

Control Print Limited

Annual Report | 2008-2009

Board of Directors

Mr. Basant S. Kabra (Chairman & Managing Director)
Mr. Ashok Lohiya
Mr. S.S. Jangid
Mr. Gaurav Himatsingka
Mr. Shiva Kabra (Wholetime Director)

Management Team

Mr. Basant Kabra (Managing Director)
Mr. Shiva Kabra (Wholetime Director)
Mr. U.S. Rathi (Executive Director-Operations)

Company Secretary

Mr. Piyush Shah

Auditors

M/s. Dosi & Jain,
Chartered Accountants
Mumbai-400 021

Registered Office

C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road, Marol Naka,
Andheri (East), Mumbai 400059, India

Registrar & Share Transfer Agent

Sharepro Services (India) Pvt. Ltd
13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane,
Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400072.

Legal Advisor

M/s. Parimal K. Shroff & Co.
Advocates Solicitors & Notary, Mumbai- 400 023

Works

Village Bhatian, Near TVS Factory, Bharatgarh Road, Nalagarh – 174 101,
Dist. Solan, Himachal Pradesh

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About us

Seamlessly integrating precision, reliability, and cost-effectiveness, Control Print's abilities stem from our leadership, in association with our partners, in hard-core technology and product engineering. Augmenting these capabilities is our expertise across applications and industries. Combined with an extensive support infrastructure, we provide the highest quality products and services in the Coding & Marking Industry across the Indian Subcontinent.

Utilizing our close to two decades of experience in the Coding & Marking Industry, Control Print has developed a philosophy that consists of partnering with the leading global players technologically. We utilize our unsurpassed local manufacturing infrastructure and highly motivated skilled workforce to provide the best engineered and most cost effective products and solutions for the entire range of manufacturing industries which include Automotive, Agro-Chemicals, Metals, FMCG, Pharmaceutical, Food & Beverage, Wire & Cable, Pipe, Construction Materials, and Commercial Printing.

Enabling our customers in production line reliability, flexibility, cost efficiencies, or other myriad ways, Control Print's solutions can impact directly or subtly, but always leaving a mark of excellence in their wake.

Vision

To be India's leading Coding and Marking Solutions Provider.

Mission

To provide our customers, shareholders, employees and society with the highest value through:

- Market Leadership
- Continuous Innovation
- Maintaining superior standards in our products and performance
- Developing consistently superior technology
- Working alongside the company values

Company Values

As a Company, Control Print is committed to upholding its core values of:

- Integrity
- Reliability
- Innovation
- Excellence
- Precision

Financial Highlights

FY	2008-09	2007-08	2006-07	2005-06	2004-05
Gross Revenue	3793.51	4296.91	4189.92	4185.06	3394.13
Profit Before Tax	85.56	767.35	771.05	738.22	620.45
Profit After Tax	19.62	626.45	568.08	607.32	429.07
Dividend	NIL	150.37	147.69	147.69	138.44
Funds Employed	4775.29	4328.99	3795.68	3288.21	2548.34
Net Worth	4312.75	4216.22	3560.69	3186.50	2257.66
Borrowings	315.65	NIL	132.64	NIL	187.98
Debt : Equity Ratio	0.07:1	0.00:1	0.04:1	0.00:1	0.08:1
Net Worth Per Equity Share (Rs. 10/- each) Rs.	58.99	56.07	48.22	43.15	32.62
Earning Per Equity Share (Rs. 10/- each) Rs.	0.26	8.47	7.69	8.47	6.20
Dividend Per Equity Share (Rs. 10/- each) Rs.	NIL	2.00	2.00	2.00	2.00

Notice

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of CONTROL PRINT LIMITED will be held on Saturday, 26th September, 2009 at Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai- 400 059 at 4.00 p.m to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Lohiya, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.
4. To consider and, if thought fit, to pass with or without modification the following resolution as Special Resolution:

“RESOLVED that pursuant to the provisions of Section 163 and all other applicable provisions, if any, of the Companies Act, 1956, the Register of Members, Index of Members and other relevant books be kept at the premises of the Company's Registrar and Transfer Agents viz. Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072 and also at 912, Raheja Centre, Free press Journal Road, Nariman Point, Mumbai- 400 021.”

By Order of the Board of Directors

Piyush Shah
Company Secretary

Mumbai, 30th June 2009

Registered Office:

C-106, Hind Saurashtra Industrial Estate,
Andheri-Kurla Road, Marol Naka, Mumbai – 400 059.

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
2. Proxy Form duly completed and stamped, to be effective, must be received by the Company at its Registered Office at least 48 (forty eight) hours before the time appointed for the Meeting.
3. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of Item No.4 of the Notice as set out above, is annexed hereto and form part of the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 2009 to 26th September,2009 (both days inclusive).
5. Under Section 205A of the Companies Act, 1956, the amount of Dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of a Company is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Members who have not so far encashed the dividend warrants in respect of the Interim Dividend 2002-03 (10%), Final Dividend 2002-03 (5%), Interim Dividend 2003-04 (12%), Final Dividend 2003-04 (6%), Interim Dividend 2004-05 (10%), Final Dividend 2004-05 (10%), Interim Dividend 2005-06 (10%), Final Dividend 2005-06 (10%), Final Dividend 2006-07 (20%) and Final Dividend 2007-2008 (20%) are advised to submit their claim to the Company quoting their folio numbers / DP ID Client ID. Please note that as per section 205C of the Companies Act, 1956, no claim shall lie against the Company or the said Fund in respect of individual amounts, which remain unclaimed or unpaid for a period of seven years from the date they first became due for payment and no payment, shall be made in respect of any such claims.
6. Members may avail themselves of the facility of nomination in terms of Section 109A of the Companies Act, 1956 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The Members holding shares in physical form and desiring to avail of this facility may send their nomination in Form No. 2B duly filled in to the Company's Registrar and Transfer Agent. Members holding shares in demat form may contact their respective depository participants for recording of nomination.
7. Details as required under Clause 49 VI A of the Listing Agreement with the Stock Exchange in respect of the Director seeking re-appointment at the Annual General Meeting, is separately annexed hereto. The Director seeking re-appointment has furnished the prescribed declaration under the Companies (Disqualification of Directors under section 274(1)(g) of the Companies Act, 1956) Rules, 2003.

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

Item No. 4

Under the provisions of the Companies Act, 1956, (the "Act") certain documents such as the Register and Index of Members and other related books and papers etc., are required to be kept at the Registered Office of your Company. However, these documents can be kept at any other place within the city, town or village in which the Registered Office of your Company is situated, with the approval of the Members to be accorded by a Special Resolution.

M/s. Sharepro Services (India) Private Limited, Mumbai is our Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares held in demat mode and also acting as the Share Transfer Agent for the shares held in physical segment. Hence, the approval of the Members is sought in terms of Section 163(1) of the Act, for keeping the aforementioned Registers and documents at the premises of the RTA as stated in the resolution. The Board of Directors recommend the resolution as set out in the Notice for your approval.

None of the Directors are concerned or interested in this Resolution.

By Order of the Board of Directors

Mumbai, 30th June 2009

Piyush Shah
Company Secretary

Registered Office:

C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road, Marol Naka, Mumbai – 400 059.

Details Of Director Seeking Appointment/ Re-Appointment

(In pursuance of Clause 49 of the Listing Agreement)

Particulars	Mr. Ashok Lohiya
Date of Birth	15th June, 1955
Date of Appointment	21st January, 2001
Qualification	B.Com (Hons), FICWA, FCS
Expertise in Specific Functional areas	He established his business, Arcum Engineering in Kolkatta in 1987 as a first generation Company. Arcum represents various world-renowned Companies (for heavy machinery) in the Indian Industrial market.
List of Companies in which outside Directorship held as on 31st March, 2009	1.Arcum Engineering (P) Ltd 2.Osborn Engineers (P) Ltd. 3.Detlon Chemicals (P) Ltd 4.TML India (P) Ltd
Memberships/ Chairmanship of committees across public companies as on 31st March ,2009	Audit Committee Control Print Limited-Member

Directors' Report

To,

The Members of Control Print Limited

The Directors have pleasure in presenting the Eighteenth Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March, 2009.

Financial Results

	Current Year 2008-2009 (Rs. In lacs)	Previous Year 2007-2008 (Rs. In lacs)
Sales & Service Income	3787.90	3875.73
Other Income	5.61	421.17
Total Income	3793.51	4296.91
Profit before Depreciation & Tax	162.00	828.41
Less: Depreciation	76.44	61.06
Net Profit before Taxation	85.56	767.35
Less: Provision for Taxation	51.04	117.05
Fringe Benefit Tax	16.78	13.43
Deferred Tax (Assets) / Liability	34.12	10.42
Net Profit	19.62	626.45
Earlier years adjustment	5.27	(-) 7.06
	24.89	619.39
Balance brought forward	1121.88	978.42
Balance available for appropriation	1146.77	1597.81
Proposed Dividend	----	150.37
Tax on Dividend	----	25.56
Transferred to General Reserve	----	300.00
Balance carried to Balance Sheet	1146.77	1121.88

Dividend

In order to preserve cash for the operating business, your directors do not recommend dividend for the year 2008-09.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section forming part of the Annual Report.

The year under review was a transitional one for your Company which has fully implemented strategic initiatives taken last year to fulfill the long term vision of being a long term leader in Coding and Marking industry.

The manufacturing plant at Nalagarh has commenced its Commercial Production of InkJet Printers, Large Character Printers, Thermal Transfer OverPrinters, and Consumables required for Coding and Marking industry such as Makeup and Solvents. The last two quarters has seen a marked increase in localization resulting in cost savings and value addition. Your Company is now realizing the benefits from the local manufacturing initiatives initiated six quarters ago.

