.20 (130.51)	
	Investment	NIL (690.90)		
	Finance given	2156.37 (NIL)	2927.42 (1043.84)	
	Interest received	59.25 (60.64)	57.02 (48.31)	
	Advances recoverable	NIL (NIL)	3.00 (3.00)	
	Expenditure on other services	6.16 (300.03)	5.53 (2.22)	
	Commission paid	40.24 (NIL)		40.24 (NIL)
	Commission paid	638.08 (1237.11)		121.29 (NIL)
Other related parties where control exists	Finance received	NIL (200.00)		
	Rent received	28.98 (27.21)		
	Rent paid	1.60 (3.16)		
	Interest paid	NIL (4.44)		
	Managerial remuneration paid	162.80 (366.05)		
Key Management Personnel	Directors' fees	0.50 (0.50)		

In respect of above parties, there is no provision for doubtful debts as on 31st March, 2010 and no amount has been written off or written back during the year in respect of debts due from/to them.

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

25 Additional information as required under part IV of Schedule VI to the Companies Act, 1956

Balance sheet abstract and Company's general business profile.

I. Registration details

Registration No.	L29290MH1972PLC015772
State Code	11
Balance sheet date	31.03.2010

II. Capital raised during the year

(Amount in Rs. Thousand)

Public issue	NIL
Rights issue	NIL
Bonus issue	NIL
Private placement	NIL

III. Position of mobilisation and deployment of funds

(Amount in Rs. Thousand)

Total liabilities	3028589
Total assets	3028589
Sources of funds	
Paid-up capital	60830
Reserves and surplus	2413137
Secured loans	318647
Unsecured loans	150000
Deferred payment liability	31581
Deferred tax liability	54394
Application of funds	
Net fixed assets	733920
Investments	1415091
Net current assets	879578
Miscellaneous expenditure	NIL
Accumulated losses	NIL

IV. Performance of the Company

Turnover (Gross revenue)	2080048
Total expenditure	1885841
Profit before tax	194207
Profit after tax	133027
Earning per share - Basic (Rs.)	4.37
Dividend rate %	50

V. Generic names of two principal products

Item Code No. (I.T.C. Code)	844312
Product Description	Sheet fed offset printing units
Item Code No. (I.T.C. Code)	844321
Product description	Web offset printing units

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

- 26** Figures of the previous year have been regrouped to confirm with this year's groupings wherever necessary.
- 27** Figures in parenthesis are in respect of the previous year.
- 28** Figures have been rounded off to the nearest thousand and shown in rupees lakhs.

Signatures to Schedules 'A' to 'T'.

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.

Chartered Accountants

(Burjor F. Pavri)

Proprietor

R. V. Joshi
Company Secretary

Mumbai, 11th August, 2010

S. M. Shah

S. S. Shah

P. S. Shah

M. R. Harshe

Chairman

Vice-Chairman and Managing Director

Managing Director

Whole-time Director

Mumbai, 11th August, 2010



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year ended 31st March, 2010 (Rs. in lakhs)	Year ended 31st March, 2009 (Rs. in lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	1,942.07	5,454.89
Add : Depreciation	783.46	927.36
Interest	144.25	358.79
Fixed assets written off	4.23	48.89
Loss on sale of assets	2.12	—
Provision for earned leave wages	—	23.26
Provision for diminution in value of current investments	—	15.79
Provision for warranty expenses	—	56.49
	934.06	1,430.58
	2,876.13	6,885.47
Deduct : Dividend received	136.69	203.17
Excess provision for diminution in value of investments	15.78	—
Excess provision for earned leave wages	3.26	—
Excess provision for warranty expenses	27.23	—
Rent received	28.98	27.21
Profit on sale of assets	—	43.59
Profit on sale of investments	70.58	262.21
	282.52	536.18
Operating profit before working capital changes	2,593.61	6,349.29
Add : Increase in trade payables and other liabilities	648.55	—
Decrease in trade and other receivables	—	3,466.71
Decrease in inventories	3,969.89	—
	4,618.44	3,466.71
	7,212.05	9,816.00
Deduct : Increase in trade and other receivables	887.88	—
Decrease in trade payables and other liabilities	—	3,121.74
Increase in inventories	—	2,214.71
	887.88	5,336.45
Cash generated from operations	6,324.17	4,479.55
Deduct : Direct taxes	1,030.81	1,473.45
Net cash inflow in course of operating activities	5,293.36	3,006.10

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year ended 31st March, 2010 (Rs. in lakhs)	Year ended 31st March, 2009 (Rs. in lakhs)
B CASH FLOW FROM INVESTING ACTIVITIES		
Outflow		
Purchase of fixed assets	373.99	1,439.51
Purchase of investments	5,081.21	6,509.09
	5,455.20	7,948.60
Inflow		
Sale of investments	3,504.24	8,075.21
Sale of fixed assets	5.25	74.66
Dividend received	136.69	203.17
Rent received	28.98	27.21
	3,675.16	8,380.25
Net cash inflow/(outflow) in course of investing activities	(1,780.04)	431.65
C CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings (Net)	(1,624.40)	(994.28)
	(1,624.40)	(994.28)
Add : Interest paid (Net)	156.52	361.66
Dividend paid	602.43	602.70
Tax on dividend	103.38	103.38
	862.33	1,067.74
Net cash outflow in course of financing activities	(2,486.73)	(2,062.02)
Net increase in cash/cash equivalents [A-(B+C)]	1,026.59	1,375.73
Add : Opening cash/ cash equivalents	3,388.66	2,012.93
Cash/cash equivalents at the close of the year	4,415.25	3,388.66

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.
Chartered Accountants
(Burjor F. Pavri)
Proprietor

R. V. Joshi
Company Secretary

Mumbai, 11th August, 2010

S. M. Shah Chairman
S. S. Shah Vice-Chairman and Managing Director
P. S. Shah Managing Director
M. R. Harshe Whole-time Director

Mumbai, 11th August, 2010



MANUGRAPH INDIA LTD.

