

# NEWS

## SCIENCE

Scientists have discovered a new drug that stops cancer cells and regrows organs at cellular level. This it will take months or 5 years before the drug will be available on the market.

Discussion for global warming and terrorism issues. Among other things will also discuss new measures on global security. Last time this meeting was very productive and has brought major changes on Earth. We will visit several places of strategic interest and will discuss possible collaborations nationally.

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## BUSINESS

The economic situation is getting after the best recent changes are for system. Last time this meeting was very productive and has brought major changes on Earth. We will visit several places of strategic interest and will discuss possible collaborations nationally.



## SPORT

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2016-17  
45<sup>th</sup> Annual Report

Bringing the world  
to your doorstep daily



**MANUGRAPH**  
Technology in Print

Manugraph India Ltd.

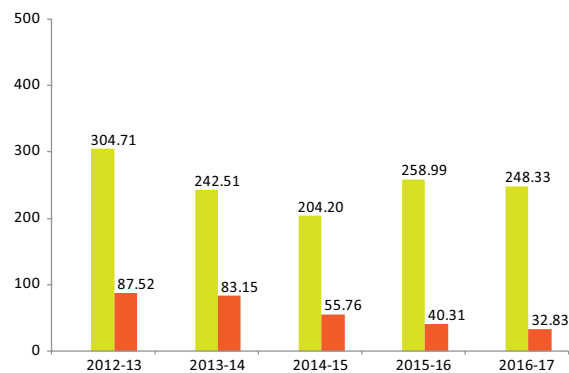
# Manugraph India Ltd.

## Standalone

₹ in crores

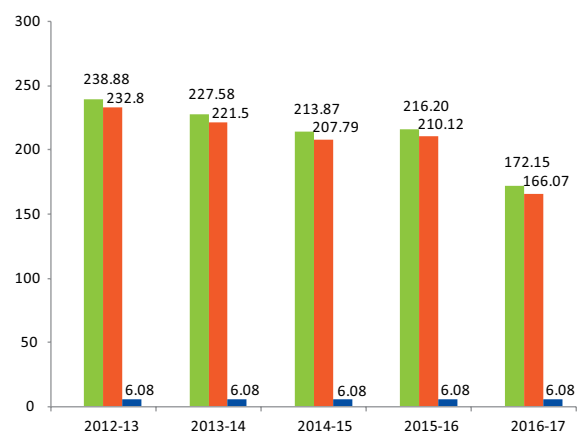
### Sales

Net Sales ■ Exports ■



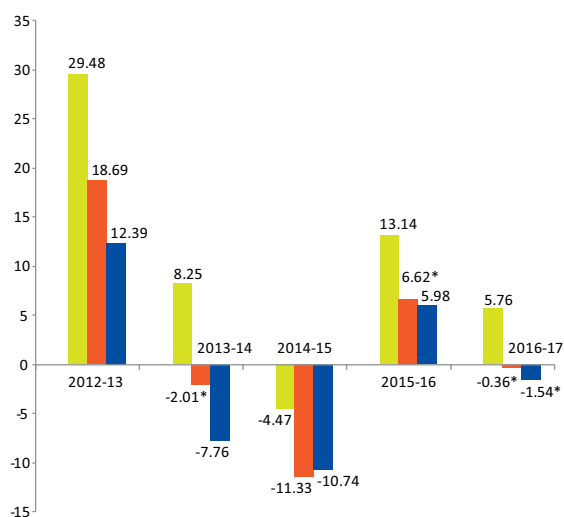
### Networth

Net Worth ■ Reserves ■ Equity ■



### Profitability

Gross Profit ■ Pre-tax Profit ■ Post-tax Profit ■



\* before exceptional item

### Distribution of Income-2016-17 %

Materials	53.04
Expenses	23.02
Manpower	20.70
Depreciation	2.09
Interest	0.23
Taxes	0.60
Retained Earnings	0.32

**MANUGRAPH INDIA LIMITED**

CIN: L29290MH1972PLC015772

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

Phone: +91-22-2285 2256 / 57 / 58, Fax: +91-22-2287 0702 • Website: www.manugraph.com

**BOARD OF DIRECTORS**Mr. Sanat M. Shah *Chairman, Non-Executive Director***Executive Directors**Mr. Sanjay S. Shah *Vice Chairman & Managing Director*Mr. Pradeep S. Shah *Managing Director*Mr. Bhupal B. Nandgave *Whole Time Director (Works)***Non-Executive Directors, Independent**

Mr. Hiten C. Timbadia

Mr. Amit N. Dalal

Mr. Perses M. Bilimoria

Mr. Abhay J. Mehrotra

Mr. Jai S. Diwanji

Mrs. Sohni H. Daswani

**Chief Financial Officer**

Mr. Suresh Narayan

**Company Secretary & Compliance Officer**

Mr. Mihir Mehta

**Statutory Auditors****M/s. Natvarlal Vepari & Co.**Oricon House, 4<sup>th</sup> Floor, 12, K. Dubhash Marg,  
Mumbai – 400 023, India**Bankers**

State Bank of India

HDFC Bank Ltd.

**Audit Committee**Mr. Hiten C. Timbadia, *Chairman*

Mr. Perses M. Bilimoria

Mr. Abhay J. Mehrotra

**Nomination & Remuneration Committee**Mr. Hiten C. Timbadia, *Chairman*

Mr. Perses M. Bilimoria

Mr. Abhay J. Mehrotra

**Stakeholders Relationship Committee**Mr. Perses M. Bilimoria, *Chairman*

Mr. Sanjay S. Shah

Mrs. Sohni H. Daswani

**CSR Committee**Mr. Pradeep S. Shah, *Chairman*

Mr. Bhupal B. Nandgave

Mr. Abhay J. Mehrotra

**Registrar & Share Transfer Agents  
Link Intime India Pvt. Ltd.**

C-101, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai – 400 083, Maharashtra, India.

Phone: +91-22-4918 6270

Fax: +91-22-4918 6060

**Investor Grievance E-Mail Id**

sharegrievances@manugraph.com

**45<sup>th</sup> ANNUAL GENERAL MEETING****Date:** July 27, 2017**Day:** Thursday**Time:** 12.00 noon**Place:** M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001, Maharashtra, India**CONTENTS**

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**MANUGRAPH INDIA LIMITED**

CIN: L29290MH1972PLC015772

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

Phone: +91-22-2285 2256 / 57 / 58, Fax: +91-22-2287 0702

Website: www.manugraph.com

**NOTICE**

**NOTICE** is hereby given that the Forty Fifth Annual General Meeting of the Members of the Company will be held at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001, India, on Thursday, July 27, 2017 at 12.00 noon to transact the following businesses:

**ORDINARY BUSINESS:**

- To consider and adopt (a) the audited financial statements of the Company for the financial year ended 31st March, 2017 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2017 and the report of the Auditors thereon and in this regard, pass the following resolution(s) as an **Ordinary Resolution(s)**:

(a) **“RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted.”

(b) **“RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 and the reports of the Auditors thereon be and are hereby considered and adopted.”

- To declare Dividend on equity shares for the financial year ended March 31, 2017 and in this regard, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the recommendation of the Board of Directors of the Company, a dividend at the rate of ₹ 0.50/- per equity share on 30415061 equity shares of ₹ 2.00/- each fully paid up of the Company, aggregating ₹ 15,207,530.50/- be and is hereby declared for the financial year ended 31st March, 2017 and the same be paid to:

(a) the equity shareholders or to their mandates whose names appeared on the Register of Members as on July 20, 2017; and

(b) the beneficial owners of equity shares as per the particulars given by the National Securities Depository Limited and Central Depository Services (India) Limited, for this purpose.”

- To appoint a Director in place of Mr. Sanat M. Shah (DIN: 00248499), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Sanat M. Shah (DIN: 00248499) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

- To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, and resolution passed by the members for appointment of M/s. Natvarlal Vepari & Co., Chartered Accountants, (Firm Registration No. 106971W) for a period of 5 (Five) years commencing from the conclusion of Forty Second Annual General Meeting, the appointment of M/s. Natvarlal Vepari & Co., Chartered Accountants, (Firm Registration No. 106971W) is ratified for the period concluding from the Forty Fifth Annual General Meeting till the conclusion of next Annual General Meeting on such remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee and reimbursement of all out of pocket expenses in connection with the audit for the year ending March 31, 2018.”

**SPECIAL BUSINESS:**

- To consider, and if thought fit, to pass with or without modification(s) the following resolution proposed as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, be paid the remuneration of ₹ 350,000/- (Rupees Three Lakh and Fifty Thousand only) plus applicable taxes and out of pocket expenses incurred in connection with the Audit.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

**Mihir Mehta**  
Company Secretary

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

Dated: May 26, 2017

#### NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (AGM or the Meeting) is entitled to appoint a proxy to attend and vote on a poll, instead of himself / herself and the proxy need not be a Member of the Company. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not later than forty-eight hours before the commencement of the Meeting. A proxy form for the AGM is provided on page no. 119 of this Annual Report. The holder of proxy shall prove his identity at the time of attending the Meeting.
2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. In terms of Section 152 of the Companies Act, 2013, Mr. Sanat M. Shah (DIN: 00248499), Director, retires by rotation at the Meeting and being eligible, offers himself for reappointment. The Nomination and Remuneration Committee and the Board of Directors of the Company commends his re-appointment.

Details of Director retiring by rotation as required to be provided pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Particulars	Mr. Sanat M. Shah
Age	84 years
Qualification	B.Com
Experience	52 years
Terms and Conditions of re-appointment	Appointed as Non-Executive Director, liable to retire by rotation.
Remuneration last drawn	No remuneration is paid to him. However, during the year, sitting fees of ₹ 60,000/- was paid to him.
Remuneration proposed to be paid	N.A.
Date of first appointment on the Board	25.04.1972
Shareholding in the Company	Please refer Corporate Governance Report section of the Annual Report 2016-17.
Relationship with other Directors / Key Managerial Personnel	
The number of Meetings of the Board attended during the year	
Details of other Directorships, Membership/ Chairmanship of Committees of other Boards	

4. In terms of Sections 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized



form, as on the cut-off date, being Thursday, July 20, 2017, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice (the "Remote e-voting"). The Remote e-voting commences on Monday, July 24, 2017 (10:00 A.M.) and ends on Wednesday, July 26, 2017 (5:00 P.M.). Detail of the process and manner of Remote e-voting along with the User ID and Password is being sent to all the Members along with the Notice.