All products have been well received in the market.

Employees Stock Option Scheme:

Members' approval was obtained through Postal Ballot on 31st December, 2005 for introduction of Employees Stock Option Scheme.

Employees Stock Option Scheme was approved and implemented by the Company and Options were granted to employees in accordance with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Remuneration / Compensation Committee administer and monitor the Scheme.

The applicable disclosure as stipulated under the SEBI Guidelines as at March 31, 2009 are given below:

	Option Outstanding in the beginning of the year	2,48,000
a.	Options granted	-
b.	Exercise Price	Rs. 10/-
c.	Options Vested	74,400
d.	Options Exercised	67,200
e.	Total no. of shares arising as result of exercise of Options	67,200
f.	Options lapsed *	21,200

g.	Variation in terms of Options	None
h.	Money realised by exercise of Options	6,72,000
i.	Total number of options in force	1,59,600
*Lapsed options include options forfeited and options cancelled / lapsed		
j.	Employee wise details of options granted to:	
	- Senior Managerial Personnel	None
	- any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None
	- employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the company at the time of grant	None
k.	Diluted earnings per share pursuant to issue of shares on exercise of option calculated in accordance with AS 20 'Earnings per Share'	Rs. 0.25
l.	Pro Forma Adjusted Net Income and Earning Per Share	
	Particulars	Amount (Rs.)
	Net Income As Reported	19,61,840
	Add: Intrinsic Value Compensation Cost	37,31,063
	Less: Fair Value Compensation Cost	39,00,000
	Adjusted Pro Forma Net Income	17,92,903
	Earning Per Share: Basic As Reported	0.26
	Adjusted Pro Forma	0.23
	Earning Per Share: Diluted As Reported	0.25
	Adjusted Pro Forma	0.22

Directors

Mr.Ashok Lohiya, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Auditors

M/s. Dosi & Jain, Chartered Accountants, the Statutory Auditors of the Company hold office until the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

M/s. Dosi & Jain, pursuant to Section 224(1B) of the Companies Act, 1956 have furnished the certificate of their eligibility for re-appointment.

Share Capital

2,60,000 (Two lacs sixty thousand) Equity shares of Rs.10/- each were allotted on preferential basis to the Promoter of the Company, at a price of Rs.28.84 per shares . The proceeds of the Issue have been utilized for the objects approved by the Members of the Company.

67,200 shares were allotted to the Employees of the Company under Employees Stock Option Scheme of the Company.

Accordingly, during the year under review, your Company's paid up Equity Share Capital has increased from Rs. 7,51,86,480 to Rs. 7,84,58,480 comprising of 78,45,848 equity shares of Rs.10/- each.

Real Estate

Your Company has entered into MOU for acquiring adjoining property situated at Chandivali, Andheri East, Mumbai. The Company is in the process of completing legal and technical issues related to the acquiring and development of the property.

Fixed Deposit

The Company has neither invited nor accepted any deposits from public during the year under review under the Companies (Acceptance of Deposit) Rules, 1975 read with Section 58A of the Companies Act, 1956

Particulars of Employees

Information as per Section 217(2A) of the Companies Act, read with Companies (Particulars of Employees) Rules, 1975, as amended, is annexed hereto as Annexure - A and form part of this report.

Particulars of Energy, Technology Absorption, Foreign Earnings And Outgo

In accordance with the requirements of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, statement showing particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo is annexed hereto as Annexure - B and form part of this Report.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- a) in the preparation of annual accounts, the applicable accounting standards have been followed alongwith the proper explanation relating to material departures except for leave encashment which is recognized on cash basis;
- b) appropriate accounting policies have been selected and applied consistently, and judgments and estimates are made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profits of the Company for the year ended 31st March, 2009;

- c) proper and sufficient care has been taken 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 frauds and other irregularities;
- d) the accounts for the financial year ended 31st March 2009 have been prepared on a going concern basis.

Corporate Governance

As required by the Listing Agreement with the Stock Exchange, a separate section containing Corporate Governance and Management Discussion and Analysis Reports, as approved by the Board of Directors, together with the certificate from the Auditors of the Company confirming the compliance with the requirements of Corporate Governance policies is set out in the annexure forming part of this Annual Report.

Acknowledgement

The Directors take this opportunity to express their thanks and appreciation for the co-operation and assistance received from the Bankers, Government Authorities, esteemed corporate clients, and all the other business associates for the continuous support given by them to the Company. The Directors are thankful to the valued shareholders for their continued support and confidence reposed in the Company and its Management.

The Directors also recognize the commitment, contribution and dedications of the Company's Employees.

Mumbai, 30th June, 2009

For and on behalf of the Board of Directors
B.S.Kabra
Chairman

Annexure "A" to The Directors' Report

Particulars of Employees as per section 217(2a) of the Companies act,1956 read with the Companies (Particulars of Employees) rules, 1975 and forming part of the Director's Report for the year ended 31st March, 2009

Employed throughout the Financial Year and in Receipt of Remuneration aggregating not less than Rs. 24,00,000/- per annum.

Name & Age (Years)	Mr.Shiva Kabra (31)
Designation / Nature of duties	Whole-time Director
Remuneration (Rupees)	Rs. 34,65,360/-
Qualification	MBA
Experience (Years)	7 years
Date of Commencement of Employment	31st July 2001
Last Employment	Control Print (India) Limited

Annexure "B" to The Directors' Report

Information Under Section 217(1)(e) of the Companies Act,1956 read with the Companies (Disclosure of the Particulars in the Report of the Board Of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2009

A) Conservation of Energy

- a) Energy conservation measures taken, : Company continuously monitors the usage and conservation of Energy.
- b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy : NIL
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : NIL
- d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the Schedule thereto. : Form A is not applicable to the Company

B) Technology Absorption

- e) Efforts made in technology absorption : as per Form B

C) Foreign Exchange Earning And Outgo

- f) Activities relating to exports; initiative taken to increase exports; development of new export markets for product and service and export plans : Company has developed several components and products for exports.
- g) Total foreign exchange used and earned : Expenditure- Rs.89,58,988/-
Earning – Rs.51,10,154/-

FORM "B" (Forming part of Directors Report)

Form of Disclosures of Particulars with respect to Absorption of Technology, Research and Development (R & D)

A) Research & Development (R & D)

- | | | |
|--|---|-----|
| 1) Specify areas in which R & D carried out by the Company | : | NIL |
| 2) Benefits derived as a result of the R&D | : | NIL |
| 3) Future plan of action | : | NIL |
| 4) Expenditure on R & D | : | NIL |
| a) Capital | | |
| b) Recurring | | |
| c) Total | | |
| d) Total R & D expenditure as a percentage of total turnover | : | NIL |

B) Technology Absorption, Adaptation And Innovation

- | | | |
|--|---|---|
| 1) Efforts in brief made towards technology absorption, adaptation and innovation | : | Technology for Continuous Ink Jet Printers and Large Character Printers absorbed. |
| 2) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc. | : | Import substitution. |

3) In case imported technology (imported during last five years reckoned from the beginning of the financial year)

A) Technology imported

B) Year of Import

- | | | |
|--|---|------|
| 1. Hot Ink Roll Manufacturing Technology. | : | 2005 |
| 2. Manufacture of Ink Jet Printers. | : | 2008 |
| 3. Manufacture Ink Jet Consumables. | : | 2008 |
| 4. Manufacture of Large Character Printers | : | 2009 |

C) Has technology been fully absorbed

- | | | |
|--|---|---------------------|
| 1. Hot Ink Roll Manufacturing Technology. | : | Technology absorbed |
| 2. Manufacture of Ink Jet Printers. | : | Technology absorbed |
| 3. Manufacture Ink Jet Consumables. | : | Technology absorbed |
| 4. Manufacture of Large Character Printers | : | Technology absorbed |

D) If not fully absorbed, areas where this has not taken place, reason thereof and future plan of action : NA

Management Discussion And Analysis

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report is as under:

a) Industry structure and developments

With the increase in regulatory, inventory control and traceability requirements in the packaging industry, the Indian Coding & Marking industry has now reached a level of maturity and acceptance across applications. We see industry growth at 1.5x - 2x GDP growth for the medium term and an increase in the variety of Coding Technologies used especially Laser and Thermal Transfer Overprinters.

b) Opportunities and Threats

Being a manufacturer of majority of the Items required for Coding and Marking industry and having a leadership edge in technological terms, your Company has an advantage over other players in the industry and can increase market share and installed base.

In the time of recession all over the world and in India, demand for the products in Coding and Marking Industry may remain the same. However, competitive pressures and pricing from foreign rivals due to recessionary trends might increase.

c) Productwise performance.

Your Company has maintained sale of the Ink-jet Printers during the year under review and has established itself in several key customers and applications.

The manufacturing plant at Nalagarh has commenced its Commercial Production of Inkjet Printers, Large Character Printers, Thermal Transfer Over Printers, Consumables required for Coding and Marking industry such as Makeup and Solvents. Increased localization is resulting in improved cost savings and will enable the Company to improve market share due to more aggressive pricing.

d) Outlook, risks and concerns

Outlook for the Company's products is positive, and steady growth is expected in the long term. However, pricing of the Printers / Machines / Consumables etc. shall be under pressure due to competition for getting larger installed base.

REALESTATE:

Your Company has entered into MOU for acquiring adjoining property situated at Chandivali, Andheri East, Mumbai. The Company is in the process of completing legal and technical issues related to the acquiring and development of the property.