FINANCIAL HIGHLIGHTS - Standalone

(Rs.in Crores)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
PROFIT & LOSS ACCOUNT SUMMARY											
Turnover - Domestic	70.64	76.95	71.70	143.39	188.25	218.03	246.14	281.70	272.83	147.83	
- Export	28.46	48.39	42.47	59.20	59.71	103.47	122.70	141.26	119.28	54.11	
- Total Net Sales	99.10	125.34	114.17	202.59	247.96	321.50	368.84	422.96	392.11	201.94	
Operating Income	2.29	1.99	2.07	2.93	4.41	6.42	9.51	21.22	8.82	3.70	
Other Income	0.13	0.00	0.08	0.30	2.02	5.31	2.82	10.46	4.93	2.36	
	101.52	127.33	116.32	205.82	254.39	333.23	381.17	454.64	405.86	208.00	
Costs & Expenses											
Materials Cost	52.82	63.87	67.31	126.14	143.04	173.61	224.95	262.43	229.70	120.73	
Personnel Expenses	14.23	19.34	18.62	20.71	24.45	28.63	27.91	40.19	41.13	31.75	
Operating and Other Expenses	20.05	28.88	19.48	28.16	35.51	36.68	47.37	45.90	67.62	26.83	
Depreciation	4.63	5.34	5.20	6.01	5.82	6.05	7.42	8.29	9.27	7.83	
Interest Expense	3.84	2.40	1.93	1.17	0.66	0.92	3.11	4.11	3.59	1.44	
	95.57	119.83	112.54	182.19	209.48	245.89	310.76	360.92	351.31	188.58	
Profit before Extra-ordinary Items	5.95	7.50	3.78	23.63	44.91	87.34	70.41	93.72	54.55	19.42	
Compensation under V.R.S.	1.63	0.47	1.45	6.05							
Surplus on pre-payment of Sales-tax (deferral) loans						4.45					
Profit before Taxation	4.32	7.03	2.33	17.58	44.91	91.79	70.41	93.72	54.55	19.42	
Provision for Taxation	1.56	1.24	1.07	4.89	15.38	29.95	23.00	31.69	17.66	6.12	
Profit after Taxation	2.76	5.79	1.26	12.69	29.53	61.84	47.41	62.03	36.89	13.30	
BALANCE SHEET SUMMARY											
Assets Employed											
Fixed Assets (Gross)	70.60	67.09	71.16	78.90	89.58	99.97	119.27	134.02	142.41	147.64	
Fixed Assets (Net)	34.69	31.14	31.25	33.94	43.68	51.86	59.54	73.28	77.60	73.39	
Investments	1.50	1.50	2.52	2.97	8.21	26.54	165.50	138.07	124.88	141.51	
Current Assets (Net)	37.05	45.98	41.95	45.58	56.51	57.16	43.82	78.26	107.07	87.95	
Miscellaneous Expenditure (to the extent not written off or adjusted)	2.95	1.47	8.08								
	76.19	80.09	83.80	82.49	108.40	135.56	268.86	289.61	309.55	302.85	
Financed by											
Share Capital	7.11	6.00	6.00	6.00	6.00	6.00	6.08	6.08	6.08	6.08	
Reserves and Surplus	35.04	30.06	30.23	37.82	60.80	109.33	154.51	202.17	231.94	241.31	
Shareholders' Funds	42.15	36.06	36.23	43.82	66.80	115.33	160.59	208.25	238.02	247.39	
Borrowings	34.04	39.58	42.78	36.79	39.39	17.61	105.40	76.21	66.27	50.02	
Deferred Tax Liability		4.45	4.79	1.88	2.21	2.62	2.87	5.15	5.26	5.44	
	76.19	80.09	83.80	82.49	108.40	135.56	268.86	289.61	309.55	302.85	
OTHER INVESTOR INFORMATION											
Earnings per share	Rs.	3.89	8.38	2.10	21.13	49.18	20.60	15.73	20.39	12.13	4.37
Dividend	%	12	18	12	40	100	200	150	200	100	50
Book value per share	Rs.	59.29	60.07	60.36	73.00	111.27	38.42	52.80	68.47	78.26	81.34
Market value of share	High Rs.	29.70	42.00	75.00	206.00	1000.00	318.25	259.00	192.00	114.00	68.00
	Low Rs.	14.00	20.05	18.05	40.00	150.15	175.00	104.25	24.50	24.50	29.10
No. of Shareholders		12330	8916	8608	7867	7908	9239	11515	13669	14320	15480
No. of Employees		1691	1571	1337	1324	1321	1330	1313	1341	1327	1222
Equity share of Rs. 10/- upto 2004-05 and Rs.2/- from 2005-06.											



AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF
MANUGRAPH INDIA LIMITED

We have audited the attached consolidated balance sheet of Manugraph India Limited and its subsidiaries as at 31st March, 2010, the consolidated profit and loss account for the year ended on that date and the consolidated cash flow statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Manugraph India Limited's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of any of the subsidiaries, whose financial statements reflect total assets of Rs. 287.00 lakhs as at 31st March, 2010 and total revenue of Rs. 5,470.41 lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21- Consolidated Financial Statements, as notified under the Companies (Accounting Standards) Rules, 2006.

Based on our audit and on consideration of the separate audit reports on individual audited financial statements of Manugraph India Limited and its aforesaid subsidiaries, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) in the case of the consolidated balance sheet, of the state of affairs of the Manugraph Group as at 31st March, 2010;
- (b) in the case of the consolidated profit and loss account, of the loss of the Manugraph Group for the year ended on that date; and
- (c) in the case of the consolidated cash flow statement, of the cash flows of the Manugraph Group for the year ended on that date.

FOR B. F. PAVRI & CO.
CHARTERED ACCOUNTANTS
(Registration No. 107865W)

(BURJOR F. PAVRI)
PROPRIETOR
Membership No. 4931

MUMBAI,
11th August, 2010



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Capital	A	608.30	608.30
Reserves and surplus	B	21,811.31	22,097.12
		22,419.61	22,705.42
LOAN FUNDS			
Secured loans	C	5,102.14	8,975.96
Unsecured loans	D	1,500.00	—
Deferred payment liability	E	360.84	613.84
		6,962.98	9,589.80
TOTAL FUNDS EMPLOYED		29,382.59	32,295.22
APPLICATION OF FUNDS			
FIXED ASSETS	F		
Gross block		18,023.89	18,923.17
Less: Depreciation		9,072.94	8,808.78
Net block		8,950.95	10,114.39
Capital work-in-progress		64.75	243.77
		9,015.70	10,358.16
GOODWILL ON CONSOLIDATION		6,644.09	6,644.09
INVESTMENTS	G	4,440.87	2,777.54
DEFERRED TAX ASSETS	H	1,875.64	1,231.14
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	I	10,788.76	17,014.53
Sundry debtors	J	1,577.26	2,475.86
Cash and bank balances	K	4,430.87	3,428.50
Loans and advances	L	7,301.35	13,969.35
		24,098.24	36,888.24
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Liabilities	M	10,667.48	12,864.24
Provisions	N	6,028.70	12,740.53
		16,696.18	25,604.77
NET CURRENT ASSETS		7,402.06	11,283.47
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Deferred financing cost		4.23	0.82
TOTAL ASSETS (NET)		29,382.59	32,295.22
CONTINGENT LIABILITIES AND NOTES ON CONSOLIDATED BALANCE SHEET	T		

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.

Chartered Accountants

(Burjor F. Pavri)

Proprietor

R. V. Joshi
Company Secretary

S. M. Shah

S. S. Shah

P. S. Shah

M. R. Harshe

Chairman

Vice-Chairman and Managing Director

Managing Director

Whole-time Director

Mumbai, 11th August, 2010

Mumbai, 11th August, 2010



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
INCOME			
Sales (gross) (Excluding sales return Rs. 16.72 lakhs - previous year : Rs. 3.70 lakhs)		25,868.49	59,874.53
Less : Excise duty		1,412.39	3,915.44
Net sales		24,456.10	55,959.09
Operating income	O	948.72	1,622.61
Other income	P	247.01	518.11
		25,651.83	58,099.81
EXPENDITURE			
Materials	Q	14,976.34	35,264.38
Other expenses	R	9,312.22	17,509.06
Depreciation		1,107.00	1,408.25
Interest	S	311.73	576.02
		25,707.29	54,757.71
Less: Expenditure transferred to capital accounts		28.64	92.98
TOTAL EXPENDITURE		25,678.65	54,664.73
(LOSS) / PROFIT BEFORE TAX		(26.82)	3,435.08
Less: Provision for taxation			
Current tax		621.04	1,729.49
Deferred tax credit		(644.51)	(936.42)
Fringe benefit tax		-	26.21
		(23.47)	819.28
Provision for wealth tax		2.66	2.77
		(20.81)	822.05
(LOSS) / PROFIT AFTER TAX		(6.01)	2,613.03
Add: Income-tax pertaining to previous year		38.40	-
		(44.41)	2,613.03
Add: Balance brought forward from last year		2,122.46	1,421.11
AMOUNT AVAILABLE FOR APPROPRIATIONS		2,078.05	4,034.14
APPROPRIATIONS			
Proposed dividend		304.15	608.30
Tax on proposed dividend		50.51	103.38
General reserve		1,200.00	1,200.00
		1,554.66	1,911.68
BALANCE CARRIED TO BALANCE SHEET		523.39	2,122.46
Basic and diluted earnings per share (Rs.) (Schedule 'T'- Note.11)		(0.02)	8.59