5. In terms of the recent amendment to the Companies (Management and Administration) Rules, 2014 with respect to the Voting through electronic means, the Company is also offering the facility for voting by way of physical ballot at the AGM. The Members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote at the AGM through ballot for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cutoff date being Thursday, July 20, 2017.
6. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
7. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
9. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
10. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
11. The Company has notified closure of Register of Members and Share Transfer Books from Friday, July 21, 2017 to Thursday, July 27, 2017 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
12. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched between Friday, July 28, 2017 and Friday, August 4, 2017 to those members who hold shares:
  - a. In dematerialized mode, based on the beneficial ownership details to be received from National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on Thursday, July 20, 2017; and
  - b. In physical mode, if their names appear in the Company's Register of Members after giving effect to all valid transfers in physical form lodged with the Company and its Registrar and Transfer Agents before Thursday, July 20, 2017.
13. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Link Intime India Private Limited ("Link") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Link.
15. The Members, desiring any information relating to the accounts, are requested to write to the Company at an early date, so as to enable the management to keep the information ready.
16. Electronic copy of the Annual Report for 2016-17 is being sent to all members whose email addresses are registered with the Company / Depository participant for communication purposes, unless any member has requested hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2016-17 are being sent in the permitted mode.
17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. Attendance slip, proxy form and the route map of the venue of the Meeting is annexed hereto. The prominent landmark for the venue of the Meeting is Kala Ghoda Circle / Jehangir Art Gallery.

## 19. E VOTING PROCEDURE

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM) may also attend the AGM) but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Monday, July 24, 2017 (9:00 am) and ends on Wednesday, July 26, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 20, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "Name of the company".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [mail@aashishbhatt.in](mailto:mail@aashishbhatt.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
    - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM):
 

<b>EVEN (Remote e-voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>
(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.		
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, July 20, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday, July 20, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Registrar viz. Link Intime India Pvt. Ltd at [mnt.helpdesk@linkintime.co.in](mailto:mnt.helpdesk@linkintime.co.in).  
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Aashish Bhatt, Company Secretary in Practice, (Membership No. 19639) have been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company viz. [www.manugraph.com](http://www.manugraph.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
- XVII. Subject to the receipt of requisite number of votes, the resolutions forming part of this AGM Notice shall be deemed to be passed on the date of AGM i.e. Thursday, July 27, 2017.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS RELATING TO SPECIAL BUSINESS:**

**Item No. 5:**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year ending March 31, 2018.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.



## DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting this Forty Fifth Directors' Report together with the audited Annual Accounts of the Company for the financial year ended March 31, 2017.

### FINANCIAL PERFORMANCE

The highlights of the financial position for the year under review as compared to the corresponding period in the previous year are given below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Total Income	26208.23	27734.97	33370.34	32155.81
Total Expenses	26244.22	27073.17	33272.69	31272.78
Profit / (Loss) before Taxation	(35.99)	661.80	97.65	883.03
Exceptional Items	(4195.88)	(308.00)	144.90	(308.00)
Tax Expense	172.98	(244.52)	3788.97	(64.03)
Profit / (Loss) after Taxation	(4404.85)	598.32	(3546.42)	639.06
Earnings Per Share (in ₹) (basic & considering exceptional items)	(14.48)	1.97	(11.66)	2.10

### DIVIDEND

Your Directors are pleased to recommend **Dividend at 25% (₹ 0.50/- per Equity Share of ₹ 2/- each) on equity shares for the year ended March 31, 2017**, subject to the approval of shareholders at the ensuing annual general meeting of the Company. The Dividend distribution would result in cash outflow of ₹ 183.04 Lakhs (including Dividend Distribution Tax).

### OPERATIONS AND FINANCE

Your directors have analyzed Company's operations and financials in detail in Management's Discussion and Analysis.

### PRINTING INDUSTRY

Globally, particularly in the western countries, the increasing use of the Internet, primarily through large engines has changed the habits of readers. Instead of perusing general interest publications, such as newspapers, readers are more likely to seek particular writers, blogs or sources of information through targeted searches, thereby reducing dependency on newspaper for gathering news.

At a time when newspapers across the globe are struggling, India's print media industry will see some steady growth. The growth driver, though, is the regional media as opposed to English language dailies. Vernacular or local language print media will continue to grow, according to a report by India Ratings and Research, a credit ratings agency and a unit of Fitch Ratings. This growth rate will be higher than that of the English language print media, it said, without specifying exact numbers. Vernacular newspapers and magazines will overshadow the English print media, which is likely to continue facing headwinds from the growing acceptance of digital media content.

## COMPANY

Manugraph owes its strong position as a supplier of choice not only for its technical competence, but also for its clear orientation towards the customer needs. Once functionality and timing are agreed upon, the client could relax, knowing well Manugraph would deliver quality presses exactly as agreed upon, right on time. Manugraph develops strong business partnerships with clients, providing most satisfactory after-sale services on a continuous basis.

The performance of the Company during the financial year 2016-17 remained subtle. Your Company continues to face challenging external scenario including demand.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'SEBI Listing Regulations'), the management's discussion and analysis is set out in this Annual Report.

## PUBLIC / FIXED DEPOSITS

Your Company has not accepted any public / fixed deposits during the year and as such no amount of interest and principal deposit was outstanding as on the balance sheet date.

## SUBSIDIARIES

### *Manugraph Americas, Inc*

The US economy in general, turned in the weakest performance as consumers sharply slowed their spending. The newspaper industry has faced dropping newsprint prices, slumping ad sales, significant loss of classified advertising and precipitous drops in circulation. In recent years, the number of newspapers slated for closure, bankruptcy or severe cutbacks has risen, where the industry has shed significant number of its journalists since 2001. Revenue has plunged while competition from Internet media has squeezed print publishers.

During the year under review, Company's subsidiary has performed well despite slowdown in the global economies. However, the performance has deteriorated in the second half mainly due to lack of orders. The Company is in the process of evaluating the strategy and business model in US and take necessary restructuring actions. During the year under review, the company has made a provision for impairment of investment in this subsidiary for a value of ₹ 4500 lakhs, based on an independent assessment.

A report on the performance and financial position of each of the subsidiaries, associates and joint ventures as per the Companies Act, 2013 is provided after Consolidated Financial Statements. The policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website viz. [www.manugraph.com](http://www.manugraph.com).

The Consolidated Financial Statements pursuant to Section 129(3) of the Companies Act, 2013, prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, forms part of this Annual Report. The Auditors report to the shareholders does not contain any qualification, observation or adverse comment.

The Annual financial statements of the subsidiaries and related detailed information will be kept at the registered office of the Company and will also be available to investors seeking information at any time.

## BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013 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. None of the independent directors are due for retirement.

Brief profile of Mr. Sanat M. Shah proposed to be re-appointed as Director of the Company is provided in the notice convening the ensuing Annual General Meeting.

## Board Evaluation

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The Board of Directors has expressed their satisfaction with the evaluation process.

The statement indicating the manner in which formal annual evaluation of the Directors, the Board and Board level Committees are given in detail in the report on Corporate Governance, which forms part of this Annual Report.

Independent Directors also reviewed the performance of non-independent Directors and the Board as a whole in line with the Company's policy on Board Evaluation.

### Appointment & Remuneration Policy

The Board of Directors had reviewed Policy for Appointment of Directors and Senior Management and Evaluation of Directors' Performance, annexed as 'Annexure A'.

### Non Executive Directors

The Non Executive Directors are paid remuneration by way of Sitting Fees. During the year, the Company paid sitting fees of ₹ 15,000/- per meeting to the NEDs for attending meetings of the Board & Audit Committee and ₹ 9,000/- per meeting to the NEDs for attending Nomination & Remuneration Committee meeting.

### Executive Directors

Executive Directors are paid remuneration by way of salary, perquisites, allowances and commission. Salary is paid within the range fixed by the members of the Company.

### Management Staff

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his annual performance, etc.

### DISCLOSURES

#### Meetings of the Board

Four Board Meetings were held during the year and the gap between any two Board Meetings was not more than one hundred and twenty days, thereby complying with applicable statutory requirements. The meetings were held on May 26, 2016, August 4, 2016, October 26, 2016 and February 9, 2017.

### Board Committees

#### Audit Committee

Mr. Hiten C. Timbadia, Chairman  
Mr. Perses M. Bilimoria  
Mr. Abhay J. Mehrotra

#### Stakeholders Relationship Committee

Mr. Perses M. Bilimoria, Chairman  
Mr. Sanjay S. Shah  
Mrs. Sohni H. Daswani

#### Nomination & Remuneration Committee

Mr. Hiten C. Timbadia, Chairman  
Mr. Perses M. Bilimoria  
Mr. Abhay J. Mehrotra

#### CSR Committee

Mr. Pradeep S. Shah, Chairman  
Mr. Bhupal B. Nandgave  
Mr. Abhay J. Mehrotra

The details of various functions / role are provided separately under Corporate Governance Report of this Annual Report.

### RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons or entities which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 33 of Standalone Financial Statements, forming part of the Annual Report.

The policy on Related Party Transactions as approved by the Board is available on website of the Company viz.: [www.manugraph.com](http://www.manugraph.com).

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company aims to further the socio economic welfare to the lesser privileged and to those in need through its CSR activities. Your Company lays special emphasis on education and vocational training of youth including females in the local community for their economic empowerment. In order to achieve this objective your Company continues to support Industrial Training Institutes.

Apart from the above, the Company provides education and other loans to employees which enable their children for higher education.

Since the Company has not earned average net profits in the last three financial years, the Company is not mandatorily required to contribute towards CSR activities. However, the Company spent ₹ 5 Lakh towards health care and rehabilitation. The Annual Report on our CSR Activities is appended as 'Annexure B' to this report.

## EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as 'Annexure C'.

## AUDITORS

The members of the Company at its Annual General Meeting held on August 27, 2014 have appointed M/s. Natvarlal Vepari & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office upto the conclusion of the fifth consecutive annual general meeting of the Company.

In terms of the first proviso to Section 139 of the Companies Act, 2013 the appointment of auditors shall be placed for ratification at every Annual General Meeting.

Accordingly, the appointment of M/s. Natvarlal Vepari & Co. as statutory auditors of the Company is placed for ratification by the shareholders.

M/s. Natvarlal Vepari & Co. has confirmed their eligibility for re-appointment as Statutory Auditors. M/s. Natvarlal Vepari & Co. has also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The report of the auditors to the shareholders is a part of the Annual Report. The notes to the Accounts, that are a part of the financial statements, are self-explanatory and need no further clarifications or explanations.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (i) that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (ii) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual financial statements have been prepared on a going concern basis;
- (v) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## CORPORATE GOVERNANCE

The Company's philosophy is based on the values of transparency, customer satisfaction, integrity, professionalism and accountability. The Company adheres to corporate culture of integrity and consciousness. Corporate Governance is a journey for constantly improving sustainable value creation.

As required under the provisions of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a separate report on

Corporate Governance forms part of this Annual Report, together with a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance.

## HUMAN RESOURCES

Employees are vital to the Company. Your Company considers that 'the power of knowledge engineering' is powered by its people. To achieve its aim of attracting, retaining and developing a committed workforce, your Company sustained various growth and developments initiatives during the year. However, Long-term settlement agreement with workers has delayed because of very high demand for hike in already high wage levels. The Company is at advance stage of negotiations for settlement with the Labour Union.

Your Company is committed to provide a healthy and safe work environment free from accidents, injuries and occupational health hazards.

The Company had a total of 1013 permanent employees as on March 31, 2017.

## Particulars of Employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as 'Annexure D'.

The Company states that there are no employees (other than Managing Directors) employed throughout the financial year 2016-17 and drawing a salary of ₹ 1.02 crore per annum or more or employed for part of the year and in receipt of remuneration of ₹ 8.50 Lakhs or more per month as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of salary paid to Managing Directors are part of Corporate Governance Report, forming part of this Report.

## SECRETARIAL AUDIT

M/s. Aashish K. Bhatt & Associates, a Company Secretary in Practice was appointed to conduct the secretarial audit of the Company for the financial year 2016-17 as required under Section 204 of the Companies Act, 2013 and Rules framed thereunder. The Report of the Secretarial Audit is annexed herewith as 'Annexure E'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## RISK MANAGEMENT

Risks are an integral part of any business and the risk profile, to a great extent, depends on the climatic conditions, economic and business conditions and the markets and customers we serve.

To establish and maintain a system of risk management and internal control, the Board periodically reviews the risk management system and maintenance of a risk profile (both financial and non-financial risks).

A brief report on risk evaluation and management is provided under Management's Discussion and Analysis Report forming part of this Annual Report.

## INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems for internal control that are commensurate with its size and the nature of operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information complying with applicable statutes, safeguarding assets from unauthorised use or losses executing transactions with proper authorisation and ensuring compliance of corporate policies.



To have a strong monitoring system in place, the Audit Committee reviews internal control systems. The Company has also appointed an independent Internal Audit Firms. These firms of Independent Chartered Accountants conduct audits on the basis of Annual Audit Plan, as approved by the Audit Committee of the Board, covering the factories and Office of the Company. The objective of such audits is to ensure adequacy of internal control systems and processes, adherence to the Company's policies and guidelines and compliance with applicable statutes.

These audits also determine whether adequate controls are in place to mitigate risks. Internal Audit has a follow-up process in place to verify the implementation of recommendations made.

During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### **WHISTLE BLOWER POLICY / VIGIL MECHANISM**

The Board has adopted a Whistle Blower Policy to maintain highest standards of professionalism, honesty, integrity, ethical behaviour and to provide a vigil mechanism for Directors/Employees to voice concern in a responsible and effective manner about all protected disclosures concerning unethical matters involving serious malpractice, abuse or wrongdoing within the organisation.

The WB Policy also provides for adequate safeguards against victimization of Director(s) / Employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The Whistle Blower Policy has been posted on the website of the Company viz. [www.manugraph.com](http://www.manugraph.com).

#### **DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace. During the year, there were no complaints relating to sexual harassment.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is annexed as 'Annexure F'.

#### **CAUTIONARY STATEMENT**

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include cyclical demand, changes in government regulations, tax regimes, economic development and other ancillary factors.

#### **APPRECIATIONS**

Your Directors would like to thank all stakeholders, namely, customers, shareholders, dealers, suppliers, bankers, employees and all other business associates for the continuous support given by them to the Company and its Management.

For and on behalf of the Board

Sd/-  
**Sanat Shah**  
Chairman

Place: Mumbai

Date: 26-May-2017.

## POLICY FOR APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT AND EVALUATION OF THEIR PERFORMANCE

### 1. INTRODUCTION

This policy on nomination of Directors, Key Managerial Personnel and Senior Management has been formulated by Nomination and Remuneration Committee and approved by the Board of Directors.

### 2. OBJECTIVES OF THE POLICY

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. Formulate of criteria for evaluation of Independent Directors and the Board.
- iii. Identify persons who are qualified to become Directors and persons who may be appointed in Senior Management positions in accordance with the criteria laid down in this Policy.
- iv. Recommend to the Board, appointment, remuneration, evaluation and removal of Directors, Key Managerial Personnel and Senior Management Personnel.

### 3. DEFINITIONS

**"Act"** means the Companies Act, 2013 and the Rules made thereunder, as amended from time to time

**"Company"** means Manugraph India Limited

**"Board of Directors"** or **"Board"** means the collective body of the Board of Directors of Manugraph India Limited, as constituted from time to time.

**"Committee"** means Nomination and Remuneration Committee of the Company as Constituted or reconstituted by the Board, from time to time.

**"Director"** means any Director on the Board of the Company.

**"Independent Director"** means a Director as defined in Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Act.

**"Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**"Senior Management"** - means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

The words and expressions used but not defined herein, but defined under the Companies Act, 2013 shall have the meaning assigned therein.

### 4. KEY MANAGERIAL PERSONNEL

**Key Managerial Personnel (KMP)** as defined in Section 2(51) of the Act means-

- (i) The Chief Executive Officer or the Managing Director or the manager;
- (ii) The Company Secretary;
- (iii) The Whole-Time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other officer as may be prescribed under relevant provision of the Act and Rules framed thereunder

### 5. APPLICABILITY

The Policy is applicable to

- (i) Directors (Executive and Non Executive)
- (ii) Key Managerial Personnel
- (iii) Senior Management Personnel

## 6. APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT

### Appointment criteria and qualifications:

- i. The Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- ii. A person should possess adequate qualifications, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- iii. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### Term / Tenure:

#### A. Managing Director/Whole-time Director (Managerial Person):

The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### B. Independent Director:

An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

#### C. Performance Evaluation:

The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the director being evaluated).

On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent Directors and members of management.

The Independent Directors in the meeting shall:

- i. Review the performance of non-independent Directors and the Board as a whole.
- ii. Review the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors.

#### D. Removal:

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Act, rules and regulations framed thereunder.

**E. Retirement:**

The Directors, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain any Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, if the said retention is in the interest of the Company.

**7. CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTORS AND THE BOARD**

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

**(A) EXECUTIVE DIRECTORS**

The performance of Managing Director and Chief Executive Officer and other Executive Directors, if any, shall be evaluated on the basis of achievement of performance targets / criteria given to them by the Board from time to time.

**(B) NON EXECUTIVE DIRECTORS INCLUDING INDEPENDENT DIRECTORS**

The performance of Non Executive Directors including Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- (a) Act objectively and constructively while exercising their duties;
- (b) Exercise their responsibilities in a bona fide manner in the interest of the company;
- (c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) Refrain from any action that would lead to loss of his independence;
- (f) Inform the Board immediately when they lose their independence ;
- (g) Assist the Company in implementing the best corporate governance practices;
- (h) Strive to attend all meetings of the Board of Directors and its Committees of which they are chairpersons or members
- (i) Participate constructively and actively in the Committees of the Board in which they are chairpersons or members;
- (j) Strive to attend the general meetings of the Company;
- (k) keep themselves well informed about the Company and the external environment in which it operates;
- (l) Does not unfairly obstruct the functioning of an otherwise proper Board meeting or Committee meeting of the Board;
- (m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholders' interest ;
- (n) Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including Code of Conduct, Insider Trading Code etc.

**8. REMUNERATION**

The Key Managerial Personnel, Senior Management Personnel and other employees shall be paid remuneration as per the HR policy of the Company.

The Human Resource department will inform the Committee, the requisite details on the proposed increments.

The compensation structure will also be based on the market salary survey. The survey for total remuneration would be commissioned with external consultants, if required.

The composition of remuneration so determined by the committee shall be reasonable and sufficient to attract, retain and motivate the Key Managerial Personnel and Senior Management of the quality required to meet high standards of performance. The Committee may review remuneration of identified senior management personnel from time to time.

Remuneration to Non-Executive & Independent Directors: The Non-executive Directors and Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Act.

**9. DISCLOSURE**

The Company shall disclose the criteria for performance evaluation, as laid down by the Nomination and Remuneration Committee, in its Annual Report.

## Annexure B

## Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2016-17

### 1. Brief outline of the Company's CSR Policy:

Recognising that the business enterprises are economic organs of the society and draw on societal resources, Manugraph India Limited ('the Company') believes in sustainability of environment replenishment, economic development and well-being of the communities and employees.

The Company's CSR activities, amongst others, will focus on:

- Hunger, Poverty, Malnutrition and Health / Health Care
- Education
- Rural Development
- Gender Equality and empowerment of Women
- Environmental sustainability including providing direct assistance or through Prime Minister's Relief Fund or Chief Minister's Relief Fund or any other national level or state level calamity relief fund to needy who have suffered due to natural disaster and calamities.