The Board of Directors periodically reviews and assesses adequacy of risk assessment and minimization procedures so that the risk can be assessed and minimized by taking various remedial measures

e) Internal control systems

The Company has proper & effective internal control systems in order to ensure that all systems and procedures are functioning satisfactorily. Proper checks and balances are in place to ensure that transactions are adequately authorized, recorded and reported correctly.

f) Financial performance

During the year 2008-09, Sales and Service Income of the Company was Rs.3787.90 lacs as compared to previous year Rs.3875.73 lacs.

Profit before depreciation and tax during the year under review is Rs.162.00 lacs compared to Rs.828.41 lacs in the previous year. Profit after tax is Rs.19.62 lacs compared to Rs.626.45 lacs in the previous year.

g) Human Resources

The relations between the employees and the Company remained cordial throughout the year. There has been no material development in Human Resources/ Industrial relations during the period covered by this Annual Report. as on 31st March 2009, the employee strength of the Company was 223.

h) Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be 'forward looking' within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed herein. Important factors that could influence the Company's operations include global and domestic economic conditions affecting demand, supply, price conditions, change in Government 's regulations, tax regimes, other statutes and other factors such as litigation and industrial relations, natural calamity etc. over which the Company does not have any direct control.

Report On Corporate Governance

The Report on Corporate Governance for the Financial Year ended 31st March 2009 is given below.

1) Company's philosophy on Code of Governance

The Company adheres to good corporate practices and is constantly striving to better them and adopt emerging best practices. It is believed that adherence to business ethics and commitment to corporate social responsibility would help the Company achieve its goal of maximizing value for all its stakeholders. Corporate Governance essentially is a set of standards, which aims to improve the company's efficiency, effectiveness and social responsibility. The concept emphasizes on transparency, accountability, independence and integrity of the Management, with focus on public interest in particular. It further inspires and strengthens investor's confidence by ongoing commitment to overall growth of the Company.

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreement with stock exchanges, but also several voluntary practices at a superior level of business ethics, effective supervision and enhancement of Shareholders' value which are fundamental to the Control Print.

2) Board of Directors

The Board of Directors monitors company performance, approves and reviews policies/ strategies and evaluates Management performance. The Board ensures legal and ethical conduct and accurate financial reporting.

a) The Composition of the Board as on 31st March 2009

Name of the Director	Designation & Category	No. of other Directorship*	No. of Committee Membership**	
			Member	Chairman
Mr. A. K. Lohiya	Director Non-Executive Independent	NIL	2	NIL
Mr. S. S. Jangid	Director Non-Executive Independent	NIL	2	2
Mr. B.S. Kabra	Promoter Managing Director Executive	NIL	NIL	NIL
Mr. G. Himatsingka	Director Non-Executive Independent	NIL	2	NIL
Mr.Shiva .Kabra	Promoter Whole-Time Director Executive	NIL	NIL	NIL

*Excludes alternate directorship, directorship in private companies, foreign Companies and section 25 companies.

**Represents Chairmanship/Membership of Audit Committee, Shareholders'/Investors' Grievance Committee and Remuneration Committee.

b) Attendance of the Directors at the Meetings of the Board

During the year under review, 7 Board Meetings were held on the following dates:

30th June, 2008, 28th July 2008, 23rd September 2008, 25th October 2008, 31st January 2009, 16th February,2009, 21st March,2009.

The Seventeen Annual General Meeting was held on 23rd September 2008.

The details of attendance of each Director at the Board Meetings and AGM are given below:

Name of the Director	Number of Board Meetings held during his tenure	Number of Board Meetings attended	Whether attended the AGM held on 23rd September, 2008
Mr. A. K. Lohiya	7	0	No
Mr. S. S. Jangid	7	6	Yes
Mr. B.S. Kabra	7	7	Yes
Mr. G. Himatsingka	7	5	Yes
Mr. Shiva .Kabra	7	6	Yes

c) Board's Responsibilities

The Board's mandate is to oversee the company's strategic direction, review and monitor corporate performance, ensure regulatory compliance and safeguard the interests of Shareholders.

d) Role of Independent Directors

The independent directors play an important role in deliberations at the Board and Committee Meetings and bring to the Company their expertise in the fields of finance, management, law and public policy.

e) Information placed before the Board of Directors

The minimum information to be made available, so far applicable, in terms of Clause 49 of the Listing Agreement is made available to the Board of Directors.

f) Code of Conduct for Board Members and Senior Management

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company.

All Board members and Senior Management personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Managing Director forms part of this Annual Report.

3) Audit Committee

The Audit Committee comprises of Three Directors all being independent non-executive Directors.

The composition of Audit Committee and attendance of each Director at these Meetings are as follows:

Name of the Director	Category	Number of Meetings attended
Mr. A. K. Lohiya	Director Non-Executive Independent	0
Mr. S. S. Jangid	Director Non-Executive Independent	4
Mr. G. Himatsingka	Director Non-Executive Independent	4

During the period under review, 4 Meetings of Audit Committee were held on 30th June 2008, 28th July 2008, 25th October 2008, 31st January 2009.

The Managing Director, Whole-time Director and Executive Director - Operations are invitees at the Meetings of the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

4) Remuneration Committee

The Remuneration Committee comprises of Three Directors all being Independent non-executive Directors. The Composition of Remuneration committee is as under.

Name of the Director	Category
Mr. A. K. Lohiya	Director Non-Executive Independent
Mr. S. S. Jangid	Director Non-Executive Independent
Mr. G. Himatsingka	Director Non-Executive Independent

During the period under review one meetings of Remuneration Committee were held on 30th June 2008.

The details of Remuneration paid to Executive Directors are as under:

Name of the Director	Remuneration paid (Rs.)				Service contract / Notice period / Severance fees
	Basic Salary	Perquisites, Allowance & other benefits	Contribution to Provident Fund	Total	
Mr. B.S. Kabra Managing Director	15,00,000	1,55,915	9,360	16,65,275	Service Contract for 5 years. Notice Period : 2 months Severance Fees : Nil
Mr. Shiva .Kabra Whole-Time Director	21,60,000	12,96,000	9,360	34,65,360	Service Contract for 5 years. Notice Period : 2 months Severance Fees : Nil

The Company has not implemented any Employees Stock Option Scheme for the Directors.

Remuneration to Non-Executive Directors

Sitting fees paid to the Non-Executive Directors is as under:

Name of the Director	Board Meeting (Rs.)	Audit Committee Meeting (Rs.)	Remuneration Committee Meeting (Rs.)	Total (Rs.)
Mr. S. S. Jangid	30,000/-	20,000/-	5000/-	55,000/-
Mr. G. Himatsingka	25,000/-	20,000/-	5000/-	50,000/-

Equity Shares held by the Directors

Except as stated hereunder, none of the Non- Executive Directors held any shares in the Company as on 31st March, 2009.

Name of the Director	No. of Shares held
Mr. G. Himatsingka	10,000
Mr. Ashok Lohiya	10,000

5. Investors Grievance Committee

Investors Grievance Committee is headed by Mr. S. S. Jangid, Non-Executive Director, and Mr. Basant Kabra is its other member. Mr. Piyush Shah, the Company Secretary, is the Compliance Officer.

During the year under review, 6 complaints were received from the shareholders and investors. All the complaints have generally been solved to the satisfaction of the complainants.

All valid requests for transfer received during the year have been acted upon by the Company and no such transfer is pending.

6. Details of General Body Meetings

I) The details of last three Annual General Meetings held are given below:

Year	Location	Date and Time	Special Resolution(s) passed
2005-2006	Hotel Kohinoor Continental, Opp. J.B.Nagar, Andheri-Kurla Road, Mumbai- 400 059	22nd September 2006 3.00 p.m.	Alteration of Object Clauses of the Memorandum of Association of the Company. Commencement of new business as stated in other Object of the Company.
2006-2007	Hotel Kohinoor Continental, Opp. J.B.Nagar, Andheri-Kurla Road, Mumbai- 400 059	24th September 2007 3.00 p.m.	Increase in Remuneration of Mr. Shiva Kabra, Whole-time Director of the Company.
2007-2008	Hotel Kohinoor Continental, Opp. J.B.Nagar, Andheri-Kurla Road, Mumbai- 400 059	24th September 2008 3.00 p.m.	NIL

II) During the year, a Special Resolution was passed through Postal Ballot pursuant to section 192A of the Companies Act, 1956 to seek approval of the shareholders for issue of 2,60,000 Equity shares of the Company on preferential basis set out in the Explanatory Statement annexed to the Notice which accompanied the Postal Ballot Form circulated to the shareholders.

III) The Postal Ballot exercise was conducted by the scrutinizer, Mr. Nilesh Shah, a practicing Company Secretary who submitted his report on 13th March 2009.

IV) The result of the voting on Postal Ballot was announced by the Managing Director on 14th March 2009 and based on the report submitted by the scrutinizer, Mr. Nilesh Shah following was the outcome :

Special Resolution under Section 81 for issue of Equity shares of the Company:

Number of valid Postal Ballot Forms received	220
Number of invalid Postal Ballot Forms received	4
Number of valid votes	28,25,234
Votes in favour of the Resolution	28,17,970
Votes against the Resolution	7,264

The above postal ballot exercise was carried out by the Company by following the procedure set out in section 192A of the Companies Act, 1956 read with the Companies (The passing of the Resolutions by Postal Ballot) Rules, 2001.

- V) The Company is seeking Members approval for issue of 3,50,000 Equity shares of the Company on Preferential basis to the Promoters of the Company through postal ballot during the current year 2009-10.

7. Disclosures

A) Related Party Transactions

The Company follows the following policy in disclosing the related party transactions to the Audit Committee:

- A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.
- Details of material individual transactions with related parties, which are not in the normal course of business, if any, are placed before the Audit Committee.
- Details of material individual transactions with related parties or others, which are not on an arm's length basis, if any, are placed before the Audit Committee, together with Management's justification for the same.