**NOTES ON CONSOLIDATED
PROFIT AND LOSS ACCOUNT****T**

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.
Chartered Accountants(Burjor F. Pavri)
ProprietorR. V. Joshi
Company Secretary

S. M. Shah	Chairman
S. S. Shah	Vice-Chairman and Managing Director
P. S. Shah	Managing Director
M. R. Harshe	Whole-time Director

Mumbai, 11th August, 2010

Mumbai, 11th August, 2010



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

		As at 31st March, 2009 (Rs. in lakhs)	(Rs. in lakhs)
SCHEDULE 'A'			
CAPITAL			
AUTHORISED			
9,85,00,000 equity shares of Rs. 2 each	1,970.00		1,970.00
10,000 preference shares of Rs.100 each	10.00		10.00
20,000 unclassified shares of Rs.100 each	20.00		20.00
3,50,000 redeemable preference shares of Rs. 100 each	350.00		350.00
		<u>2,350.00</u>	<u>2,350.00</u>
ISSUED			
3,04,15,061 (previous year : 3,04,15,061) equity shares of Rs. 2 each		<u>608.30</u>	<u>608.30</u>
SUBSCRIBED			
3,04,15,061 (previous year : 3,04,15,061) equity shares of Rs. 2 each, fully paid up		<u>608.30</u>	<u>608.30</u>
Of the above equity shares,			
2,21,840 equity shares of Rs.10 each, fully paid up, allotted (at premium of Rs.10 per share) on conversion of part of the face value (i.e.Rs.40) of each 14 per cent secured redeemable convertible debenture of Rs.140.			
20,28,822 equity shares of Rs.10 each, fully paid up, allotted (at premium of Rs. 35 per share) on conversion of each zero per cent interest secured fully convertible debenture of Rs. 90.			
3,20,000 equity shares of Rs.10 each, fully paid up, allotted (at premium of Rs. 35 per share) on conversion of each zero per cent interest secured fully convertible debenture of Rs. 90 issued to non-residents of Indian nationality/ origin and Overseas Corporate Bodies.			
10,40,000 equity shares of Rs. 10 each, allotted to shareholders of the erstwhile Manuweb International Limited in the ratio of one equity share of Rs. 10 each credited as fully paid up in exchange for one equity share of Rs. 10 each fully paid up held in the erstwhile Manuweb International Limited pursuant to Mumbai High Court's Order.			
During the year ended 31st March, 2002, the company bought-back and cancelled 11,05,825 equity shares of Rs. 10 each under the scheme of buy-back of the shares at Rs. 30 per share. Accordingly, the issued and subscribed share capital was reduced from Rs. 7,10,91,760 to Rs. 6,00,33,510			
The equity shares of Rs. 10 each have been sub-divided into 5 equity shares of Rs. 2 each pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on 19th September, 2005.			
3,98,306 equity shares of Rs. 2 each, fully paid up, allotted to 9 foreign nationals at premium of Rs. 246 per share on 20th December, 2006. Accordingly, the issued and subscribed share capital increased from Rs. 6,00,33,510 to Rs. 6,08,30,122			
TOTAL		<u>608.30</u>	<u>608.30</u>



SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'B'		
RESERVES AND SURPLUS		
Capital reserve		
Balance per last balance sheet	72.00	72.00
Capital reserve on consolidation	37.33	37.33
Amalgamation capital reserve		
Surplus on amalgamation	128.00	128.00
Share premium		
Balance per last balance sheet	2,145.06	2,145.06
Capital redemption reserve		
Balance per last balance sheet	110.58	110.58
General Reserve		
Balance per last balance sheet	17,200.00	16,000.00
Add : Amount transferred from profit and loss account	1,200.00	1,200.00
	18,400.00	17,200.00
Foreign currency translation reserve	394.95	281.68
Profit and loss account		
Balance carried forward	523.39	2,122.47
TOTAL	21,811.31	22,097.12

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'C'		
SECURED LOANS		
From State Bank of India		
The term loan is secured by mortgage by deposit of title deeds in respect of all the immoveable properties of the company and by hypothecation of all moveable assets of the company, present and future, subject to prior charges in favour of the company's bankers for securing the borrowings for working capital requirements, save and except property situated at Panhala, Kolhapur.	–	1,514.15
From Export-Import Bank of India		
Term loan under production equipment finance programme Secured by first charge by way of hypothecation of moveable fixed assets, present and future and mortgage of land and other immoveable properties, present and future of the company	1,686.47	3,016.34
Cash credit accounts		
State Bank of India		
Secured by hypothecation of stock-in-trade, stores, book-debts and other receivables and second charge on the company's moveable and immoveable properties, save and except property situated at Panhala, Kolhapur.	1,500.00	1,584.29
PNC Bank N. A., USA		
Secured by a first priority perfected lien on all the present and future assets of the US subsidiary, letter of credit of USD 5 million and support agreement established by the parent company	1,915.67	2,861.18
TOTAL	5,102.14	8,975.96
SCHEDULE 'D'		
UNSECURED LOANS		
Export Import Bank of India (repayable within one year)	1,500.00	–
TOTAL	1,500.00	–
SCHEDULE 'E'		
DEFERRED PAYMENT LIABILITY		
Due for balance purchase consideration payable for acquisition of shares of subsidiary Manugraph DGM Inc.	315.81	511.90
Due for balance purchase consideration payable for acquisition of shares of step-down subsidiary Offset Services Inc.	45.03	101.94
TOTAL	360.84	613.84

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULE 'F' FIXED ASSETS

(Rs. in lakhs)