The Company undertakes its CSR activities approved by the CSR Committee either by the Company's personnel or through such other institutions / organisations as approved by the CSR Committee from time to time.

### 2. Composition of CSR Committee:

Mr. Pradeep S. Shah, Chairman of the Committee

Mr. Bhupal B. Nandgave, Member

Mr. Abhay J. Mehrotra, Member

### 3. Average Net profits of the Company for the last three financial years – ₹ -2705.65 Lakhs

### 4. Prescribed CSR Expenditure (two per cent of the amount as above) – ₹ -18.04 Lakhs

### 5. Details of CSR spent during the financial year:

Total Amount spent for the financial year – ₹ 5 Lakh

Amount unspent, if any – Not Applicable

Manner in which amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Projects or Programs (1) Local Area or other (2) Specify the state and District where project or program was undertaken	Amount Outlay (budget) project or program wise	Amount spent on the projects or programs sub heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
1.	Health Care	Abode for differently abled women / adults	500,000	500,000	500,000	Direct

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Sd/-

**Sanjay S. Shah**

Vice Chairman & Managing Director

Sd/-

**Pradeep S. Shah**

Chairman of the CSR Committee



**Form MGT - 9**  
**Extracts of Annual Return**  
**As on the financial year ended March 31, 2017**

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014)

<b>I. Registration and Other details</b>						
i)	CIN	L29290MH1972PLC015772				
ii)	Registration date	25-04-1972				
iii)	Name of the Company	Manugraph India Limited				
iv)	Category / Sub Category of the Company	Public Company, limited by shares				
v)	Address of the Registered Office and contact details	Sidhwa House, 1st Floor, N.A. Sawant Marg, Colaba, Mumbai - 400 005				
vi)	Whether listed company	Yes				
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C 101, 247 Park LBS Marg, Vikhroli (West) Mumbai - 400 083 Phone: +91 22 49186270 Fax: +91 22 49186060				
<b>II. Principal business activities of the Company</b>		Manufacturer of Printing Machinery				
<b>III. Particulars of Holding, Subsidiary and Associate Companies</b>						
Sr. No.	Name of the Company	Address	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1)	Manugraph Americas Inc.	P.O. Box 573, Elizabethville, PA 17023 USA	NA	Subsidiary	100%	2(87)(ii)
2)	Constrad Agencies (Bombay) Pvt. Ltd.	Sidhwa House, 1st Floor, N.A. Sawant Marg, Colaba, Mumbai - 400 005	U51100MH1986PTC039336	Subsidiary	100%	2(87)(ii)
<b>IV. Shareholding pattern (Equity share capital breakup as percentage of Total Capital)</b>						
i)	Category wise share holding			Annexure 1		
ii)	Shareholding of promoters			Annexure 2		
iii)	Change in promoters' shareholding			Annexure 3		
iv)	Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)			Annexure 4		
v)	Shareholding of Directors and Key Managerial Personnel			Annexure 5		
<b>V. Indebtedness</b>						
	Indebtedness of the Company including interest outstanding / accrued but not due for payment			Annexure 6		
<b>VI. Remuneration of Directors and Key Managerial Personnel</b>						
	- Remuneration to Managing Director, Whole Time Director and/or Manager			Annexure 7		
	- Remuneration to Other Directors					
	- Remuneration to Key Managerial Personnel other than MD / Manager / WTD					
<b>VII. Penalties / Punishment / Compounding of Offences</b>						
				Annexure 8		



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
<b>a) Bodies corporates</b>									
i) Indian	1,661,091	37,540	1,698,631	5.58%	2,147,093	37,340	2,184,433	7.18%	1.60%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakhs	5,377,786	966,181	6,343,967	20.86%	5,378,780	939,386	6,318,166	20.77%	-0.08%
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 Lakhs	1,723,579	-	1,723,579	5.67%	2,699,826	-	2,699,826	8.88%	3.21%
c) Others (specify)									
i) Non Resident Indians (Repat)	133,394	18,020	151,414	0.50%	122,643	18,020	140,663	0.46%	-0.04%
ii) Non Resident Indians (Non Repat)	85,543	-	85,543	0.28%	84,712	-	84,712	0.28%	0.00%
iii) Foreign Companies	-	250	250	0.00%	-	250	250	0.00%	0.00%
iv) Clearing Member	101,734	-	101,734	0.33%	347,093	-	347,093	1.14%	0.81%
v) Foreign Nationals	3,620	-	3,620	0.01%	3,620	-	3,620	0.01%	0.00%
vi) HUF	310,506	-	310,506	1.02%	382,294	-	382,294	1.26%	0.24%
vii) Directors / Relatives	57,535	750	58,285	0.19%	57,535	750	58,285	0.19%	0.00%
viii) Trusts	1,500	-	1,500	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (B)(2):</b>	<b>9,456,288</b>	<b>1,022,741</b>	<b>10,479,029</b>	<b>34.45%</b>	<b>11,223,596</b>	<b>995,746</b>	<b>12,219,342</b>	<b>40.18%</b>	<b>5.72%</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>11,899,737</b>	<b>1,024,746</b>	<b>12,924,483</b>	<b>42.49%</b>	<b>11,926,732</b>	<b>997,751</b>	<b>12,924,483</b>	<b>42.49%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GD&amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	<b>29,390,315</b>	<b>1,024,746</b>	<b>30,415,061</b>	<b>100.00%</b>	<b>29,417,310</b>	<b>997,751</b>	<b>30,415,061</b>	<b>100.00%</b>	<b>0.00%</b>

### Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

#### ii) Shareholding of Promoters

Sr. No.	Shareholders' Name	Shareholding at the beginning of the year (As on April 1, 2016 i.e. on the basis of shareholding pattern of March 31, 2016)			Shareholding at the end of the year (As on March 31, 2017)			% change during the year
		No. of Shares	% of Total Shares of the Company	% of shares pledged / encumbered to total shares*	No. of Shares	% of Total Shares of the Company	% of shares pledged / encumbered to total shares*	
1	Multigraph Machinery Co. Ltd.	5,955,027	19.58%	-	5,955,027	19.58%	-	0.00%
2	Sanat Manilal Shah	2,491,209	8.19%	-	1,484,709	4.88%	-	-3.31%
3	Manu Enterprises Limited	1,941,500	6.38%	-	2,316,500	7.62%	-	1.23%
4	Santsu Finance and Investment Pvt. Ltd.	1,905,500	6.26%	-	2,537,000	8.34%	-	2.08%
5	Pradeep S. Shah	1,765,721	5.81%	-	1,765,721	5.81%	-	0.00%
6	Sudha S. Shah	1,491,570	4.90%	-	1,491,570	4.90%	-	0.00%
7	Sanjay S. Shah	1,373,461	4.52%	-	1,373,461	4.52%	-	0.00%
8	Ameeta S. Shah	349,450	1.15%	-	349,450	1.15%	-	0.00%
9	Aditya S. Shah	116,475	0.38%	-	116,475	0.38%	-	0.00%
10	Rupalli P. Shah	87,165	0.29%	-	87,165	0.29%	-	0.00%
11	Kushal S. Shah	13,500	0.04%	-	13,500	0.04%	-	0.00%
		<b>17,490,578</b>	<b>57.51%</b>	-	<b>17,490,578</b>	<b>57.51%</b>	-	<b>0.00%</b>

(\*) The term encumbrance has the same meaning as assigned to it in Regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

## Annexure 3

## Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

## iii) Change in Promoters' shareholding

Sr. No.	Shareholding at the beginning of the year (As on April 1, 2016 i.e. on the basis of shareholding pattern of March 31, 2017)	Cumulative shareholding during the year	
		No. of Shares	% of the total shares of the Company
	At the beginning of the year	17,490,578	57.51
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)		
	<b>At the end of the year</b>	<b>17,490,578</b>	<b>57.51</b>



## Annexure 4

## Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

## iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease	Reason	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	JIM Financial Services Ltd.	0	0.0000%		0	0	0	0.00%	0	0.00%
				22-Apr-2016	250	Transfer	250	0.00%		
				06-May-2016	-250	Transfer	0	0.00%		
				10-Jun-2016	2892	Transfer	2892	0.01%		
				17-Jun-2016	807	Transfer	3699	0.01%		
				24-Jun-2016	-807	Transfer	2892	0.01%		
				01-Jul-2016	4550	Transfer	7442	0.02%		
				08-Jul-2016	-4999	Transfer	2443	0.01%		
				15-Jul-2016	-400	Transfer	2043	0.01%		
				22-Jul-2016	158	Transfer	2201	0.01%		
				29-Jul-2016	6660	Transfer	8861	0.03%		
				05-Aug-2016	2931	Transfer	11792	0.04%		
				12-Aug-2016	-9749	Transfer	2043	0.01%		
				09-Sep-2016	810	Transfer	2853	0.01%		
				16-Sep-2016	3357	Transfer	6210	0.02%		
				23-Sep-2016	10491	Transfer	16701	0.05%		
				30-Sep-2016	-13688	Transfer	3013	0.01%		
				07-Oct-2016	7670	Transfer	10683	0.04%		
				14-Oct-2016	14349	Transfer	25032	0.08%		
				21-Oct-2016	-19269	Transfer	5763	0.02%		
				28-Oct-2016	30193	Transfer	35956	0.12%		
				04-Nov-2016	-33913	Transfer	2043	0.01%		
				11-Nov-2016	69605	Transfer	71648	0.24%		
				18-Nov-2016	-69355	Transfer	2293	0.01%		
				25-Nov-2016	-66	Transfer	2227	0.01%		
				09-Dec-2016	1500	Transfer	3727	0.01%		
				23-Dec-2016	156155	Transfer	159882	0.53%		