B) Disclosures on materially significant related party transactions during the Twelve months period ended on 31st March 2009.

The Company has paid rent of Rs.22,61,719/- to M/s. Silver Plastochem Private Limited for the period under review for its office premises. Mr. B. S. Kabra, Managing Director of the Company is a Director of M/s. Silver Plastochem Private Limited.

The Company has issued 2,60,000 Equity shares to the Promoter of the Company on Preferential basis.

C) Risk Management

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive Management controls risks through means of a properly defined framework.

D) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange (s) or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.

There was no such instance in the last three years.

E) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

Clause 49 of the Listing Agreement mandates to obtain a certificate from either the Auditors or practicing Company Secretaries regarding compliance of conditions of corporate governance as stipulated in the Clause and annex the Certificate with the Directors' Report, which is sent annually to all the shareholders. The company has obtained a certificate from its Auditors to this effect and the same is given as part of Annual Report.

The Clause further states that the non-mandatory requirements may be implemented as per the discretion of the Company. However, the disclosures of compliance with mandatory requirements and adoption (and compliance) / non-adoption of the non- mandatory requirements shall be made on need basis.

F) Certificate from the Managing Director and the Chief Financial Officer

Certificate from Mr. B.S. Kabra, Managing Director and Mr. U.S. Rathi, Executive Director in terms of Clause 49 (V) of the Listing Agreement with the Stock Exchange for the financial year ended 31st March 2009 was placed before the Board of Directors of the Company in its Meeting held on 30th June, 2009.

8. Means of Communication

The Company regularly furnishes / intimates unaudited as well as audited financial results to the Stock Exchanges immediately after these are taken on record by the Board.

- Half yearly report sent to each household of Shareholders : No
- Quarterly results, Which newspapers normally published in : The Free Press Journal & Navshakti
- Any Website, where displayed : Pursuant to Clause 51 of the Listing Agreement, the quarterly financial results, shareholding pattern, etc. are posted on the Electronic Data Information Filing and Retrieval (EDIFAR) website, namely www.sebiedifar.nic.in maintained by SEBI in association with the National Informatics Centre, within the time frame prescribed in this regard.
- Whether it also displays official News Releases : No
- Whether any presentation made to Institutional Investors/Analysts : No
- Whether the Management Discussion & Analysis Report is part of Annual Report : Yes, it is part of the Annual Report

9. Shareholders Information

- Annual General Meeting Day, Date and Time : Saturday, 26th September, 2009
at 4.00 p.m.
- Venue : Mirage Hotel, International Airport
Approach Road, Marol, Andheri (E),
Mumbai –400 059

As required under Clause 49VI(A), particulars of Directors seeking re-appointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on 26th September 2009.

Financial Calendar (Tentative)

Financial Reporting for the

- Quarter ending on 30th June 2009 : 3rd/ 4th week of July 2009
- Quarter ending on 30th September 2009 : 3rd/ 4th week of October 2009
- Quarter ending on 31st December 2009 : 3rd/ 4th week of January 2010
- Year ending on 31st March 2010 : 3rd/ 4th week of June 2010

- Book Closure Date(s)** : Wednesday 16th September, 2009
Saturday 26th September, 2009
(both days inclusive)

Listing Details

The Equity Shares of the Company are listed on following Stock Exchange:

Name and Address	Scrip Code
The Stock Exchange, Mumbai. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	522295

The Company has paid Annual Listing fees for the financial year 2009-10.

Stock Market Data

The monthly high and low quotations as well as volumes of shares traded on BSE are given below:

Month	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)
April-2008	59.75	45.15	1,79,752
May-2008	57.00	47.00	1,51,490
June-2008	54.90	35.35	1,06,338
July-2008	45.00	29.10	1,94,321
August-2008	45.40	33.00	1,45,082
September-2008	43.75	32.10	2,00,318
October-2008	35.20	20.50	1,22,988
November-2008	30.00	22.05	79,561

Month	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)
December-2008	30.20	20.80	51,163
January-2009	30.00	20.60	42,863
February-2009	27.60	20.15	45,362
March-2009	22.60	18.55	66,755

Source – www.bseindia.com

Registrar & Share Transfer Agent

SHAREPRO SERVICES (I) PVT. LTD.

13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange lane,
Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072

Tel : (022) 2821 5168, 2834 8218 | Fax : (022)2837 5646 | Email – sharepro@vsnl.com

Share Transfer System

The Registrars and Share Transfer Agents, M/s. Sharepro Services, who have adequate infrastructure to process the share transfers, process shares in the physical form. The Share Transfer Committee of the Company approves the transfer and transmission, issue of duplicate share certificates and allied matters. Share transfers are registered and returned in the normal course within an average period of 15-20 days from the date of receipt, subject to transfer instrument being valid and complete in all respects. In compliance with clause 47 (c) of the Listing Agreement, every six months, a practicing Company Secretary audits the system of share transfer and a certificate issued to that effect is submitted to the Stock Exchanges.

Distribution of Shareholding as on 31st March 2009

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Share Held	% of Shareholding
1-500	8154	88.51	1285583	16.39
501-1000	572	6.21	484925	6.18
1001-2000	226	2.45	358388	4.57
2001-3000	88	0.96	221658	2.83
3001-4000	38	0.41	135758	1.73
4001-5000	28	0.30	135623	1.73
5001-10000	52	0.56	370142	4.72
10001 & above	54	0.59	4853771	61.86
Total	9212	100.00	7845848	100.00

Shareholding Pattern as on 31st March 2009

Category	No. of Shareholders	% of Shareholders	No. of Share Held	% of Shareholding
Public	8884	96.44	34,73,219	44.27
Domestic Bodies Corporate	242	3.20	883348	11.75
Financial Institutions / Mutual Funds / Bank	1	0.01	3,40,000	4.52
Flls	1	0.01	2,200	0.03
NRIs / OCBs	73	0.79	71237	0.91
Promoters & associates	10	0.11	3243723	41.34
Total	9212	100.00	78,45,848	100.00

Dematerialization of Shares and Liquidity:

The shares of the Company are tradable compulsory in demat form and are available for trading in the depository system of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2009, 71,09,837 Equity Shares of the Company representing 90 % of the share capital of the Company stand dematerialised.

Outstanding GDRs/ADRs/Warrants or any convertible instruments:

No securities were pending conversion as on 31st March, 2009.

Plant Location

Village Bhatian, Near TVS Factory, Bharatgarh Road, Nalagarh 174 101, Dist: Solan, Himachal Pradesh, India.

Address for Investors Correspondence: For any queries, shareholders are requested to either write to-

The Company Secretary

Control Print Limited, C-106, Hind Saurashtra Indl. Estate, Andheri-Kurla Road, Marol Naka, Mumbai – 400 059, India Tel: +91 22 28509056, 56938900 | Fax: +91 22 28519581, 28502609

Email : complianceofficer@controlprint.com OR

The Company's Registrar & Share Transfer Agent

Sharepro Services (I) Pvt. Ltd., 13AB, Samhita Warehousing Complex, Second Floor, Telephone Exchange lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072

Tel : +91 22 2821 5168, 2834 8218 | Fax : +91 22 283 75646 | Email : sharepro@vsnl.com

Declaration from the Managing Director

To

The Members of Control Print Limited

As Provided under Clause 49 of the Listing Agreement with the Stock Exchange, the Board Members and the Senior Management Personal have affirmed compliance with the company's Code of Conduct for the year ended 31st March, 2009.

For **Control Print Limited**

Place : Mumbai

Date : 30th June,2009

B. S. Kabra
Managing Director

Compliance Certificate On Corporate Governance

The Members of Control Print Limited

We have examined the compliance of the conditions of Corporate Governance by Control Print Limited for the year ended March 31, 2009 as stipulated in Clause 49 of the listing Agreement of the company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement subject to the following:-

1. The Company has not made presentations to the institutional shareholders or analysts.
2. The Code of Conduct laid down for all Board Members and Senior Management personnel of the Company has not been posted on the website of the Company.

We are informed that the Company is taking steps to comply with the above henceforth.

We state that no investor grievances were pending for the period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievances Committee. 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 **Dosi & Jain**
Chartered Accountants

Chandresh Gandhi
Partner
Membership No. 43172
Place: Mumbai
Date: 30th June, 2009

Auditors Report

The Members of **Control Print Limited**

Dear Sirs,

We have audited the attached Balance Sheet of Control Print Limited as at 31st March, 2009 and Profit and Loss Account 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.