Description of assets	GROSS BLOCK					DEPRECIATION				NET BLOCK		
	Original cost as at 31st March, 2009	Additions during the year	Deductions during the year	Exchange difference	Original cost as at 31st March, 2010	Upto 31st March, 2009	Provided during the year	On deductions/ adjustments	Exchange difference	Upto 31st March, 2010	Book value as at 31st March, 2010	Book value as at 31st March, 2009
Goodwill (Refer Schedule 'T' - Note.9)	354.65	-	278.19	8.91	67.55	-	-	-	-	-	67.55	354.65
Freehold land	81.69	-	-	7.81	73.88	-	-	-	-	-	73.88	81.69
Leasehold land	7.64	-	-	-	7.64	-	-	-	-	-	7.64	7.64
Land improvements	64.23	-	-	7.48	56.75	16.00	3.64	-	1.87	17.77	38.98	48.23
Leasehold improvements	372.57	-	372.57	-	-	317.67	45.91	363.58	-	-	-	54.90
Buildings	2,946.53	335.65	-	176.93	3,105.25	658.28	86.17	-	25.18	719.27	2,385.98	2,288.25
Office premises	455.71	-	-	-	455.71	82.08	7.31	-	-	89.39	366.32	373.63
Plant and machinery	9,933.78	13.81	296.23	155.42	9,495.94	4,918.94	646.82	250.05	92.24	5,223.47	4,272.47	5,014.84
Jigs and fixtures	979.34	43.13	1.13	-	1,021.34	541.01	59.46	0.38	-	600.09	421.25	438.33
Dies and patterns	646.98	25.94	14.63	30.20	628.09	433.92	57.26	11.19	22.32	457.67	170.42	213.06
Instruments	428.28	3.17	1.63	-	429.82	305.92	18.02	1.53	-	322.41	107.41	122.36
Electrical installations	267.39	95.20	-	-	362.59	98.12	12.28	-	-	110.40	252.19	169.27
Furniture, fixtures and equipments	1,695.84	10.44	51.27	39.91	1,615.10	1,089.44	124.77	31.11	29.80	1,153.30	461.80	606.40
Vehides	467.81	37.76	20.48	1.59	483.50	128.68	44.14	12.81	0.78	159.23	324.27	339.13
Technical documentation	60.09	-	-	-	60.09	60.09	-	-	-	60.09	-	-
Technical know-how	160.64	-	-	-	160.64	158.63	1.22	-	-	159.85	0.79	2.01
Capital work-in-progress	18,923.17	565.10	1036.13	428.25	18,023.89	8,808.78	1,107.00	670.65	172.19	9,072.94	8,950.95	10,114.39
	243.77	29.27	208.29	-	64.75	-	-	-	-	-	64.75	243.77
TOTAL	19,166.94	594.37	1244.42	428.25	18,088.64	8,808.78	1,107.00	670.65	172.19	9,072.94	9,015.70	10,358.16
Previous year	17,567.71	1,553.01	969.66	1,015.88	19,166.94	7,557.45	1,408.24	515.85	358.94	8,808.78		

Note : Office premises include Rs. 100/- being cost of 1 share in Anand Chambers Owners' Association.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	Nos.	(Rs. in lakhs) Cost	Nos.	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'G'				
INVESTMENTS				
LONG TERM INVESTMENTS (AT COST)				
In Government securities (unquoted)				
6 years National Savings Certificates - VIII issue	–	0.52	–	0.52
Equity shares of Rs. 10/- each fully paid up (unless otherwise specified)				
Trade investments				
Manugraph Securities and Finance Private Limited (unquoted)	250	0.03	250	0.03
Other Investments				
Shree Warna Sahakari Bank Limited (unquoted)	2000	0.50	2000	0.50
INVESTMENTS IN MUTUAL FUNDS				
Units of the face value of Rs. 10/- each (quoted)				
IDFC Fixed Maturity Plan - Yearly Series - 17 Plan A Growth	–	–	6000000	600.00
LICMF Fixed Maturity Plan - Series 37 13 months	–	–	3000000	300.00
Birla Sun Life Short Term Fund - Instl.	5214650	525.52	–	–
TOTAL - LONG TERM INVESTMENTS		526.57		901.05

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	Nos.	(Rs. in lakhs) Cost	Nos.	As at 31st March, 2009 (Rs. in lakhs)
CURRENT INVESTMENTS (AT COST)				
INVESTMENTS IN MUTUAL FUNDS				
(Units of the face value of Rs. 10/- each unless otherwise specified) (quoted)				
IDFC Money Manager Fund Treasury Plan	—	—	1000000	104.47
Birla Sun Life Short Term Fund - Instl.	—	—	5000000	509.29
IDFC SSIF Short Term Plan B	—	—	5000000	518.24
IDFC SSIF investment Plan A - Growth	—	—	2500000	250.00
JP Morgan India Treasury Fund - Super Instl.	—	—	5000000	510.28
Birla Dynamic Bond fund - Retail	3024416	314.77	—	—
HDFC Short Term Plan	11340960	1,170.54	—	—
Reliance Short Term Fund	1948523	207.21	—	—
Templeton India Short Term Income Plan (Rs. 1000/- each)	38658	415.36	—	—
Birla Sun Life MIP II - Saving 5 Plan	2703539	306.42	—	—
IDFC Money Manager Treasury Plan - Dividend	4981221	500.00	—	—
LIC MF Income Plus - Dividend	4998950	500.00	—	—
Prudential ICICI Short Term Plan	4266102	500.00	—	—
		3,914.30		1,892.28
Less : Provision for diminution in value of current investments		—		15.79
TOTAL - CURRENT INVESTMENTS		3,914.30		1,876.49
TOTAL		4,440.87		2,777.54

Notes :

- Aggregate of quoted investments

Cost	4,439.82	2,776.49
Market value	4,447.48	2,871.86
- Aggregate of unquoted investments

Cost	1.05	1.05
------	------	------
- 6 Years National Savings Certificates - VIII Issue of the face value of Rs. 52,500 (previous year: Rs. 52,500) have been deposited with the sales-tax authorities and a customer.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'H'		
DEFERRED TAX ASSETS		
Deferred tax liability		
Arising on account of		
difference between book and tax depreciation	677.15	683.34
	677.15	683.34
Deferred tax assets		
Arising on account of		
provision for leave encashment	70.71	73.47
provision for transitional gratuity liability	43.24	48.82
provision for warranty expenses	16.12	25.75
provision for doubtful debts and advances	3.14	3.62
provision for diminution in value of current investments	—	5.36
	133.21	157.02
Net deferred tax liability	543.94	526.32
Net deferred tax assets - Subsidiaries	2,419.58	1,757.46
TOTAL	1,875.64	1,231.14
SCHEDULE 'I'		
INVENTORIES		
Per inventory taken, valued and certified by		
the management		
Stores and spares	120.33	129.01
Consumable tools	60.78	99.20
Finished products	1,798.18	7,004.72
Work-in progress	1,292.26	1,948.81
Manufactured components	2,609.63	2,462.34
Raw materials and components	4,907.58	5,370.45
TOTAL	10,788.76	17,014.53
SCHEDULE 'J'		
SUNDRY DEBTORS		
Over six months old (unsecured)		
Considered good	227.71	522.56
Considered doubtful	9.44	10.65
	237.15	533.21
Less: Provision for doubtful debts	9.44	10.65
	227.71	522.56
Others (unsecured)		
Considered good	1,349.55	1,953.30
TOTAL	1,577.26	2,475.86

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'K'		
CASH AND BANK BALANCES		
Cash balance on hand	15.81	22.45
Bank balances		
With scheduled banks		
In current accounts	1,363.43	1,278.94
In cash credit accounts	2,029.08	654.97
In fixed deposit accounts	958.58	1,413.59
In unclaimed dividend accounts	63.51	57.64
	4,414.60	3,405.14
With Shree Warna Sahakari Bank Limited		
In current account		
(Maximum balance at any time during the year		
Rs. 15.57 lakhs - previous year : Rs. 18.98 lakhs)	0.46	0.91
TOTAL	4,430.87	3,428.50

SCHEDULE 'L'**LOANS AND ADVANCES**

Unsecured - Considered good except otherwise stated

Advances recoverable in cash or in kind or for
value to be received

Considered good

Advance payments against taxes

Balances with Central Excise Collectorate

TOTAL

1,474.41	2,216.76
5,705.02	11,362.80
121.92	389.79
7,301.35	13,969.35

Note:Advances recoverable in cash or in kind
or for value to be received include :