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease	Reason	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
				30-Dec-2016	2198	Transfer	162080	0.53%		
				06-Jan-2017	2782	Transfer	164862	0.54%		
				13-Jan-2017	-662	Transfer	164200	0.54%		
				20-Jan-2017	-4318	Transfer	159882	0.53%		
				27-Jan-2017	5173	Transfer	165055	0.54%		
				03-Feb-2017	8617	Transfer	173672	0.57%		
				10-Feb-2017	-8258	Transfer	165414	0.54%		
				17-Feb-2017	17522	Transfer	182936	0.60%		
				24-Feb-2017	-4914	Transfer	178022	0.59%		
				03-Mar-2017	-17640	Transfer	160382	0.53%		
				10-Mar-2017	20921	Transfer	181303	0.60%		
				17-Mar-2017	-12254	Transfer	169049	0.56%		
				24-Mar-2017	-9167	Transfer	159882	0.53%		
				31-Mar-2017	122711	Transfer	282593	0.93%	282593	0.93%
2	Life Insurance Corporation Of India	702636	2.3102%	31-Mar-17	0	Transfer	702636	2.31%	702636	2.31%
3	Raviraj Developers Ltd	37377	0.1229%	29-Apr-16	-4872	Transfer	32505	0.11%		
				20-May-16	3000	Transfer	35505	0.12%		
				27-May-16	3340	Transfer	38845	0.13%		
				3-Jun-16	9071	Transfer	47916	0.16%		
				10-Jun-16	-10738	Transfer	37178	0.12%		
				17-Jun-16	-13165	Transfer	24013	0.08%		
				30-Jun-16	-5000	Transfer	19013	0.06%		
				8-Jul-16	-3000	Transfer	16013	0.05%		
				29-Jul-16	470	Transfer	16483	0.05%		
				12-Aug-16	11518	Transfer	28001	0.09%		
				16-Sep-16	684	Transfer	28685	0.09%		
				30-Sep-16	5000	Transfer	33685	0.11%		
				7-Oct-16	18000	Transfer	51685	0.17%		
				21-Oct-16	14594	Transfer	66279	0.22%		
				28-Oct-16	18939	Transfer	85218	0.28%		

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease	Reason	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
				4-Nov-16	14555	Transfer	99773	0.33%		
				11-Nov-16	67131	Transfer	166904	0.55%		
				18-Nov-16	36783	Transfer	203687	0.67%		
				25-Nov-16	920	Transfer	204607	0.67%		
				2-Dec-16	191	Transfer	204798	0.67%		
				20-Jan-17	1000	Transfer	205798	0.68%		
				10-Feb-17	8268	Transfer	214066	0.70%		
				24-Feb-17	8054	Transfer	222120	0.73%		
				3-Mar-17	-1674	Transfer	220446	0.72%		
				31-Mar-17	0	Transfer	220446	0.72%	220446	0.72%
4	Sekhar Shyam .	122376	0.4024%	31-Mar-17	0	Transfer	122376	0.40%	122376	0.40%
5	Bharat Jayantilal Patel	187017	0.6149%	31-Mar-17	0	Transfer	187017	0.61%	187017	0.61%
6	East India Securities Ltd.	458765	1.5083%	10-Jun-16	-1500	Transfer	457265	1.50%		
				17-Jun-16	-4466	Transfer	452799	1.49%		
				30-Jun-16	-2000	Transfer	450799	1.48%		
				1-Jul-16	-2916	Transfer	447883	1.47%		
				8-Jul-16	-12591	Transfer	435292	1.43%		
				15-Jul-16	-900	Transfer	434392	1.43%		
				31-Mar-17	0	Transfer	434392	1.43%	434392	1.43%
				31-Mar-17	0	Transfer	172268	0.57%	172268	0.57%
7	Hridaynath Consultancy Private Limited	172268	0.5664%							
8	Minal Bharat Patel	300000	0.9864%	31-Mar-17	0	Transfer	300000	0.99%	300000	0.99%
9	Prithvi Vincom Private Limited	46931	0.1543%	11-Nov-16	35000	Transfer	81931	0.27%		
				18-Nov-16	1573	Transfer	83504	0.27%		
				24-Feb-17	15000	Transfer	98504	0.32%		
				3-Mar-17	55000	Transfer	153504	0.50%	153504	0.50%
								0.00%		
10	Smart Value Equisearch P Ltd	77068	0.2534%	31-Mar-17	0	Transfer	77068	0.25%	77068	0.25%
11	Vikram Pratapbhai Kotak	0	0.0000				0.0000	0.00%	0	0.00%
				3-Mar-17	290000	Transfer	290000	0.95%		
				10-Mar-17	-22000	Transfer	268000	0.88%		
				24-Mar-17	32000	Transfer	300000	0.99%		
				31-Mar-17	0	Transfer	300000	0.99%	300000	0.99%
12	S.Shyam	275784	0.9067%	31-Mar-17	0	Transfer	275784	0.91%	275784	0.91%

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease	Reason	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
13	Vijaya S	247535	0.8139%	31-Mar-17	0	Transfer	247535	0.81%	247535	0.81%
14	Vikash Aganwal	114449	0.3763%	31-Mar-17	0	Transfer	114449	0.38%	114449	0.38%
15	Uma Shankar Aganwal	71768	0.2360	31-Mar-17	0	Transfer	71768	0.24%	71768	0.24%
16	Lakshendra Kr. Aganwal	77176	0.2537%	31-Mar-17	0	Transfer	77176	0.25%	77176	0.25%
17	Sushila Aganwal	86813	0.2854%	31-Mar-17	0	Transfer	86813	0.29%	86813	0.29%
18	Hardik Bharat Patel	62843	0.2066%	7-Oct-16	328049	Transfer	390892	1.29%	390892	1.29%
19	Eknath Jiwaji Shirgaonkar	0	0.0000	31-Mar-17	0	Transfer	390892	1.29%	390892	1.29%
					0		0.0000	0.00%		
				28-Oct-16	52385	Transfer	52385	0.17%		
				13-Jan-17	18791	Transfer	71176	0.23%		
				3-Mar-17	40000	Transfer	111176	0.37%		
				10-Mar-17	20000	Transfer	131176	0.43%		
				31-Mar-17	6200	Transfer	137376	0.45%	137376	0.45%
20	Indianivesh Capitals Limited	0	0.0000		0		0	0.00%	0	0.00%
				30-Jun-16	100000	Transfer	100000	0.33%		
				30-Sep-16	-100000	Transfer	0	0.00%		
				2-Dec-16	100000	Transfer	100000	0.33%		
				31-Mar-17	0	Transfer	100000	0.33%	100000	0.33%
21	Pat Financial Consultants Private Limited	328049	1.0786%	7-Oct-16	-328049	Transfer	328049	1.08%		
				31-Mar-17	0	Transfer	0	0.00%	0	0.00%
22	Reliance Capital Trustee Co Ltd-A/C Reliance Mid & Small Cap Fund	1709978	5.6221%	4-Nov-16	-50583	Transfer	1659395	5.46%		
				11-Nov-16	-403388	Transfer	1256007	4.13%		
				13-Jan-17	-16625	Transfer	1239382	4.07%		
				3-Mar-17	-1239382	Transfer	0	0.00%	0	0.00%

Note: Top 10 shareholders as on April 1, 2016 and March 31, 2017 and any change in their shareholding

### Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

#### v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
(1)	Sanat M. Shah, Chairman	2,491,209	8.19%	-	1,006,500	1,484,709	4.88%
(2)	Sanjay S. Shah, Vice Chairman & Managing Director	1,373,461	4.52%	-	-	1,373,461	4.52%
(3)	Pradeep S. Shah, Managing Director	1,765,721	5.81%	-	-	1,765,721	5.81%
(4)	Hiten C. Timbadia, Independent Director	3,500	0.01%	-	-	3,500	0.01%
(5)	Amit N. Dalal, Independent Director	0	0.00%	-	-	0	0.00%
(6)	Perses M. Bilimoria, Independent Director	0	0.00%	-	-	0	0.00%
(7)	Abhay J. Mehrotra, Independent Director	0	0.00%	-	-	0	0.00%
(8)	Jai S. Diwanji, Independent Director	0	0.00%	-	-	0	0.00%
(9)	Sohni H. Daswani, Independent Director	0	0.00%	-	-	0	0.00%
(10)	Bhupal B. Nandgave, Whole Time Director (Works)	1,200	0.00%	-	-	1,200	0.00%
(11)	Suresh Narayan, Chief Financial Officer	0	0.00%	-	-	0	0.00%
(12)	Mihir Mehta, Company Secretary	0	0.00%	-	-	0	0.00%



## Annexure 6

## Indebtedness

## Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Amount in ₹ Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (As on April 1, 2016)</b>				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	--	--	--	--
<b>Change in Indebtedness during the financial year</b>				
Addition	1332.93	--	--	1332.93
Reduction	(1332.93)	--	--	(1332.93)
Exchange difference	--	--	--	--
<b>Net Change</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Indebtedness at the end of the financial year (As on March 31, 2017)</b>				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

## Annexure 7

## Remuneration of Directors and Key Managerial Personnel

## A. Remuneration to Managing Directors, Whole Time Directors and / or Manager

(Amount in ₹ Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Sanjay S. Shah	Pradeep S. Shah	Bhupal B. Nandgave	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	106.79	106.99	22.20	235.98
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	11.71	11.46	-	23.17
	(c) Profits in lieu of Salary u/s. 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Options	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	As % of Profits	-	-	-	-
	Others, specify	-	-	-	-
5.	Others	-	-	-	-
	<b>Total A</b>	<b>118.50</b>	<b>118.45</b>	<b>22.20</b>	<b>259.15</b>
	Ceiling as per the Act	₹ 120 Lakhs for each of the Managing / Whole Time Director			

**B. Remuneration to other Directors**

(Amount in ₹ Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Hiten C. Timbadia	Amit Dalal	Perses M. Bilimoria	Abhay J. Mehrotra	Jai S. Diwanji	Sohni H. Daswani	
1.	Independent Directors							
	(a) Fee for attending Board / Committee Meetings	1.54	0.45	1.54	1.24	0.40	0.55	5.72
	(b) Commission	--	--	--	--	--	--	--
	(c) Others	--	--	--	--	--	--	--
	<b>Total - 1</b>	<b>1.54</b>	<b>0.45</b>	<b>1.54</b>	<b>1.24</b>	<b>0.40</b>	<b>0.55</b>	<b>5.72</b>
2.	Other Non-Executive Directors							
	(a) Fee for attending Board / Committee Meetings	--	--	--	--	--	0.60	0.60
	(b) Commission	--	--	--	--	--	--	--
	(c) Others	--	--	--	--	--	--	--
	<b>Total - 2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>0.60</b>	<b>0.60</b>
3.	<b>Total B (1 + 2)</b>	<b>1.54</b>	<b>0.45</b>	<b>1.54</b>	<b>1.24</b>	<b>0.40</b>	<b>0.55</b>	<b>6.32</b>
	<b>Total Managerial Remuneration*</b>							<b>264.47 Lakhs</b>
	<b>Overall Ceiling as per the Act</b>	₹ 120 Lakhs for each of the Managing / Whole Time Director and sitting fees per non-executive director upto ₹ 1 Lakh per meeting of the Board of Directors or its Committee.						