1. We have conducted our audit in accordance with auditing standards generally accepted in India. These 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 test basis, evidence supporting the amount 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 of our opinion.
2. As required by Companies (Auditor's Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, and as per the information and explanation furnished to us and the books and records examined by us in the normal course of audit, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the Order.
3. Further to our comments in the Annexure referred to in paragraph above, we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this Report are in agreement with the books of account.
 - d) In our opinion, Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in Sub- section (3C) of section 211 of the Companies Act, 1956 except for Note No. I 6 b of Schedule 'U'
 - e) On the basis of the written representations received from the Directors as on 31st March 2009, and the same being taken on record by the Board of Directors, we report that none of the Directors is disqualified as a Director in terms of section 274 (1) (g) of the Companies Act, 1956.
 - f) In our opinion, according to the information and explanation given to us, the said accounts subject to Note I 6 b of Schedule 'U' regarding provision for leave encashment on cash basis and, read together with notes thereon and the accounting policies give the information required by the Companies Act, 1956, in the manner so required and give true and fair view in the conformity with the accounting principles generally accepted in India.
 - 1) In case of Balance Sheet, of state of affairs of the company as at 31st March 2009, and
 - 2) In case of Profit and Loss Account, of profits of the Company for the year ended on that date
 - 3) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Mumbai
Date: 30/06/2009

For **Dosi &Jain**
Chartered Accountants

Chandresh Gandhi
Partner

Annexure To The Auditor's Report

As referred to in paragraph 2 of our report of even date to the Members of Control Print Limited, on the accounts for the year ended 31st March 2009

- 1) In respect of Fixed Assets
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - (b) As explained to us during the year the Company has verified most of the Fixed Assets at various locations and no material discrepancies have been noticed on such verification. In our opinion the frequency of such verification is reasonable and adequate to the size of the Company and nature of the business.
 - (c) There are no substantial fixed assets disposed off during the year.
- 2) In respect of inventories
 - (a) The inventories have been physically verified by the Management at reasonable intervals during the year.
 - (b) In our opinion the procedures followed for physical verification of stocks is reasonable and adequate considering the nature of the business and size of the Company.
 - (c) The Company has maintained proper records of inventories. In our opinion the discrepancies noticed on the verification between physical stocks and book stocks were not material having regard to the size of the operations of the Company and have been properly dealt within the books of accounts.
- 3) The Company has not taken or granted any loans secured or unsecured to/from companies firms or other partners listed in the register maintained under Section 301 of the Companies Act, 1956 and accordingly the clause 4(iii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and Fixed Assets and for the sale of goods and services.
- 5) In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanations given to us, we are of the opinion that transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the explanations given to us, transactions in pursuance of contracts or arrangements entered in register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs only) or more in respect of a party is reasonable having regard to the prevailing market prices at the relevant time.
- 6) The Company has not accepted any deposits from the public.
- 7) The Company has developed an Internal Audit System commensurate with the size and nature of its business.
- 8) We are informed that the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956.
- 9) In respect of the statutory dues:
 - (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales Wealth Tax, Custom Duty, Excise Duty, Service Tax and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanation given to us, there are no undisputed amounts outstanding as on 31st March, 2009 for a period of more than six months from the date they become payable.

- (b) According to the information and explanation given to us and records of the Company, there are no disputed demands payables by the company
- 10) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
 - 11) As per the information and explanations given to us, the matter in respect of payment of dues to IDBI which has been appropriated by sale of promoters/guarantors shares in the previous year is still pending before the Honourable High Court of Mumbai. There is no amount outstanding to the financial institution as the disputed amount is already appropriated.
 - 12) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 - 13) In our opinion, the Company is not a chit fund/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
 - 14) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments and hence clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
 - 15) In our opinion and according to the information and explanation given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
 - 16) In our opinion and according to the information and explanation given to us, the term loan received during the year has been applied for the purpose for which they were raised.
 - 17) According to the information and explanation given to us and over all examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any amount from short term sources towards repayment of long-term borrowings and acquisition of fixed assets and funds raised on long term basis have not been used for short term investment.
 - 18) During the year, the Company has made preferential allotment of 2,60,000 equity shares to the parties covered under Section 301 of the Companies Act, 1956. In our opinion, the said allotment and pricing of the shares have been made in accordance with the SEBI guidelines and hence the prices are not prejudicial to the interests of the Company.
 - 19) The Company has not issued any debentures and therefore the question of creating security in respect thereof does not arise.
 - 20) The Company has not raised any money by way of public issue during the year and therefore the question of disclosing the end use of money does not arise.
 - 21) Based on the audit procedures performed and according to the information and explanation given to us by the Management, no fraud on / by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For **Dosi & Jain**
Chartered Accountants

Chandresh Gandhi
Partner
Membership No. 43172

Place: Mumbai
Date: 30/06/2009

Balance Sheet As At 31st March, 2009

	SCH.	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
I. SOURCES OF FUNDS :			
i. SHAREHOLDER'S FUNDS :			
(a) Share Capital	A	78,458,480	76,603,980
(b) Reserves & Surplus	B	352,816,758	345,018,719
ii. LOAN FUNDS :			
Secured Loans	C	31,564,651	-----
iii. DEFERRED TAX LIABILITY (NET)			
		14,688,642	11,276,603
		477,528,531	432,899,302
II. APPLICATION OF FUNDS :			
i. FIXED ASSETS			
Gross Block	D	184,098,765	161,952,253
Less: Depreciation / Amortisation		43,861,339	36,216,953
Net Block		140,237,426	125,735,300
ii. INVESTMENTS			
	E	93,993,032	156,031,643
III. CURRENT ASSETS, LOANS & ADVANCES:			
(a) Inventories	F	158,055,942	100,208,180
(b) Sundry Debtors	G	96,187,838	82,075,988
(c) Cash & Bank Balance	H	7,172,073	14,003,883
(d) Loans & Advances	I	44,069,537	53,858,989
		305,485,390	250,147,040
Less: Current Liabilities & Provisions	J	71,393,469	108,231,852
NET CURRENT ASSETS		234,091,921	141,915,188
IV. MISCELLANEOUS EXP.			
	K	9,206,152	9,217,171
		477,528,531	432,899,302

Significant Accounting Policies & Notes on Accounts U

Schedules A to K annexed hereto form an integral part of the Balance Sheet

As per our report of even date attached

For **Dosi & Jain**

Chartered Accountants

For and on behalf of the Board

Chandresh Gandhi
Partner

Piyush Shah
Company Secretary

U.S. Rathi
Executive Director

Shiva Kabra
Wholetime Director

B.S. Kabra
Managing Director

Mumbai, 30th June, 2009

Profit & Loss Account For The Year Ended 31st March, 2009

	SCH.	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
I. INCOME :			
Sales :			
- Manufacturing Sales		49,389,695	18,940,225
- Trading		314,432,962	340,927,288
Service Income		14,967,637	27,705,793
Other Income	L	560,859	42,117,340
	(a)	379,351,153	429,690,646
II. EXPENDITURE :			
Cost of Raw Materials Consumed	M	29,428,996	7,174,978
Cost of Goods Sold (Trading)	N	217,620,654	219,619,177
Manufacturing Expenses	O	11,450,880	4,932,400
Personnel Cost	P	50,459,019	49,090,423
Administrative and Other Exp.	Q	30,597,432	36,190,387
Selling & Distribution Exp.	R	16,940,890	20,225,941
Financial Expenses	S	4,760,398	1,300,271
Miscellaneous Expenditure Written Off	T	1,747,437	442,031
Technical Knowhow Fees Written Off		----	4,044,608
Bad Debts Written Off (Net)		145,439	3,829,206
	(b)	363,151,145	346,849,422
Profit before Depre. & Tax	(a - b)	16,200,008	82,841,224
Depreciation		7,644,386	6,106,442
Profit before Taxation		8,555,622	76,734,782
Provision for Taxation - Current		1,300,000	11,500,000
- Wealth tax		203,677	204,784
- Fringe Benefit Tax		1,678,066	1,343,574
- Deferred		3,412,039	1,041,884
Profit for the year after Taxation		1,961,840	62,644,540
Earlier year's Adjustments		527,299	(706,185)
Surplus Brought Forward from last year		112,187,863	97,842,392
Balance available for Appropriation		114,677,002	159,780,747
APPROPRIATIONS :			
Proposed Dividend		----	15,037,296
Tax on Dividend		----	2,555,588
Transferred to General Reserves		----	30,000,000
Balance carried over to Balance Sheet		114,677,002	112,187,863
		114,677,002	159,780,747
Basic Earnings per share of Rs.10/- each		0.26	8.47
Diluted Earnings per share of Rs.10/- each		0.25	7.81

Schedules L to T annexed hereto form an integral part of the Profit and Loss Account.

As per our report of even date attached

For **Dosi & Jain**

Chartered Accountants

For and on behalf of the Board

Chandresh Gandhi
Partner

Piyush Shah
Company Secretary

U.S. Rathi
Executive Director

Shiva Kabra
Wholetime Director

B.S. Kabra
Managing Director

Mumbai, 30th June, 2009

Schedules Forming Part Of The Balance Sheet As At 31st March,2009

	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
SCHEDULE : A		
SHARE CAPITAL :		
Authorised : 1,00,00,000 (Previous year 1,00,00,000)		
Equity Shares of Rs.10/- each	100,000,000	100,000,000
Issued Subscribed & Paid Up :		
78,45,848 (Previous year 75,18,648)		
Equity Shares of Rs 10/- each fully paid up in cash	78,458,480	75,186,480
(Of the above:		
1,25,000 Equity shares of Rs.10/- each have been issued by converting warrants on preferential basis.		
2,60,000 Equity shares of Rs.10/- each have been issued to the promoters on preferential basis		
67,200 Equity shares of Rs. 10/- each have been issued on exercise of options by ESOP holders.)		
Warrant Application Money	-----	1,417,500
10% of 2,25,000 warrants issued on preferential basis @ Rs.63/- per warrant		
TOTAL	78,458,480	76,603,980
SCHEDULE : B		
RESERVES & SURPLUS :		
(a) Share Premium :	129,959,400	123,243,550
Add : Premium on 1,25,000 Shares issued	-----	6,625,000
Add : Premium on 9,085 shares	-----	90,850
Add : Premium on 2,60,000 Shares issued	8,090,400	-----
	138,049,800	129,959,400
(b) General Reserves		
Balance as per last Balance Sheet	84,152,981	54,152,981
Add : Transferred during the period	-----	30,000,000
	84,152,981	84,152,981
(c) Profit & Loss account :		
Balance as per last Balance Sheet	112,187,863	97,842,392
Add: Transferred during the period	2,489,139	14,345,471
	114,677,002	112,187,863
(d) Capital Reserve		
Balance as per last Balance Sheet	6,938,475	-----
Add : on forfeiture of preferential convertible warrants	1,417,500	-----
	8,355,975	6,938,475