Amount due by officers of the company

Maximum during the year

12.06	11.86
15.24	16.14

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lakhs)	As at 31st March, 2009 (Rs. in lakhs)
SCHEDULE 'M'		
LIABILITIES		
Sundry creditors		
Micro, Small and Medium Enterprises	160.15	85.73
Others	4,072.77	6,451.69
	4,232.92	6,537.42
Advances received from customers	6,343.99	6,240.74
Unclaimed dividends*	63.51	57.64
Interest accrued but not due on loans	11.98	24.25
Unclaimed hire purchase interest income	15.08	4.19
TOTAL	10,667.48	12,864.24

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund

SCHEDULE 'N'

PROVISIONS

Provision for taxation	5,290.64	11,341.93
Proposed dividend	304.15	608.30
Provision for tax on proposed dividend	50.51	103.38
Other provisions	383.40	686.92
TOTAL	6,028.70	12,740.53

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
SCHEDULE 'O'		
OPERATING INCOME		
Service and erection charges received (Tax deducted at source Rs. 16.94 lakhs - previous year Rs. 27.73 lakhs)	720.77	1,404.36
Agency fees	61.04	–
Commission received	1.41	–
Miscellaneous receipts	147.06	150.48
Profit on sale of assets (Net)	–	65.19
Sundry credit balances appropriated	1.45	2.58
Excess provision for doubtful debts and advances	1.21	–
Excess provision for diminution in value of investments	15.78	–
TOTAL	948.72	1,622.61
SCHEDULE 'P'		
OTHER INCOME		
Dividend	136.69	203.17
Rent (gross) (Tax deducted at source Rs. 4.43 lakhs - previous year Rs. 5.62 lakhs)	28.98	27.21
Profit on sale of investments	70.58	262.21
Hire purchase financing activity	10.76	25.52
TOTAL	247.01	518.11

SCHEDULE FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
SCHEDULE 'Q'		
MATERIALS		
A. Consumption of raw materials and components		
Opening stock	5,370.45	5,258.65
Add: Purchases (including component processing charges Rs. 324.18 lakhs - previous year : Rs. 1,128.56 lakhs)	9,041.62	37,371.91
	<u>14,412.07</u>	<u>42,630.56</u>
Less: Closing stock	4,907.58	5,370.45
Consumption (excluding amount capitalised Rs. 13.20 lakhs - previous year : Rs. 20.94 lakhs)	9,504.49	37,260.11
B. Excise duty on closing stock of finished products	99.90	343.85
Less : Provision for excise duty on opening stock of finished products	343.85	240.65
	<u>(243.95)</u>	<u>103.20</u>
C. Decrease/ increase in stock of finished products, work-in-progress and manufactured components		
Closing stock		
Finished products	1,798.18	7,004.72
Work-in-progress	1,292.26	1,948.81
Manufactured components	2,609.63	2,462.34
	<u>5,700.07</u>	<u>11,415.87</u>
Less: Opening stock		
Finished products	7,004.72	3,593.56
Work-in-progress	1,948.81	3,040.12
Manufactured components	2,462.34	2,683.26
	<u>11,415.87</u>	<u>9,316.94</u>
	5,715.80	(2,098.93)
TOTAL	<u><u>14,976.34</u></u>	<u><u>35,264.38</u></u>

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lakhs)	Previous Year (Rs. in lakhs)
SCHEDULE 'R'		
OTHER EXPENSES		
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES		
Salaries, wages, bonus and allowances	4353.27	7,078.11
Company's contributions to provident and other funds	358.79	508.41
Company's contributions to Employees' Group Gratuity Scheme	51.61	90.46
Welfare expenses	394.31	520.78
	5,157.98	8,197.76
OPERATION AND OTHER EXPENSES		
Stores and tools consumed	256.72	730.02
Electricity charges	150.67	271.10
Repairs to machinery	42.05	203.84
Repairs to buildings	19.92	92.52
Other repairs	99.31	159.56
Rent	275.28	196.26
Rates and taxes (other than on income)	41.92	3.29
Insurance charges	43.60	127.38
Travelling and conveyance	320.16	494.14
Advertisement and sales promotion expenses	118.38	953.43
Commission on sales	778.33	1,586.14
Royalty on sales	-	20.35
Bank and finance charges	239.07	216.33
Bad debts	108.83	89.77
Sundry debit balances written off	0.38	5.51
Loss on sale of assets	32.20	-
Fixed assets written off	4.23	48.89
Goodwill impairment	278.19	223.30
Warranty expenses	17.92	438.50
Research and development expenses	256.31	431.28
Donations	10.20	47.22
Exchange loss (Net)	58.54	1,520.14
Expenses incurred on damaged capital goods	-	72.45
Legal and professional charges	326.17	272.33
Miscellaneous expenses	491.36	645.43
Short provision and adjustments relating to previous years	123.00	178.22
	4,092.74	7,589.80
FREIGHT AND HANDLING CHARGES	51.40	91.74
PACKING AND FORWARDING CHARGES	6.14	167.92
DIRECTORS' FEES	3.96	4.12
PROVISION FOR DOUBTFUL DEBTS AND ADVANCES	-	4.33
PROVISION FOR DIMINUTION IN VALUE OF CURRENT INVESTMENTS	-	15.79
TOTAL	9,312.22	17,509.06
SCHEDULE 'S'		
INTEREST		
On fixed deposits and fixed loans	136.47	573.40
On cash credit accounts	259.16	68.55
Others	39.84	8.65
	435.47	650.60
Less : Interest on deposits, debts etc. (gross)		
(Tax deducted at source Rs. 18.42 lakhs-		
previous year : Rs. 12.18 lakhs)	123.74	74.58
TOTAL	311.73	576.02

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

2009 - 2010	2008 - 2009
(Rs. in lakhs)	(Rs. in lakhs)

SCHEDULE 'T'

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 Principles of consolidation

The consolidated financial statements relate to Manugraph India Limited (the company) and its subsidiary companies. The consolidated financial statements have been prepared on the following basis.

- The financial statements of the company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealised profits or losses, per Accounting Standard AS - 21 - Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.
- In case of foreign subsidiaries, revenue items are converted at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange gains or losses on conversion arising on consolidation are recognised under foreign currency translation reserve.
- The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the company i.e. 31st March, 2010.
- The difference between cost to the company of its investments in the subsidiary companies and the equity value as at the acquisition date is recognised in the financial statements as goodwill or capital reserve.
- The list of subsidiary companies which are included in the consolidation and the company's holdings therein are as under.

Name of the subsidiary companies

Country of incorporation	Percentage of holdings
India	100%
Kenya	100%
USA	100%
USA	100%

Constrad Agencies (Bombay) Private Limited

Manugraph Kenya Limited,

Manugraph DGM, Inc.

Offset Services, Inc.

(100% equity is held by Manugraph DGM, Inc.)

- 2** Significant accounting policies and notes to these consolidated financial statements are intended to serve as means of informative disclosure and a guide to better understanding the consolidated position of the companies. Recognising this purpose, the company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which, in the opinion of the management, could be better viewed, when referred from the individual financial statements.

3 Accounting policies

Basis for preparation of accounts

The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting in accordance with the generally accepted accounting principles, accounting standards notified under section 211(3C) of the Companies Act, 1956, and the relevant provisions thereof.