\* Total remuneration to Managing Directors, Whole Time Director and Other Directors (being the total of A and B)

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD**

(Amount in ₹ Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CEO	CFO (Suresh Narayan)	
1.	Gross Salary		30.54	45.95
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of Salary u/s. 17(3) of the Income Tax Act, 1961			
2.	Stock Options	Not Applicable		
3.	Sweat Equity			
4.	Commission			
	- As % of Profits			
	- Others, specify			
5.	Others			
	Total		30.54	45.95

**Annexure 8****Penalties / Punishment / Compounding of Offences**

Type	Section of the Companies Act	Brief description	Details of penalties / punishment / compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding					

## Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of the Director	Title	Remuneration in FY 2016-17 (₹ in Lakhs)	% Increase in Remuneration in FY 2016-17	Ratio of remuneration of each Director to median remuneration of employees
Sanjay S. Shah	Vice Chairman & Managing Director	118.50	NIL	31.64
Pradeep S. Shah	Managing Director	118.45	NIL	31.63
Sanat M. Shah	Chairman	0.60	Non-Executive Directors are not paid any remuneration / commission save and except the sitting fees.	0.16
Hiten C. Timbadia	Independent Director	1.54		0.41
Amit N. Dalal	Independent Director	0.45		0.12
Perses M. Billimoria	Independent Director	1.54		0.41
Abhay J. Mehrotra	Independent Director	1.24		0.33
Jai S. Diwanji	Independent Director	0.40		0.11
Sohni H. Daswani	Independent Director	0.55		0.15
Bhupal B. Nandgave	Whole Time Director (Works)	22.20		6.50%
Suresh Narayan	Chief Financial Officer	30.55	12.94%	Not Applicable
Mihir Mehta	Company Secretary	15.42	2.17%	Not Applicable

- The median remuneration of employees of the Company during the financial year was ₹ 3.74 Lakhs
  - In the financial year, there was an increase of 1.46% in the median remuneration of employees
  - There were 1013 permanent employees on the rolls of Company as on March 31, 2017
  - Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was approx. 2% whereas the increase in the managerial remuneration for the same financial year was 2.01%.
  - It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
  - The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the foresaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.
- (ii) Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

<b>Employee Name</b>	<b>Mr. Sanat M. Shah</b>
<b>Designation</b>	Chairman
<b>Educational Qualification</b>	B.Com
<b>Age</b>	84
<b>Experience (in years)</b>	52 years
<b>Date of joining</b>	25-04-1972
<b>Gross Remuneration (₹ Lakhs)</b>	No remuneration is paid to him. However, during the year, sitting fees of ₹ 60,000/- was paid to him.
<b>Previous employment</b>	N.A.

Form No. MR-3

## Secretarial Audit Report for the financial year ended 31st March, 2017

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members,  
Manugraph India Limited  
Mumbai

Dear Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Manugraph India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2017, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not Applicable;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment; There are no external commercial borrowing.
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (the 'SEBI Act') are applicable :-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

Following regulations and guidelines as prescribed under the SEBI Act are not applicable to the Company during the financial year under report:-

  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - i) The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- vi. Taking into consideration, business activities and confirmation received by the Company, there are no specific regulator / law whose approval is required for undertaking business operations of the Company and hence no comment is invited in respect of the same. We have in-principally verified existing systems and mechanism which is followed by the Company to ensure compliance of other applicable laws and have relied on the representation made by the Company and its Officers in respect

of aforesaid systems and mechanism for compliances of other applicable acts, laws and regulations and found the satisfactory operation of the same.

I have also examined compliances with applicable clauses of Secretarial Standards issued by the Institute of the Company Secretaries of India.

During the financial year under report, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above and we have no material observation(s) of instances of non compliance in respect of the same.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice, agenda and detailed notes may have been given to all Directors to schedule the Board Meetings at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

I have relied on the representation made by the Company and its Officers for adequate systems and processes in the Company commensurate with its size & operation to monitor and ensure compliance with applicable laws.

I further report that during the audit period, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

(i) Declaration of Dividend.

For **Aashish K. Bhatt & Associates**  
**Company Secretaries**  
**(ICSI Unique Code S2008MH100200)**

**Aashish Bhatt**  
**Proprietor**

ACS No.: 19639  
COP No.: 7023

Place: Mumbai

Dated: May 26, 2017



**APPENDIX A**

To,  
The Members,  
Manugraph India Limited

My report of even date is to be read along with this letter.

1. The responsibility of maintaining Secretarial record is of the management and based on our audit, we have expressed my opinion on these records.
2. I am of the opinion that the audit practices and process adopted to obtain assurance about the correctness of the Secretarial records were reasonable for verification.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The management is responsible for compliances with corporate and other applicable laws, rules, regulations, standards etc. Our examination was limited to the verification of procedure and wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Aashish K. Bhatt & Associates**  
**Company Secretaries**  
**(ICSI Unique Code S2008MH100200)**

**Aashish Bhatt**  
**Proprietor**

ACS No.: 19639

COP No.: 7023

Place: Mumbai

Dated: May 26, 2017

## **PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014**

### **A. CONSERVATION OF ENERGY**

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

1. Power factor of plant is maintained to unity resulting in optimum utilization of power.
2. Replacement of high power consuming conventional/PLL tube lights with energy efficient LED lamps/tube lights, qty.644 Nos.
3. Replacement of high power consuming conventional Hi Bay luminaries with energy efficient LED luminaries, qty.14 Nos.
4. Replacement of high power consuming conventional Flood/ Street light luminaries with energy efficient LED luminaries, qty.14 Nos.
5. Replacement of high power consuming conventional incandescent/PLL Machine Lamps with energy efficient LED lamps, qty.36 Nos.
6. Replaced rusted and leaked GI water pipeline to APVC pipeline & valves to avoid wastage of water.
7. The waste treated water from ETP plant is being used for gardening purpose through pipeline. It produces the better hygienic, green & ecofriendly atmosphere.
8. Various domestic trials are taken with energy efficient LED lamps to reduce existing high energy consumption lamps.
9. 12W LED fixtures used in executive building against ordinary 25Watt Havels fixtures = 20Nos.
10. Use of electronic ballast against conventional copper chocks for 40Watt tube light
11. Replaced Philips 36X2 Watt tube to 24Watt datum make LED tube light = 26Nos.
12. Replaced Asian 36Watt x 2Nos Philips into Syska 22Watt LED tube light = 20Nos.
13. Replaced 400Watt Philips MV lamps into 120Watt high bay lamp = 4Nos.

### **B. TECHNOLOGY ABSORPTION: -**

#### **1. Efforts made in technology absorption:**

The focus on improvement in existing products and development of new products was maintained throughout the year. Thrust is given on strengthening of manpower infrastructure in application of Computer Aided Design and Engineering software to meet the diverse customer requirements for different types of presslines. Efforts are taken to enhance ERP system to facilitate improving design cycle. Software development wing is strengthened for effective implementation of in-house developed software's for Printing machines.

The new machines and main features under development / developed are:

- i. Ecoline (Compact Newspaper Pressline) in 533 Cut off is developed and launched.
- ii. Indigenization of high speed flying splicer MP22 is completed and Splicer launched.
- iii. Development of Ecoline in 578 cut off and 915mm web width is in progress.
- iv. Development of S-Line Printing Tower in 2x1 segment with 40000 IPH speed is in progress.
- v. Development of Flying Splicer AP3550 for 35000 IPH speed and 50" reel handling capacity is in progress with Optional modular Infeed for speed up to 45000 IPH.
- vi. Flexo Printing technology absorption in co-operation with Italian Partner is in process.
- vii. MIL Product interfacing (design support) with other make Pressline.

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

- a. New products developed.
- b. More automation on existing products.
- c. Cost reduction and space saving on machines.
- d. Performance improvement.
- e. Shorter time to market for new products.
- f. Expanding domestic & Export market.
- g. Import substitution.

3. Expenditure on R&D:	(₹ in Lakhs)
a. Capital	50.89
b. Recurring	285.65
c. Total	336.54
d. Total R&D expenditure as a percentage of net sales	1.36%

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

1. Activities relating to exports; Initiatives taken to increase exports, development of new export markets for products and services; and export plans;

During the year under review, the Company is continuously exploring 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 note numbers 28 & 29 of standalone financial results.

## MANAGEMENT'S DISCUSSION & ANALYSIS

### Economic Overview FY 2016-17

Economic growth has recovered since 2014 and India has become the fastest-growing G20 economy, with annual growth rates around 7.5%. Private consumption in urban areas has been buoyed by prospects of higher public wages and pensions while government investment and consumption remained strong. The return to a normal monsoon in 2016, after two consecutive years of bad weather, is supporting a recovery in agricultural income and rural consumption. The demonetisation has impacted consumption and other macroeconomic parameters, at least temporarily. Despite sustained public investment, total investment declined in real terms. Exports fell as external demand was weak and the real effective exchange rate appreciated.

### Printing Industry

Like other industries, printing industry also slowed down with the global economic meltdown & the inflation. Furthermore, due to digitalization, the newspaper publication industry has weakened. With global growth expected to slow further, growth in the industry will also be affected.