	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
(e) Employees Stock Options Outstanding :		
Balance as per last Balance Sheet	11,780,000	11,780,000
Add : Granted during the year	-----	-----
Less: Exercised during the year	3,192,000	-----
Less: Lapsed during the year	1,007,000	-----
	<hr/> 7,581,000	11,780,000
TOTAL	<hr/> 352,816,758	<hr/> 345,018,719
SCHEDULE : C		
SECURED LOANS :		
ING Vysya Bank Ltd Cash Credit	30,959,353	-----
ING Vysya Bank Ltd Term Loan	605,298	-----
(Secured by hypothecation of Stocks & Book Debts. These are further secured by personal guarantees of two Directors, pledge of some shares held by related party and mortgage of certain immovable properties of the Company.)		
TOTAL	<hr/> 31,564,651	<hr/> -----

SCHEDULE : D (Fixed Asset)

Particulars	GROSS BLOCK			AMORTISATION / DEPRECIATION			NET BLOCK	
	As at 01/04/08 Rupees	Additions during the period Rs.	Deduction during the period Rs.	As at 31/03/09 Rupees	Charged during the year Rs.	Deduction during the period Rs.	As at 31/03/09 Rupees	As at 31/03/08 Rupees
A) Tangible Assets:								
Land	5621158	0	0	5621158	0	0	5621158	5621158
Office Premises	22838268	0	0	22838268	372264	0	18705870	19078134
Residential Premises	16657997	0	0	16657997	271525	0	14787001	15058526
Factory Premises	43590362	15250606	0	58840968	1656017	0	48828991	35234402
Plant and Machinery	15030993	8023906	0	23054899	861262	0	18195871	11033227
Office Equipments	13488436	2364349	0	15852785	1504977	0	9597082	8737710
Furniture and Fixtures	19369241	8303057	0	27672298	1467878	0	17197434	10362255
Vehicles	8510778	753380	0	9264158	864066	0	5209716	5320402
Capital Work-in-progress	13379206	9810508	23189714	0	0	0	0	13379207
Total for the period (A)	158486439	44505806	23189714	179802531	6997989	0	41659408	123825021
B) Intangible Assets:								
Computer Software	2423164	401420	0	2824584	415375	0	1868073	970467
Technical knowhow fees	1042650	429000	0	1471650	231021	0	333858	939813
Total for the period (B)	3465814	830420	0	4296234	646396	0	2201931	1910280
Total for the period (A)+(B)	161952253	45336225	23189714	184098765	7644385	0	43861339	125735301
Previous year	138564796	50453556	27066099	161952253	6106442	823904	125735300	107630381

	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
SCHEDULE : E		
INVESTMENTS (AT COST) :		
MUTUAL FUND	-----	25,843,227
Kotak Liquid (Institutional) Weekly dividend 2570928.1851 units @ Rs.10.0521		
QUOTED :		
Equity Shares in other Bodies Corporates (at cost)	93,993,032	130,188,416
Aggregate Market Value of Investments is Rs.55,804,813/- (Previous year Rs.151,147,630/-)		
TOTAL	93,993,032	156,031,643
SCHEDULE : F		
INVENTORIES :		
(As taken, valued and certified by Management)		
Raw Materials	24,123,501	9,219,727
Work-in-progress	4,011,604	-----
Spares & Consumables	1,897,932	3,222,887
Finished Goods	127,132,535	87,765,566
Goods in Transit	890,370	-----
TOTAL	158,055,942	100,208,180
SCHEDULE : G		
SUNDRY DEBTORS :		
(Unsecured, Considered good)		
Debts outstanding for more than 6 Months	27,073,213	30,281,329
Other Debts	69,114,625	51,794,659
TOTAL	96,187,838	82,075,988
SCHEDULE : H		
CASH AND BANK BALANCES :		
Cash and Cheques on hand	1,897,076	2,779,715
Balances with Scheduled Banks:		
In Current Account	1,515,373	5,960,175
In Margin Money Deposit Account	1,402,295	2,483,227
Unclaimed Dividend Account	2,357,329	2,780,766
TOTAL	7,172,073	14,003,883
SCHEDULE : I		
LOANS AND ADVANCES :		
(Unsecured, Considered good)		
Deposits with Companies & others	-----	1,500,000
Advances to Employees	2,734,718	2,601,037
Prepaid Expenses	397,276	325,897

	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
Addl. Custom Duty Refund Receivable	5,458,130	----
Advance against premises	13,000,000	----
Other Advances	385,100	346,315
Deposits :		
(a) Govt. & Semi Govt. Authorities	209,836	203,836
(b) Security Deposits *	1,252,375	1,301,615
Income Tax Paid & Deducted	20,632,102	47,580,289
TOTAL	44,069,537	53,858,989

* Includes Rs.5,34,000/- (P.Y. Rs..5,34,000/-) to a private company in which a Director is interested

SCHEDULE : J

CURRENT LIABILITIES AND PROVISION :

Current Liabilities :

Sundry Creditors:

(a) Due to Small Scale Industries	NIL	----
(b) Due to Others	36,130,459	33,581,606
Other Liabilities	33,759,333	26,646,726
Provision for Taxation	1,300,000	30,300,000
Provision for Wealth Tax	203,677	204,784
Fringe Benefit Tax	----	(94,148)
Proposed Dividend	----	15,037,296
Tax on Dividend	----	2,555,588
TOTAL	71,393,469	108,231,852

SCHEDULE : K

Preliminary Expenses

Opening Balance	388,811	----
Add : Incurred during the year	----	420,336
	388,811	420,336
Less : Written off during the year	42,034	31,525
Closing Balance	346,777	388,811
Deferred Revenue Expenses		
Opening Balance	1,642,022	2,052,528
Add: Incurred during the period	6,474,481	----
	8,116,503	2,052,528
Less : Written off during the year	1,705,403	410,506
Closing Balance	6,411,100	1,642,022
Deferred Employees Compensation Expenses		
Opening Balance	7,186,338	----
Add : Incurred during the year	----	11,780,000
	7,186,338	11,780,000

	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
Less : Lapsed/Amortised during the year	4,738,063	4,593,662
Closing Balance	2,448,275	7,186,338
TOTAL	9,206,152	9,217,171
SCHEDULE : L		
Other Income :		
(a) Interest	312,115	353,612
(b) Dividend	1,093,655	1,880,315
(c) Misc. Receipts	55,923	85,418
(d) Profit / (Loss) on sale of Investment	(2,328,633)	39,797,995
(e) Commission	1,427,799	-----
TOTAL	560,859	42,117,340
SCHEDULE : M		
COST OF RAW MATERIALS CONSUMED :		
Opening Stock	9,219,727	-----
Add: Purchases during the period	48,344,374	16,394,705
	57,564,101	16,394,705
Less: Closing Stock	28,135,105	9,219,727
TOTAL	29,428,996	7,174,978
SCHEDULE : N		
COST OF GOODS SOLD (TRADING) :		
Opening Stock	90,988,453	89,554,701
Add: Purchases during the period	256,553,038	221,052,929
	347,541,491	310,607,630
Less: Closing Stock	129,920,837	90,988,453
TOTAL	217,620,654	219,619,177
SCHEDULE : O		
MANUFACTURING EXPENSES :		
- Power & other Expenses	1,126,630	791,564
- Personnel Cost	6,713,890	2,307,593
- Administrative & Other Expenses	2,431,516	1,283,223
- Selling & Distribution Expenses	1,091,091	542,513
- Financial Expenses	87,753	7,507
TOTAL	11,450,880	4,932,400
SCHEDULE : P		
PERSONNEL COST :		
Salaries & Wages	41,851,053	38,699,070
Contribution to P.F	1,176,734	1,231,592
Contribution to ESIC	213,985	223,040
Employees Compensation Expenses	3,731,063	4,593,662
Welfare Expenses	3,486,184	4,343,059
TOTAL	50,459,019	49,090,423

	As At 31/03/09 (Rupees)	AS AT 31/03/08 (Rupees)
SCHEDULE : Q		
ADMINISTRATIVE & OTHER EXPENSES :		
Rent	2,317,913	1,991,187
Rates & Taxes	494,451	422,185
Printing & Stationery	1,856,410	1,610,934
Auditor's Remuneration:	----	----
- Audit Fees	174,391	170,989
- Tax Audit Fees	33,210	33,708
- Certification Charges	49,635	33,708
- Advisory Services	49,635	44,944
- Out of Pocket Expenses	17,513	3,241
Legal & Professional Charges	4,701,578	6,997,446
Directors Meeting Fees	120,000	145,000
Telephone, Mobile & Fax Charges	3,071,798	3,137,191
Insurance Charges	102,814	168,877
Conveyance Expenses	7,444,980	5,101,732
Loss on Sale of Fixed Assets	-----	3,636
General Expenses	3,785,875	2,866,138
Guest House Expenses	-----	110,325
Vehicle Expenses	2,468,006	2,280,050
Repairs & Maintenance	2,267,633	9,398,147
Electricity Charges	1,641,590	1,670,949
TOTAL	30,597,432	36,190,387
SCHEDULE : R		
SELLING & DISTRIBUTION EXPENSES :		
Travelling Expenses	9,606,169	10,866,734
Sales and Market Promotion Expenses	2,621,083	4,613,227
Freight & Other Expenses	3,861,366	4,745,980
Royalty Expenses	852,272	-----
TOTAL	16,940,890	20,225,941
SCHEDULE : S		
FINANCIAL EXPENSES :		
Interest on Cash Credit & Others	2,539,354	294,518
Bank Commission & Charges	2,221,044	1,005,753
TOTAL	4,760,398	1,300,271
SCHEDULE : T		
MISCELLANEOUS EXPENSES WRITTEN OFF :		
Deferred Revenue Expenses Written Off	1,705,403	410,506
	42,034	31,525
TOTAL	1,747,437	442,031