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
Revenue recognition		
Manugraph India Limited		
Sales comprise of sale of goods and spare parts and are net of trade discount and sales returns.		
Manugraph Kenya Limited		
Revenue is measured at the fair value of the consideration received/receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and VAT.		
Sales of goods are recognised when goods are delivered and title has passed.		
Hire purchase interest income is accrued on a time basis by reference to the principal amount outstanding and at the effective interest rate applicable.		
The operating expenses are apportioned to the hire purchase financing activity using the ratio of the gross hire purchase interest income to the total of trading income and gross hire purchase income.		
Manugraph DGM Inc.		
The company generally recognises revenue upon shipment and passage of title to customers, or if applicable the installation of its products, or when a service is completed.		
Employee benefits		
(i) Provident fund is a defined contribution scheme established under a State Plan. The contributions to the Scheme are charged to the profit and loss account in the year in which the contributions to the fund are accrued.		
(ii) Superannuation fund is a defined contribution scheme and contributions to the scheme are charged to the profit and loss account in the year when the contributions accrue. The scheme is funded with an insurance company in the form of a qualifying insurance policy.		
(iii) The company has a defined benefit gratuity scheme. For the defined benefit scheme, actuarial valuations are being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the profit and loss account in the period in which they occur.		
(iv) Leave encashment benefit is provided on the basis of actuarial valuation done at the end of the year. The aforesaid leave liability is not funded.		
Research and development		
Revenue expenditure on research and development is charged to profit and loss account in the year in which it is incurred. Capital expenditure on research and development is included in additions to the assets under appropriate heads.		
Depreciation		
Manugraph India Limited		
Manugraph DGM Inc.		
Depreciation on fixed assets is provided on straight line method at the applicable rates over the estimated useful lives of assets.		
Manugraph Kenya Limited		
Depreciation is calculated on the reducing balance basis to write down the cost of each asset to its residual value over its estimated useful lives.		

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
--	-------------------------------	-------------------------------

Transactions in foreign currencies

Transactions in foreign currencies are accounted for in the following manner :

Transactions covered by forward contracts are accounted for by recognising the difference between the forward rate and the exchange rate on the date of the transaction as income or expenditure over the the life of the contract.

Transactions not covered by forward contracts are accounted for in the following manner:

- (i) Export sales and import purchases are accounted for at exchange rates prevailing at the time of the transactions.
- (ii) Gains/losses arising out of the foreign currency transactiions are recognised in the profit and loss account.
- (iii) Other assets and liabilities are restated at the rates ruling at the year-end and the differences on such retranslation are recognised in the profit and loss account.

The company has not used any other derivative instrument except forward contracts which have been used for hedging its foreign currency exposure. The company does not undertake any speculative or trading activity through derivative instruments. As at the year-end the company had unutilised foreign exchange forward contracts of USD 3,500,000 (Previous year USD 9,363,530)

Fixed assets

Fixed assets are stated at their original cost of acquisition including incidental expenses related to acquisition and installation of the concerned assets. The fixed assets manufactured by the company are stated at manufacturing cost. Fixed assets are shown net of accumulated depreciation.

Impairment of assets

Cash generating units/assets are assessed for possible impairment at balance sheet date based on external and internal sources of information. Impairment losses, if any, are recognised as an expense in the profit and loss account.

Investments

Long term investments are stated at cost less other than temporary diminution in value, if any. Current investments are stated at lower of cost and fair value, determined on a portfolio basis.

Inventories

Manugraph India Limited

Cost of inventories is generally ascertained on the weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares are stated at lower of cost and net realisable value.

Consumable tools are stated at cost or under.

Work-in-progress and manufactured components are valued at estimated cost.

Finished products are valued at lower of cost and net realisable value.

Excise duty is included in the value of finished products inventory.

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
<p>Manugraph Kenya Limited</p> <p>Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out (FIFO) method. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs of completion and selling expenses. The inventories are stated at the value certified by the directors.</p> <p>Manugraph DGM Inc.</p> <p>Inventory is stated at the lower of cost or market. The average cost method is used for materials and parts. Work-in-process and finished press inventory also include actual direct labour and an allocation of overhead costs. Used equipment is carried using specific cost methodology.</p> <p>Provision for doubtful debts/advances</p> <p>Sundry debtors/advances are stated after making adequate provision for doubtful debts/advances.</p> <p>Taxation</p> <p>Provision for income-tax is made on the basis of the estimated taxable income per the provisions of the tax legislations and the company provides for deferred tax using the liability method, based on the tax effects of timing differences resulting from the recognition of items in the financial statements and in estimating its current income-tax provision.</p> <p>Provisions, contingent liabilities and contingent assets</p> <p>Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.</p>		
4 Contingent liabilities		
(i) Claims against the company not acknowledged as debts	63.32	33.03
(ii) Income-tax, sales tax, customs duty, excise duty and service tax demands against which the company has preferred appeals/made representations	55.21	91.55
(iii) Unexpired letters of credit opened by banks amount to	214.58	12.57
(iv) On account of guarantees executed by the company's bankers	3,398.55	8.34
(v) On account of undertakings given by the company in favour of Customs Authority	3,504.20	953.50
5 Estimated amount of contracts remaining to be executed on capital account and not provided for was	3.37	441.28
6 Goodwill amounting to Rs.6,644.09 lakhs has arisen on consolidation of accounts between the company and its wholly owned subsidiaries - Constrad Agencies (Bombay) Private Limited and Manugraph DGM, Inc., USA. Capital reserve amounting to Rs. 37.33 lakhs has arisen on consolidation of accounts between the company and its wholly owned subsidiary Manugraph Kenya Limited. These goodwill and capital reserve represent difference between cost to company of its investments in the subsidiary companies and the equity value on the date of acquisition.		

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
<p>7 In respect of goodwill arising from acquisition of Manugraph DGM Inc., the management is of the view that the said goodwill need not be tested for impairment as the performance of the subsidiary company is expected to improve after restructuring the operations and improvement in the market scenario.</p> <p>8 During the current year, the remaining goodwill arising out of Offset Services Inc. (OSI) of Rs. 278.19 lakhs (USD 545,796) was written off and a corresponding impairment loss was recognised. At 31st March, 2010, goodwill in the Fixed Assets schedule consists of Rs. 67.55 lakhs (USD 150,000) from a previous acquisition which does not require impairment.</p> <p>9 During the year, OSI dis-continued operations as a result of management's decision to change its strategic business model and reduce cost. OSI did not represent a separate major line of business or graphical area of operations, nor it can be distinguished operationally for financial reporting purposes. Further, Manugraph DGM, Inc. still retains legal ownership of OSI and its name. Therefore, the said OSI does not represent discontinued operations in accordance with AS - 24 - Discontinuing operations and the results of the operations of OSI for the year have not been disclosed separately.</p> <p>10 The company provides gratuity to all employees. The benefit is in the form of lumpsum payments to vested employees on resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary and dearness allowance for each completed year of service. Vesting occurs upon completion of five years of service. The company makes annual contributions to fund administered by trustees and managed by Life Insurance Corporation of India, for amounts notified by it. The gratuity benefit is a defined benefit plan.</p> <p>Reconciliation of opening and closing balances of the present value of the defined benefit obligation.</p>		
Present value of obligation as at April 1, 2009.	867.59	766.67
Interest cost	69.41	61.33
Current service cost	38.85	36.16
Benefits paid	(78.57)	(41.87)
Actuarial gain/(loss) on obligation	6.50	45.30
Present value of obligation as at March 31, 2010	903.77	867.59
Reconciliation of opening and closing balances of the fair value of plan assets		
Fair value of plan assets as at April 1, 2009	723.96	555.14
Expected return on plan assets	63.15	52.33
Contributions	65.06	158.36
Benefits paid	(78.57)	(41.87)
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets as at March 31, 2010	773.60	723.96
Amount recognised in Balance Sheet		
Fair value of plan assets as at the end of the year	773.60	723.96
Present value of obligation as at the end of the year	903.77	867.59
Asset/(liability) recognised in the balance sheet	(130.77)	(143.63)