Newsprint or the printing paper accounts for 40% of the total costs of dailies. The advertising revenue, the biggest source of income for newspapers, is slacking. Subscription income is usually a fraction of the total revenue. Corporate ad spends depends largely on GDP growth, which have remained subtle during the present financial year.

### Company overview

Manugraph owes its strong position as a supplier of choice not only for its technical competence, but also for its clear orientation towards the customer needs. Once functionality and timing are agreed upon, the client could relax, knowing well Manugraph would deliver quality presses exactly as agreed upon, right on time. Manugraph develops strong business partnerships with clients, providing most satisfactory after-sale services on a continuous basis.

On a Standalone basis, Company recorded sales of ₹ 24832.67 Lakhs as compared to ₹ 25,899.20 Lakhs in the previous financial year. The EBIDTA for the financial year ended March 31, 2017 is ₹ 643.14 Lakhs as compared to ₹ 1,480 Lakhs in the previous financial year ended March 31, 2016. During the year, the Company incurred net loss of ₹ 4404.85 Lakhs as compared to profit of ₹ 598.32 Lakhs in the previous year. The loss was on account of provision for diminution in value of investments in Manugraph Americas, Inc., subsidiary Company.

Your Company continues to face challenging demand in export markets scenario. However, with strengthening of its research, development and technical support mechanism, the Company is striving for more growth by developing new businesses.

### Opportunities

India is the country with largest number of printing presses in the world. The two sectors of the Indian Printing Industry which are projected to grow the most in India are Packaging and Printing. This growth is primarily due to increase in population, higher rate of literacy and a growing economy. Increasing literacy rates across India has driven the localisation of newspapers, made possible by the changes in printing technology. The increasing literacy rates in rural areas of India has seen the investment in newspapers grow. Printing sector has evolved from a manufacturing industry into a service industry in India of late. Publishing have come up to the international standards.

Countries like UK, USA and Japan outsource printing jobs to India because of the low cost of labor, english language proficiency, design capabilities, talent pool, technology and communication costs. With various development policies & initiatives of the Government, the Company foresees subtle growth in print industry. Technology continues to be the prime focus for your company. With strong in-house R & D activities, your company is in a position to introduce technologically superior products at competitive prices. India is expected to maintain its leadership position as a low cost nation for quality engineering capabilities.

### Threats

Unprecedented currency depreciation in certain key export markets is dampening demand from international markets. Electronic media continues to gain growth and competes with print media. Further, Government's "Environment Friendly" campaign has adverse effect on sale of newspaper.

However, expansion in market size and regionalization of printing is partly compensating this negative trend. As for the internet, until India's literacy, electricity and broad band problems are taken care of, it is a long way from being a threat to any media, let alone print.

Depreciating rupee has resulted in increased import cost. However, your company continues to pursue cost reduction initiatives and work towards improving operating margins.

### **Outlook**

India is expected to regain its economic momentum and growth is expected to recover gradually to its high long term potential.

The key challenges for the Indian economy this year would be to fast track infrastructure projects, improve electricity generation and increase industrial production. We can relatively be sure of this growth due to the fact that the government will push harder for reforms to keep the Indian growth story alive.

The Print media sector is expected to grow, albeit at a low rate due to increase in literacy and regionalization of publications.

### **Risk and concerns**

Geographical concentration and competition risk are one of the major concerns for the Company. The Company has taken various measures which help the Company to outline the principal risks and uncertainties and then take appropriate actions that could avert operating and financial performance.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.

Wage Agreement with Workers' Union is due. The negotiation with the Union and the outcome may result in financial concerns for the Company.

### **Internal Control System**

Control ensures that freedom of management is exercised within a framework of checks and balances and is designed to prevent misuse of power, facilitate timely management of change and ensure effective management of risks.

The Company's well structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders.

Your company has appointed an Independent Internal Audit teams for conducting regular internal audits of the systems and procedures of financial reporting and operations of the Company. The Audit Committee periodically reviews the Internal Audit Reports, scopes and plans, significant findings and corrective actions, if any.

The Statutory Auditors have conducted a review of Internal Financial Control as required under the Companies (Auditor's Report) Order, 2016 and have found the same to be very effective.

## REPORT ON CORPORATE GOVERNANCE

This chapter reports on Company's compliance with the Regulation 34(3) and Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations') with the Stock Exchanges.

### 1. Company's philosophy on code of governance

Manugraph India Ltd. (MIL) considers corporate governance as a pre-requisite for meeting the needs of its stakeholders. The principles of transparency, accountability, trusteeship, creating robust policies and practices for key processes, equity in all facets of its operations and integrity are at the core of the Company's basic character.

The Company respects the inalienable rights of the shareholders to information on the performance of the Company. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

In addition, the Company has a strong sense of participation in community development. Its established systems encourage and recognize employee participation in environmental and social initiatives that contribute to organizational sustainability, conservation of energy, and promotion of safety and health.

Our Corporate Governance framework ensures that we make timely disclosures, there are transparent accounting policies and a strong and independent Board to go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

The Board of Directors ('the Board') is at the core of our Corporate Governance practices and oversees how the management serves and protects the long-term interests of our stakeholders.

### 2. Board of Directors

The Directors have expertise in the fields of strategy, management, finance, operations, human resource development and economics. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

The Board continuously reviews the Company's governance, risk and compliance framework, business plans, and organisation structure to align with the global standards and competitive benchmark.

An active, well informed and independent Board is necessary to ensure high level of corporate governance.

#### A. Composition of the Board of Directors

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations, the Companies Act, 2013 and in accordance with the best practices in Corporate Governance.

The Board comprises eminent persons with high credentials of considerable professional experience and expertise in diverse fields who actively contribute in the deliberations of the Board, covering all strategic policy matters and decisions.

The Board comprises of 10 Directors of which 6 (Six) Directors are Independent, 1 (One) Director is Non Executive and 3 (Three) Directors are Executive.

The Composition of Board and category of Directors are as follows:

<b>Category</b>	<b>Executive Directors</b>	<b>Non Executive Directors</b>
<b>Promoter Directors</b>	Mr. Sanjay S. Shah Mr. Pradeep S. Shah	Mr. Sanat M. Shah
<b>Non Promoter Director</b>	Mr. Bhupal B. Nandgave	--
<b>Independent Directors</b>	--	Mr. Hiten C. Timbadia Mr. Amit N. Dalal Mr. Perses M. Bilimoria Mr. Abhay J. Mehrotra Mr. Jai S. Diwanji Mrs. Sohni H. Daswani

Mr. Sanjay S. Shah, Vice Chairman & Managing Director and Mr. Pradeep S. Shah, Managing Director are related to Mr. Sanat M. Shah, Chairman.

All the Directors possess the requisite qualifications and experience in general corporate management, finance, banking, insurance and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

As mandated under the existing Regulation 16 of the SEBI Listing Regulations, the Independent Directors on the Board of the Company:

- ✓ Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its Promoters, Directors, Senior Management or its Holding Company, Subsidiaries and Associates which may affect independence as a Director;
- ✓ Are not related to Promoters or persons occupying management positions at the Board level or at one level below the Board;
- ✓ Have not been executive(s) of the Company in the immediately preceding three financial years;
- ✓ Are not partner(s) or executive(s) or were not partner(s) or executive(s) during the preceding three years, of any of the following:
  - ✓ Statutory audit firm or the internal audit firm that is associated with the Company
  - ✓ Legal firm(s) and consulting firm(s) that have a material association with the Company.
  - ✓ Are not material supplier(s), service provider(s) or customer(s) or lessor(s) or lessee(s) of the Company, which may affect independence of the Director;
  - ✓ Are not substantial shareholders of the Company i.e. do not own two per cent or more of the block of voting shares;
  - ✓ Are not less than 21 years of age.

## **B. Board Independence**

Regulation 16 of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 provides the criteria of Independence of a Director. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors other than the Chairman are Independent in terms of Regulation 16 of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013.

## **C. Board Meetings**

The Board meets at regular intervals to discuss and decide on Company / business policy, functioning of foreign subsidiaries, foreign exchange exposures and strategy apart from other Board business.

The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Vice Chairman and Managing Director of the Company. The Agenda is circulated with appropriate time prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

Further, the Board also periodically reviews the compliance reports of applicable laws to the Company as well as steps taken to rectify instances of non-compliances, if any.

During the financial year 2016-17, the Board met four times. The meetings were held on May 26, 2016, August 4, 2016, October 26, 2016, and February 9, 2017.

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

## **D. Independent Directors' Meetings**

The Independent Directors met once during the financial year 2016-17, without the presence of Executive Directors or Management representatives. The issues and concerns, if any, of the meeting were then discussed with the Non-Executive Chairman.



### E. Directors' attendance record and details of Directorships/Committee Positions held

As provided under Regulation 25 of the SEBI Listing Regulations, none of the Independent Directors on Board acts as an Independent Director in more than seven listed entities, none of the whole time / executive Directors on Board acts as an Independent Director in more than three listed entities, none of the Directors are members in more than ten committees or acts as a Chairman of more than five such committees.

The following table provides the attendance record at the Board Meeting and Annual General Meeting of the Company during the financial year 2016-17 and directorships, memberships and chairmanships in other companies:

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 (DIN: 00248499)	Non-Executive Chairman (Promoter)	5	Nil	Nil	4	Yes
2.	Mr. Sanjay S. Shah (DIN: 00248592)	Vice Chairman & Managing Director (Promoter)	8	Nil	Nil	4	Yes
3.	Mr. Pradeep S. Shah (DIN: 00248692)	Managing Director (Promoter)	12	Nil	Nil	4	Yes
4.	Mr. Bhupal B. Nandgave (DIN: 06447544)	Whole-time Director (Works) Executive - Non Independent	Nil	Nil	Nil	3	Yes
5.	Mr. Hiten C. Timbadia (DIN: 00210210)	Independent Non- Executive Director	5	1	Nil	4	Yes
6.	Mr. Amit N. Dalal (DIN: 00297603)	Independent Non- Executive Director	8	1	5	3	Yes
7.	Mr. Perses M. Bilimoria (DIN: 00781535)	Independent Non- Executive Director	1	Nil	Nil	4	Yes
8.	Mr. Abhay J. Mehrotra (DIN: 01673801)	Independent Non- Executive Director	4	Nil	Nil	3	Yes
9.	Mr. Jai S. Diwanji (DIN: 00910410)	Independent Non- Executive Director	5	2	3	2	Yes
10.	Mrs. Sohni H. Daswani (DIN: 01933506)	Independent Non- Executive Director	1	Nil	Nil	3	Yes

\* Includes private Companies and foreign Company directorship.