Annexure To Schedule - E Investments At Cost As At 31st March 2009

Sr. No.	Name of Company (Quoted)	As at 31/03/09		As at 31/03/08	
		No. of Shares	At Cost	No. of Shares	At Cost
1.	Amara Raja Batteries Ltd.	247,500	13,755,825	165,000	13,755,825
2.	Asahi India Glass Ltd.	5,000	341,080	127,500	13,241,890
3.	Associated Cement Co. Ltd.	0	0	6,000	2,934,240
4.	Cairn India Ltd.	125,000	21,992,886	101,000	18,734,964
5.	GIC Housing Finance Ltd.	18,029	806,534	18,029	806,534
6.	Himatsingka Seide Ltd.	25,000	2,212,118	85,000	10,084,608
7.	Kotak Bank	25,000	16,566,754	25,000	16,566,753
8.	Lanxess ABS Ltd.	35,000	6,038,463	35,000	6,038,463
9.	Micro Tech.	100,000	20,780,720	79,461	18,533,073
10.	Nucleus Software Export Ltd.	6,650	0	6,650	0
11.	Sanghi Industries Ltd.	40,000	2,719,916	40,000	2,719,916
12.	Tata Elxsi	30,000	4,770,934	20,000	3,128,756
13.	Trent Ltd.	2,500	1,250,000	5,387	2,693,500
14.	Trent Tradeable Warrants	5,000	0	5,000	0
15.	UTV Software	4,016	2,757,802	37,500	20,949,893
	TOTAL		93,993,032		130,188,415

Schedule "U" Significant Accounting Policies And Notes On Accounts

I. SIGNIFICANT ACCOUNTING POLICIES

The Accounts have been prepared as a going concern under historical cost convention.

1) Fixed Assets

All fixed assets are valued at their original cost which includes expenditure incurred in acquisition and construction / installation and other related expenses less accumulated depreciation.

- a) The Company on an annual basis makes an assessment of any indicator that may lead to "Impairment of Assets". If any such indications exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount of the assets, than the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and the same is charged to Profit & Loss Account.
- b) Capital work in progress is carried at cost, comprising of direct cost and related incidental expenses.

2) Intangible Assets

Intangible Assets are stated at cost of acquisition less amortisation.

3) Investments

Investments are stated at cost as the same are of long term in nature.

4) Inventories

Inventories are valued on FIFO basis as under:

- a) Raw material and components are valued at lower of Cost or Net Realisable Value.
- b) Finished Goods are valued at lower of Cost or Net Realisable Value.
- c) Stores, spares and consumables are valued at Cost.
- d) Goods in transit are valued at Cost.
- e) Cost of manufactured goods is ascertained at cost plus appropriate share of overheads.

5) Depreciation

Depreciation on fixed assests has been provided on Straight Line basis at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Intangible Assets are amortised on straight line basis over the estimated economic useful life.

6) a) Sales: Sales are net of returns and claims.

b) Recognition of Income and Expenditure:

Income and expenditure are generally recognised on accrual basis except for Leave Encashment which is recognised on cash basis which is contrary to Accounting Standard 15 issued by the Institute of Chartered Accountants of India.

Revenue from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred.

Revenue from maintenance contracts are recognised pro-rata over the period of the contract.

7) Foreign Exchange Transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc) outstanding at the year end are translated at exchange rate applicable on balance sheet date.

Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Profit and Loss Account.

8) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in Notes to Accounts. Contingent assets are neither recognised nor disclosed in financial statements.

9) Taxation

The Current charge for income taxes is calculated in accordance with the relevant tax regulations, past assessments & legal opinion sought by the Company. Deferred-tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax assets and liabilities are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

Fringe benefit tax is determined at current applicable rate on expenses falling within the ambit of "Fringe Benefit" as defined by Income Tax Act, 1961.

II. NOTES TO ACCOUNTS

- 1) The Company operates in a single reportable segment viz. Coding and Marking Machine and Consumables thereof.
- 2) In the opinion of the Board, the Current Assets, Loans & Advances have a value on realisation not less than which they have stated in the Balance Sheet and provisions for all known liabilities have been made.
- 3) During the year company has allotted 2,60,000 Equity shares to the promoters on Preferential basis at the rate Rs.28.84 per shares and has allotted 67,200 Equity shares at the rate of Rs.10/- per shares to the Employees of the Company under Employees Stock Option Scheme of the Company.
- 4) The Company had filed a suit against IDBI in respect of amount appropriated by them towards sale of promoters/guarantors shares in the previous year is still pending before the Honourable High Court of Mumbai. There is no amount outstanding to the financial institution due to the said appropriation.
- 5) During the year Company has entered into two technical collaboration for manufacture of consumables at Nalagarh and Vasai with renowned US based Companies in the field of Ink technology.
During the year Company has also entered into technical collaboration with M/s.Codeology Limited and Open Date Equipment Limited, UK for manufactur of Large Character Printers at Nalagarh.
- 6) On December 31, 2005 shareholders approved via Postal Ballot, an Employee Stock Option Plan 2006 (ESOP 2006). The Plan provided an issuance of 3,69,200 equity shares of Rs. 10/- each to the employee of the Company. Compensation Committee administers the ESOP 2006. Based on the recommendation of the Compensation Committee, the options were granted at Rs. 10/- per share per option on the date of grant. These options vest over a period of three years from the grant date.
- 7) The Summary of the status of the ESOP 2006 Plan is given as below:

Options outstanding at the beginning of the year	2,48,000
Options granted during the Year	NIL
Options forfeited during the Year	NIL
Options Exercised during the Year	67,200
Options Lapsed during the Year	21,200
Options Outstanding at the end of the Year	1,59,600
Options exercisable during the year (2009-2010)	62,400

The Total Accounting Charge on account of ESOP's is Rs. 1.18 crores amortized over a vesting period of three years on a straightline basis. The Accounting charge for the Current Year is Rs. 37.31 Lacs.

- | | | |
|--|----------------------|---------------------|
| 8) Contingent Liabilities not provided for: | As at 31/03/09 (Rs.) | As at 31/03/08(Rs.) |
| a) Counter Guarantees given by the company to the bank against the Bank Guarantees | 12,43,500 | 18,20,635 |
| b) Estimated amount of contracts remaining to be executed on capital account (net of Advances) | 2,95,00,000 | 10,00,000 |
- 9) Debtors and Creditors Balance are subject to confirmations & reconciliation, if any
- | | | |
|-----------------------------|--------------|---------------|
| 10) Directors Remuneration: | Current Year | Previous Year |
| Salary & Allowances | 49,56,000 | 47,31,000 |
| P. F. | 18,720 | 41,160 |
| Other Benefits | 155,915 | 95,715 |
- 11) There was no impairment of loss on fixed assets on the basis of review carried out by the management during the year.
- 12) As per AS 22 on Accounting for taxes on income issued by ICAI, the Company has adjusted the deferred tax liability as on 31st March, 2009 of Rs.34,12,039/- for the year by crediting to Profit and Loss Account.
- The components of deferred tax liability for the Current financial year are :-
- | | |
|------------------------------|----------------|
| Depreciation | Rs.16,51,498/- |
| Deferred Revenue Expenditure | Rs.17,60,541/ |
- 13) Related Party Disclosures, as required by AS – 18 'Related Party Disclosures' are given below:
- I. Relationships
- a) Where control exists
Silver Plastochem Private Limited
- b) Key Management Personnel
Mr. Basant Kabra - Silver Plastochem Private Limited
- II. Transactions with Related Parties
Silver Plastochem Private Limited
- | | |
|---|---------------|
| Rent paid | Rs. 22,61,719 |
| Issue of Equity shares on Preferential Basis. | Rs. 40,37,600 |
- Pledge of 10,00,000 Equity Shares towards Security for Loans Sanctioned to the Company.
- III. Transaction with Directors
- | | |
|---------------------------------------|---------------|
| Remuneration | Rs. 51,30,635 |
| Board Meeting Fees | Rs. 1,20,000 |
| Issue of Shares on Preferential Basis | Rs. 17,30,400 |
- Personal Guarantees given by Mr.Basant Kabra and Mr.Shiva Kabra, Directors of the Company for the Loans Sanctioned to the Company.
- 14) As per the Company, there are no creditors who fall under the definition of Small Scale Industries as defined under Clause (i) of Section 3 of the Industries (Development and Regulation) Act, 1951.
- 15) Based on the information available with the company, there is no outstanding amount due from suppliers who are registered as Micro, Small or Medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31st March, 2009.
- 16) Additional information pursuant to Schedule VI Part II of the Companies Act, 1956:

		Current Year ended 31/03/09		Previous Year ended 31/03/08	
	Unit	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
A) CAPACITIES AND PRODUCTION:					
Coding and Marking Systems					
Licensed Capacity					Licence not required
Installed Capacity					Not assessable
Actual Production	Nos.	346		201	
B) TURNOVER					
(a) Imported & Indigenous					
Coding & Marking Systems	Nos.	420	7,84,61,438	437	6,97,49,383
Consumables, Spares & Others			25,09,39,161		29,88,83,698
(b) Manufactured					
Coding & Marking Systems	Nos.	330	3,15,49,075	181	1,34,32,945
Consumables, Spares & Others			1,78,40,620		55,07,280
TOTAL			37,87,90,294		38,75,73,306
C) STOCK					
Opening Stock					
(a) Imported & Indigenous					
Coding & Marking Systems	Nos.	327	5,16,18,843	242	3,14,11,279
Others			3,93,69,610		5,81,43,422
(b) Manufactured					
Coding & Marking Systems	Nos.	22	4,95,483		
Others			87,24,244		
Closing Stock					
(a) Imported & Indigenous					
Coding & Marking Systems	Nos.	367	6,41,28,032	327	5,16,18,843
Others			6,01,24,213		3,93,69,610
(b) Manufactured					
Coding & Marking Systems	Nos.	38	56,68,592	22	4,95,483
Others			2,81,35,105		87,24,244
D) RAW MATERIAL CONSUMED:					
Raw Materials Components and parts			2,94,28,996		71,74,978
E) PURCHASE:					
Coding & Marking Systems	Nos.	460	9,74,12,101	524	7,61,12,047
Others			15,91,40,937		14,72,56,443
Manufacturing Raw material and parts			4,83,44,374		1,63,94,705
TOTAL			30,48,97,412		23,97,63,195

F) CONSUMPTION OF RAW MATERIAL:

Raw Material	Current Year ended 31/03/09		Current Year ended 31/03/08	
	Consumption Rupees	Consumption % of Total	Consumption Rupees	Consumption % of Total
Imported	2,27,12,039	77.18%	35,82,866	49.93%
Indigenous	67,16,957	22.82%	35,92,112	50.07%

G) CIF VALUE OF IMPORTS:

	Current Year Rs.	Previous Year Rs.
Capital Goods	15,18,346	----
Raw Materials	2,14,50,604	78,74,256
Finished Goods	11,95,81,675	11,84,83,728

H) EXPENDITURE IN FOREIGN CURRENCY:

	Current Year Rs.	Previous Year Rs.
i) Travelling and Training	39,77,101	10,19,304
ii) Technical Know-how	-----	9,93,000
iii) Technical Know-how Fees	41,29,615	38,52,270
iv) Professional fees	8,52,272	8,64,497

I) EARNINGS IN FOREIGN EXCHANGE:

	Current Year Rs.	Previous Year Rs.
FOB Value of Exports	51,10,154	16,95,830

17) Disclosure as required by Accounting Standard 19, "Leases", issued by the Institute of Chartered Accountants of India are given below: The Company has taken various residential, office and godown premises under operating lease or leave and licence agreements. These are renewable by mutual consent on mutually agreeable terms. Lease payments are recognised in the statement of Profit and Loss under 'Rent' in Schedule 'O'

18) Earnings per share: Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earnings per equity share are as stated below:

I) EARNINGS IN FOREIGN EXCHANGE:

		Current Year	Previous Year
Profit after taxation	Rs. in Lakh	19.62	626.44
Weighted average number of shares	Nos.	75,61,347	75,18,648
Earnings per share Basic	Rs.	0.26	8.47
Earnings per share Diluted	Rs.	0.25	7.81
Face value per share	Rs.	10	10

19) The previous year's figures have been regrouped and rearranged wherever necessary, to confirm to the classification adopted for the current year.

Signature to Schedule A to U as per our report of even date attached.

For and on behalf of the Board

For **Doshi & Jain**

Chartered Accountants

Chandresh Gandhi
Partner

Piyush Shah
Company Secretary

U.S. Rathi
Executive Director

Shiva Kabra
Wholetime Director

B.S. Kabra
Managing Director

Mumbai, 30th June, 2009

Cash Flow For The Year Ended 31st March 2009

	2008-09	2007-08
A) PROFIT BEFORE TAX	9,082,921	76,028,597
Adjustment for :		
Depreciation (Net)	7,644,386	6,106,442
Profit - Loss on Forex Fluctuation	2,779,903	-2,315,561
Interest Paid	2,539,354	294,518
Interest Received	-312,115	-353,612
Profit (-) / Loss on sale of Investments	2,328,633	-39,797,995
Misc. Receipts	-55,923	-85,418
Loss on sale of Fixed Assets	0	3,636
Dividend Received	-1,093,655	-1,880,315
Commission Received	-1,427,799	0
Employees Stock Options outstanding	-41,99,000	11,780,000
Miscellaneous expenditure written off	64,85,500	50,35,693
Operating Profit Before Working Capital Changes	23,772,205	54,815,985
Adjustment for changes in :		
Trade & Other Receivables	-14,111,850	26,105,355
Inventories	-57,847,762	-10,653,479
Other Current Assets, Loans & Advances	-18,658,735	-735,976
Trade & Other Payables	9,661,460	19,646,002
Cash Generated From Own Operations	-57,184,682	89,177,887
Direct Tax Paid	-7,696,103	-15,556,481
Net Cash From Operating Activities (Total - A)	-64,880,785	73,621,406
B) CASHFLOW FROM INVESTMENTS		
Purchase of Fixed Assets	-22,146,512	-24,493,497
Sale of Fixed Assets	0	278,500
Purchase / Sale of Investments (Net)	59,709,978	-15,826,099
Inter Corporate Deposits	1,500,000	503,287
Miscellaneous Expenditure incurred during the year	-64,74,481	-12,200,336
Forex Fluctuation	-2,779,903	2,315,561
Interest Received	312,115	353,612
Misc. Receipts	55,923	85,418
Commission Received	1,427,799	0
Dividend Received	1,093,655	1,880,315
Net Cash Used In Investing Activities (Total - B)	32,698,574	47,103,239
C) CASH FLOW IN FINANCING ACTIVITIES		
Issue of Shares / Application Money	11,362,400	9,428,775
Increase / Decrease in Borrowings	31,564,651	-13,264,387

	2008-09	2007-08
Dividend Paid	-15,037,296	-14,769,126
Interest Paid	-2,539,354	-294,518
Net Cash Used In Financing Activities (Total - C)	25,350,401	-18,899,256
Total (A+B+C)	-6,831,810	7,618,911
Opening Balance	14,003,883	6,384,972
Closing Balance	7,172,073	14,003,883

Auditors' Certificate

To
The Board of Directors
Control print Limited
Mumbai

We have Examined the attached cash flow statement of Control Print Limited for the year ended 31st March, 2009. The statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with the Stock Exchanges and is based on and in agreement with the Corresponding Profit & Loss Account and Balance Sheet of the Company covered by our Report of 30th June 2009, to the Company.

For **Dosi & Jain**
Chartered Accountants

Mumbai,
30th June, 2009

Chandresh Gandhi
Partner

Balance Sheet Abstract and Company's General Business Profile As Required In Part IV Of Schedule VI Of The Company Act, 1956

1) Registration Details

Registration No.	:	59800	State Code	:	11
Balance Sheet Date	:	31-03-2009			

2) Capital Raised During The Period (Amount in Rs. Thousand)

Public Issue	:	NIL	Issue of Shares (Promoter)	:	2600
Bonus Issue	:	NIL	Private Placement	:	NIL

3) Positions of Mobilization & Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities	:	477528	Total Assets	:	477528
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Source of Fund

Paid-up Capital	:	78458	Reserve & Surplus	:	352817
Secured Loans	:	31565	Unsecured Loans	:	NIL
Deferred Tax Liability	:	14688			

Application of Funds

Net Fixed Assets	:	140237	Investments	:	93993
Net Current Assets	:	234092	Misc. Expenditure	:	9206
Accumulated Losses	:	NIL			

4) Performance of Company (Amount in Rs. Thousand)

Turnover	:	379351	Total Expenditure	:	371096
Profit / Loss before Tax	:	8555	Profit / Loss after Tax	:	1962
Earning per Share in Rs.	:	0.26	Dividend %	:	NIL

5) Generic name of Principal Product/Service to the Company (as per the monetary terms)

Item Code No. (ITC Code)	:	8443.50
Product Description	:	Coding & Marking Machine

Control Print Limited, C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road, Marol Naka, Andheri (East), Mumbai 400059, India

Attendance Slip

Name & Address of Member

Folio No. :

DP ID No. :

Client ID No. :

No. of Shares :

I hereby record my presence at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company
at Mirage Hotel, International Airport Approach Road, Marol , Andheri (East), Mumbai 400059.
at 4.00 p.m. on Saturday, 26th September, 2009.

Signature of the Member / Proxy

(to be signed at the time of handing over this slip)



Control Print Limited, C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road, Marol Naka, Andheri (East), Mumbai 400059, India

Proxy Slip

Folio No. :

Client ID No. :

DP ID No. :

No. of Shares :

I/We _____ of _____ being a Member

/Members of CONTROL PRINT LIMITED hereby appoint _____

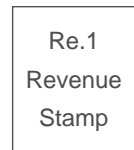
_____ of _____ or failing him/her _____ of

_____ as my / our proxy to vote for me / us and on my / our behalf at the

EIGHTEENTH ANNUAL GENERAL MEETING of the Company to be held on Saturday, 26th September 2009 at 4.00 p.m.

and any adjournment thereof.

Signed this _____ day of _____ 2009 at _____



Note :

- 1) The form should be signed across the stamp as per specimen signature registered with the Company.
- 2) The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.
- 3) A proxy need not be a Member.



- **Registered & Head Office**
- **Branches**
- **Resident Engineers**
- **Proposed Resident Engineers**
- ▲ **Distributors**

Book - Post

If undelivered please return to :

Control Print Limited,

C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road, Marol Naka, Andheri (East), Mumbai 400059, India

t. +91 22 28509056 / 66938900 | **f.** +91 22 28528272 | **e.** ho@controlprint.com | **w.** www.controlprint.com

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