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

	2009 - 2010 (Rs. in lakhs)	2008 - 2009 (Rs. in lakhs)
Expense recognised in the Profit and Loss account		
Interest cost	69.41	61.33
Current service cost	38.85	36.16
Expected return on plan assets	63.15	52.33
Net actuarial gain/(loss) recognised in the year	6.50	45.30
Net cost	51.61	90.46
Assumptions		
Discount rate	8%	8%
Salary escalation rate (annual)	4%	4%

11 Earnings per share

(a) Net profit after tax available for equity shareholders (Rs./lakhs)	(6.01)	2,613.03
(b) Weighted average number of equity shares of Rs. 2 each outstanding during the year (No. of shares)	30415061	30415061
(c) Basic and diluted earnings per share (Rs.) (a/b)	(0.02)	8.59

12 Related parties disclosure (as identified by the management)

A) Related party relationships

(a) Related parties where control exists	Multigraph Machinery Company Limited Manu Enterprises Limited Manubhai Sons and Company
(b) Key management personnel	Mr. Sanjay S. Shah, Vice-Chairman and Managing Director Mr. Pradeep S. Shah, Managing Director
(c) Relatives of key management personnel	Mr. Sanat M. Shah (Father of Messrs. Sanjay and Pradeep Shah) Mrs. Ameeta S. Shah (Spouse of Mr. Sanjay S. Shah) Mrs. Rupali P. Shah (Spouse of Mr. Pradeep S. Shah)

B) Transactions with related parties

		Rupees in lakhs	
Type of related party	Description of the nature of transactions	Volume of transactions during 2009 - 2010	Amount outstanding as on 31st March, 2010
			Receivable Payable
Related parties where control exists	Commission paid	638.08 (1237.11)	121.29 (NIL)
	Finance received	NIL (200.00)	
	Rent received	28.98 (27.21)	
	Rent paid	1.60 (3.16)	
	Interest paid	NIL (4.44)	
Key Management Personnel	Managerial remuneration paid	162.80 (366.05)	
Relatives of key management personnel	Directors' fees	0.50 (0.50)	

- C) In respect of above parties, there is no provision for doubtful debts as on 31st March, 2010 and no amount has been written off or written back during the year in respect of debts due from/to them.

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

- 13** Pursuant to approval under section 212 (8) of the Companies Act, 1956 (The Act) accorded by the Government of India, Ministry of Corporate Affairs, vide letter No. 47/223/2010-CL-III dated 05th April, 2010, the company has not attached with its balance sheet as at 31st March, 2010, the documents specified in section 212 (1) of the Act in respect of its three subsidiaries viz. Constrad Agencies (Bombay) Private Limited, Manugraph Kenya Limited and Manugraph DGM, Inc., with the accounts. Per the approval, the requisite information in respect of each of the above subsidiary is disclosed below.

	(Rs. In lakhs)		
	Indian subsidiary Constrad Agencies (Bombay) Private Limited	Foreign subsidiaries Manugraph Kenya Limited	Manugraph DGM, Inc.
(a) Share Capital	5.00	14.14	2,207.18
(b) Reserves	2.00	186.44	(1,666.72)
(c) Total assets	7.00	201.04	81.13
(d) Total liabilities	7.00	201.04	81.13
(e) Details of investment (except in case of investment in the subsidiary)	-	-	-
(f) Turnover	-	474.67	4,366.45
(g) Profit before taxation	(0.12)	103.92	(2,072.70)
(h) Provision for taxation	-	29.28	(661.89)
(i) Profit after tax	(0.12)	74.64	(1,410.81)
(j) Proposed dividend	-	-	-

Note : In respect of foreign subsidiaries -

Items Nos. (a) to (d) and (h) are translated at exchange rate as on 31st March, 2010 of Kenyan Sh. 1 = Rs. 0.5615 and USD 1 = Rs. 45.03

Items Nos. (f), (g) and (i) are translated at annual average rate of Kenyan Sh. 1 = Rs. 0.6017 and USD 1 = Rs. 47.91

- 14** Figures of the previous year have been regrouped to confirm with this year's groupings wherever necessary.
- 15** Figures in parenthesis are in respect of the previous year.
- 16** Figures have been rounded off to the nearest thousand and shown in rupees lakhs.

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.

Chartered Accountants

(Burjor F. Pavri)

Proprietor

R. V. Joshi
Company Secretary

S. M. Shah

S. S. Shah

P. S. Shah

M. R. Harshe

Chairman

Vice-Chairman and Managing Director

Managing Director

Whole-time Director

Mumbai, 11th August, 2010

Mumbai, 11th August, 2010



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year ended 31st March, 2010 (Rs. in lakhs)	Year ended 31st March, 2009 (Rs. in lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net loss / profit before tax and extraordinary items	(26.82)	3,435.08
Add : Depreciation	1,107.00	1,408.25
Interest	311.73	576.02
Fixed assets written off	4.23	48.89
Loss on sale of assets	32.20	-
Provision for earned leave wages	-	23.26
Provision for diminution in value of current investments	-	15.79
Provision for warranty expenses	-	24.23
	1,455.16	2,096.44
	1,428.34	5,531.52
Deduct : Dividend received	136.69	203.17
Rent received	28.98	27.21
Profit on sale of assets	-	65.19
Profit on sale of investments	70.58	262.21
Provision for earned leave wages	3.26	-
Provision for diminution in value of current investments	15.78	-
Provision for warranty expenses	300.26	-
	555.55	557.78
Operating profit before working capital changes	872.79	4,973.74
Add : Decrease in trade other receivables	1,908.82	4,103.53
Decrease in inventories	6,225.77	-
Decrease in miscellaneous expenditure	-	28.57
	8,134.59	4,132.10
Deduct : Decrease in trade payables and other liabilities	2,190.36	2,721.86
Increase in inventories	-	2,137.47
Increase in miscellaneous expenditure	3.41	-
	2,193.77	4,859.33
Cash generated from operations	6,813.61	4,246.51
Deduct : Direct taxes	1,055.60	1,477.04
Net cash inflow in course of operating activities	5,758.01	2,769.47

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year ended 31st March, 2010 (Rs. in lakhs)	Year ended 31st March, 2009 (Rs. in lakhs)
B CASH FLOW FROM INVESTING ACTIVITIES		
Outflow		
Purchase of fixed assets	386.08	2,458.90
Purchase of investments	5,081.21	5,818.19
	5,467.29	8,277.09
Inflow		
Sale of fixed assets	585.10	719.06
Sale of investments	3,504.24	8,075.21
Dividend received	136.69	203.17
Rent received	28.98	27.21
	4,255.01	9,024.65
Net cash (outflow)/ inflow in course of investing activities	(1,212.28)	747.56
C CASH FLOW FROM FINANCING ACTIVITIES		
Capital reserve and foreign currency translation reserve on consolidation	113.27	273.80
Borrowings (Net)	(2,626.82)	(1,112.39)
	(2,513.55)	(838.59)
Less : Interest paid (Net)	324.00	578.89
Dividend paid	602.43	602.70
Tax on dividend	103.38	103.38
	1,029.81	1,284.97
Net cash outflow in course of financing activities	(3,543.36)	(2,123.56)
Net increase in cash/cash equivalents [A-(B+C)]	1,002.37	1,393.47
Add : Opening cash/cash equivalents	3,428.50	2,035.03
Cash/cash equivalents at the close of the year	4,430.87	3,428.50

Per our attached Report of even date.

FOR AND ON BEHALF OF THE BOARD

For B. F. Pavri & Co.

Chartered Accountants

(Burjor F. Pavri)

Proprietor

R. V. Joshi
Company Secretary

S. M. Shah

S. S. Shah

P. S. Shah

M. R. Harshe

Chairman

Vice-Chairman and Managing Director

Managing Director

Whole-time Director

Mumbai, 11th August, 2010

Mumbai, 11th August, 2010



**Statement pursuant to Section 212 of the Companies Act, 1956
relating to Subsidiary Companies.**

1	Name of the Company	:	Manugraph India Limited	Manugraph India Limited	Manugraph India Limited
2	Name of the Subsidiary Company	:	Constrad Agencies (Bombay) Private Limited	Manugraph Kenya Limited	Manugraph DGM Inc. USA
3	Financial year of the subsidiary ended on	:	31.03.2010	31.03.2010	31.03.2010
4	Holding Company's interest in the subsidiary	:	5,000 Equity shares of Rs.100/- each (100% as on 31.03.2010)	22,500 equity shares of Kshs.100 each (100% as on 31.03.2010)	3,88,290 equity shares of US\$ 0.01 each (100% as on 31.03.2010)
5	Currency	:	Rs.	Kshs.	US\$
6	Net aggregate amount of the profits/(loss) of the subsidiary NOT dealt with in the holding company's accounts.				
	a) For the financial year of the subsidiary Company.	:	Rs. (12,159.00)	Kshs. 12,406,024 Rs. 74.64 lakhs	US\$ (2,409,332) Rs.(1,410.81) lakhs
	b) For the previous financial year of the subsidiary Company.	:	Rs. (8,520.00)	Kshs. 2,522,246 Rs. 15.34 lakhs	US\$ (2,600,651) Rs.(1,090.97) lakhs
7	Net aggregate amount of the profits/(loss) of the subsidiary dealt with in the holding Company's accounts.				
	a) For the financial year of the subsidiary Company.	:	NIL	NIL	NIL
	b) For the previous financial year of the subsidiary Company.	:	NIL	NIL	NIL

FOR AND ON BEHALF OF THE BOARD

S. M. Shah Chairman

S. S. Shah Vice-Chairman and Managing Director

P. S. Shah Managing Director

M. R. Harshe Whole-time Director

Place : Mumbai

R. V. Joshi

Date : 11th August, 2010

Company Secretary



NOTES

[illegible]



MANUGRAPH INDIA LIMITED

Regd. Office : Sidhwa House, N. A. Sawant Marg, Colaba, Mumbai - 400 005

ATTENDANCE SLIP

38th Annual General Meeting - 27th September, 2010 at 11.00 a.m.

Regd. Folio No. _____

No. of Shares _____

Client Id No. _____

DP ID No. _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the company.

I hereby record my presence at the 38th Annual General Meeting of the company at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001 on 27th September, 2010.

Member's/Proxy's name in BLOCK Letters

Member's/Proxy's Signature

Note : Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL.

TEAR HERE



MANUGRAPH INDIA LIMITED

Regd. Office : Sidhwa House, N. A. Sawant Marg, Colaba, Mumbai - 400 005

FORM OF PROXY

I/We _____ of
in the District of _____
being a member(s) of the above-named company hereby appoint _____
of _____ in the district of _____
or failing him _____ of _____ in the
district of _____ as my/our proxy to vote for me/us on my/our behalf at
the 38th ANNUAL GENERAL MEETING of the company to be held on 27th September, 2010, and at any adjournment thereof.

Signed this _____ day _____ 2010.

Regd. Folio No. _____ Signature _____

Client ID No. _____

DP ID No. _____

Affix
Re. 1
Revenue
Stamp

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the company, not less than 48 hours before the time for holding the meeting.

Proxy need not be a member of the company.

FORM 2B (NOMINATION)
(To be filled in by individual(s))

To, Manugraph India Limited C/o. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078. Phone : 25963838 / Fax : 25946969 E-mail : mumbai@linkintime.co.in	<div style="text-align: right; margin-bottom: 10px;">Name of shareholder and address</div> <div style="display: flex; justify-content: space-between;"><div style="width: 45%;">From</div><div style="width: 55%; border-bottom: 1px solid black;"></div></div> <div style="display: flex; justify-content: space-between;"><div style="width: 45%;">Folio No.</div><div style="width: 55%; border-bottom: 1px solid black;"></div></div> <div style="display: flex; justify-content: space-between;"><div style="width: 45%;">No. of shares</div><div style="width: 55%; border-bottom: 1px solid black;"></div></div>
--	---

I am/we are holder(s) of shares of the company as mentioned above. I/We nominate the following person in whom all rights of transfer and/or amount payable in respect of equity shares shall vest in the event of my/our death.

Nominee's name														Age			
To be furnished in case the nominee is a minor										Date of Birth							
Guardian's name & address*																	
Occupation of	1	Service		2	Business		3	Student		4	Household						
Nominee Tick (✓)	5	Professional		6	Farmer		7	Others									
Nominee's																	
Address																	
	Pin Code																
Telephone No.										Fax No.							
E-mail Address	STD Code																
Specimen signature of nominee / guardian (in case nominee is minor)																	

*To be filled in case nominee is a minor
Kindly take the aforesaid details on record.
Thanking you.
Yours faithfully,

Date.....

Name and address of equity shareholder (as appearing on the certificate(s))	Signature (as per specimen with company)
Sole/1st holder (address)	
2nd holder	
3rd holder	
4th holder	

Witness (two)		
	Name and Address	Signature & Date
1.		
2.		

INSTRUCTIONS :

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, karta of hindu undivided family and holder of power of attorney cannot nominate. If the shares are held jointly, all joint holders shall sign (as per the specimen signature registered with the company) the nomination form.
3. A minor can be nominated by a holder of shares and in that event the name and address of the guardian shall be given by the holder.
4. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of shares in favour of a nominee and repayment of amount to nominee shall be a valid discharge by a company against the legal heir.
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the company) and (b) the nominee.
9. Whenever the shares in the given folio are entirely transferred or dematerialized, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the registrars and transfer agent of the company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intention regarding nomination / nomination form shall be filed in duplicate with the registrars and transfer agents of the company who will return one copy thereof to the shareholders.
14. For shares held in dematerialised mode, nomination is required to be filed with Depository Participant in their prescribed form.

FOR OFFICE USE ONLY	
Nomination registration number	
Date of registration	
Checked by (name and signature)	

GET THE **360 DEGREE** ADVANTAGE



M 360

DESIGNED IN THE **USA** ...MADE FOR THE WORLD

LAUNCHED IN 2010

" To give real service you must add something which cannot be bought or measured with money, and that is sincerity and integrity. "

-Douglas Adams



MANUGRAPH

Technology in Print

MANUGRAPH INDIA LTD.

CORPORATE OFFICE:

SIDHWA HOUSE, 2ND FLOOR, N.A.SAWANT MARG, COLABA, MUMBAI - 400 005.

WWW.MANUGRAPH.COM