### 3. Audit Committee

The Company's Audit Committee comprises three Independent Directors. The Audit Committee is headed by Mr. Hiten C. Timbadia and has Mr. P.M. Bilimoria and Mr. Abhay J. Mehrotra as its members. All the members of the Committee have relevant experience in financial matters.

The Audit Committee of the Company is entrusted with the responsibility as provided under Regulation 18 of the SEBI Listing Regulations and Sec. 177 of the Companies Act, 2013, gist of which are as follows:

- ✓ to supervise the Company's internal controls and financial reporting process;
- ✓ overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- ✓ recommending the appointment and removal of external auditors, fixation of audit fee and approval for payment of any other services;
- ✓ reviewing with management the quarterly and annual financial results before submission to the Board;
- ✓ reviewing with management the annual financial statements of the subsidiary companies;

- ✓ reviewing the adequacy of internal control systems with the management, external auditors and internal auditor;
- ✓ reviewing the adequacy of internal audit function;
- ✓ discussing with internal auditor any significant findings and reviewing the progress of corrective actions on such issues;
- ✓ reviewing the findings of any internal investigations by the internal auditor in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matters to the Board;
- ✓ discussing with external auditors, before the audit commences, the nature and scope of audit as well as having post-audit discussions to ascertain areas of concern, if any;
- ✓ recommending the appointment and removal of cost auditors;
- ✓ reviewing the Company's financial and risk management policies;
- ✓ examining reasons for substantial default in the payment to Members (in case of non-payment of declared dividends) and creditors, if any;

The Audit Committee also reviews various functions, business risk assessment, controls and critical IT applications with implications of security and internal audit reports of all the major divisions of the Company. The Audit Committee also reviews the functioning of the Code of Business Principles and Whistle Blower Policy of the Company.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board. The Audit Committee also meets the internal and external auditors separately, without the presence of Management representatives.

The Audit Committee met five times during the year on May 26, 2016, August 4, 2016, September 17, 2016, October 26, 2016 and February 9, 2017.

The details of attendance at the Audit committee are as follows:

Sr. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Mr. Hiten C. Timbadia	5	5
2	Mr. Perses M. Bilimoria	5	5
3	Mr. Abhay J. Mehrotra	5	4

The Chairman of the Audit Committee attended the Annual General Meeting of the Company held during the year under review.

#### 4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. Hiten C. Timbadia, Mr. Perses M. Bilimoria and Mr. Abhay J. Mehrotra. Mr. Hiten C. Timbadia is the Chairman of the Committee. All the members of the Committee are non-executive independent directors.

The role of Nomination and Remuneration Committee is as follows:

- ✓ determining / recommending the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- ✓ determining / recommending the criteria for qualifications, positive attributes and independence of Directors;
- ✓ reviewing and determining all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonus, stock options, pension, etc.;
- ✓ evaluating performance of each Director and performance of the Board as a whole;

The Nomination and Remuneration Committee met once on May 26, 2016.

Attendance at the remuneration committee meetings:

Sr. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Mr. Hiten C. Timbadia	1	1
2	Mr. Perses M. Bilimoria	1	1
3	Mr. Abhay J. Mehrotra	1	1

The Company paid sitting fees to each Non-Executive Director for attending meetings of the Board. Audit Committee and Nomination and Remuneration Committee. The Company also paid sitting fees to each Independent Director for attending meeting of Independent Directors.

The details of remuneration paid to the Directors of the Company during the financial year 2016-17 are given below:

(Amount in ₹ Lakhs)

Sr. No.	Name of the Director	Salary and perquisites*	Commission	Sitting fee for Board and Committee meetings	Total
1	Mr. Sanjay S. Shah	118.50	--	--	118.50
2	Mr. Pradeep S. Shah	118.45	--	--	118.45
3	Mr. Bhupal B. Nandgave	22.20	--	--	22.20
4	Mr. Sanat M. Shah	--	--	0.60	0.60
5	Mr. Hiten C. Timbadia	--	--	1.54	1.54
6	Mr. Amit N. Dalal	--	--	0.45	0.45
7	Mr. Perses M. Bilimoria	--	--	1.54	1.54
8	Mr. Abhay J. Mehrotra	--	--	1.24	1.24
9	Mr. Jai S. Diwanji	--	--	0.40	0.40
10	Mrs. Sohni H. Daswani	--	--	0.55	0.55

\*Excluding Provident & Other Funds

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

## 5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee looks into the shareholders' and investors' grievances, cases of transfers, transmissions, issue of duplicate share certificates, etc.

Name of the Director	Category	Position	No. of meetings attended	
			held	attended
Mr. Perses M. Bilimoria	Independent Director	Chairman	4	4
Mr. Sanjay S. Shah	Vice Chairman & Managing Director	Member	4	4
Mrs. Sohni H. Daswani	Independent Director	Member	4	3

During the year under review, the Company received a complaint from a shareholder relating to non-receipt of dividend which was duly redressed within time.

**Status of receipt and redressal of Investors' Grievances during the financial year is as under:**

Investors' Grievances pending as on April 1, 2016	Nil
Add : Investors' Grievances received during the year	1
Less : Investors' Grievances redressed during the year	1
Investors' Grievances pending as on March 31, 2017	Nil

The name and contact details of compliance officer is provided in the section "General Shareholders Information" forming part of this report.

## 6. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises Mr. Pradeep S. Shah as the Chairman and Mr. B.B. Nandgave and Mr. Abhay J. Mehrotra as members of the Committee.

The role of Corporate Social Responsibility Committee is as follows:

- ✓ formulating and recommending to the Board Corporate Social Responsibility Policy and the activities to be undertaken by the Company;
- ✓ recommending the amount of expenditure to be incurred on the activities undertaken;
- ✓ reviewing the performance of the Company in the area of Corporate Social Responsibility;
- ✓ providing external and independent oversight and guidance on the environmental and social impact of how the Company conducts its business;
- ✓ monitoring Corporate Social Responsibility Policy of the Company from time to time.

The CSR Committee met once during the financial year 2016-17 on May 26, 2016. Every member of the committee attended the meeting.

## 7. General Body Meetings

Financial year	2015-16 44 <sup>th</sup> AGM	2014-15 43 <sup>rd</sup> AGM	2013-2014 42 <sup>nd</sup> 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	Wednesday
Date	July 26, 2016	August 13, 2015	27th August, 2014
Time	12.00 noon	3.00 p. m.	3.00 p. m.
No. of Special Resolution(s) passed	Nil	Three	Nil

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

During the year, no resolutions were passed through postal ballot.

## 8. Disclosures

### CEO and CFO Certification:

The Managing Director and Chief Financial Officer have given a certificate to the Board as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 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 affirmation is obtained from every person covered under 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 all the requirements of regulatory authorities on matters relating to capital markets and no penalties / strictures have been imposed on the Company by the Stock Exchange or SEBI.

### Whistle Blower Policy:

The Company encourages an open door policy where employees have access to the Head of the Business / Function. In terms of Manugraph India Limited's Code of Conduct, any instance of non-adherence to the Code or any other observed / unethical behavior is to be brought to the attention of the immediate reporting authority, who is required to report the same to Head of Corporate Human Resource.

## 9. Means of Communication

The Company publishes its quarterly, half-yearly and yearly financial results in leading English and Marathi newspapers. The results are also posted on Company's website viz. [www.manugraph.com](http://www.manugraph.com) and websites of the stock exchange. Information relating to shareholding pattern and compliance on corporate governance norms are also posted on Company's website.

All price sensitive information are immediately informed to Stock Exchange before the same is communicated to general public through press releases, if any.

## 10. 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  
As and when the occasion arises, the Company will seek shareholders' approval through postal ballot in respect of such resolutions required under the Listing Regulations and provisions of the Companies Act, 2013 and Rules, Regulations made thereunder.

### General Shareholder Information

#### (i) 45<sup>th</sup> Annual General Meeting

Day & date	Thursday, July 27, 2017
Time	12.00 Noon
Venue	M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001

- (ii) **Financial Year** : April to March
- (iii) **Dates of book closure** : Friday, July 21, 2017 – Thursday, July 27, 2017 (both days inclusive)
- (iv) **Dividend payment date** : Credit/dispatch of dividend warrants between Friday, July 28, 2017 and Friday, August 4, 2017.

#### (v) Listing of Equity shares on Stock Exchanges

Name of Stock Exchanges	Stock Code/Symbol
BSE Limited	505324
National Stock Exchange of India Limited	MANUGRAPH
	Security Series: EQ
Demat ISIN in NSDL & CDSL	INE867A 01022

The listing fees for the year 2016-17 and 2017-18 have been paid to the above stock exchanges where the securities of the Company are listed. The annual custodian fees for 2016-17 and 2017-18 to NSDL & CDSL has also been paid within the due dates.

#### (vi) Financial Calendar:

The Board of Director of the Company approves unaudited results for each quarter within such number of days as may be prescribed under SEBI Regulation from time to time.

#### (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 2016-17:

Months	BSE 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, 2016	57.80	45.90	58.90	46.00
May, 2016	55.00	47.05	52.50	46.00
June, 2016	64.00	47.05	64.20	47.80
July, 2016	62.40	54.25	62.35	53.40
August, 2016	58.60	45.45	58.05	45.00
September, 2016	49.85	43.25	50.95	41.30
October, 2016	63.00	46.00	63.40	45.85
November, 2016	54.00	40.20	54.00	41.55
December, 2016	48.25	44.60	48.85	44.00
January, 2017	55.80	46.10	55.60	45.30
February, 2017	56.30	42.80	56.45	42.50
March, 2017	62.70	50.75	62.70	50.05

**(viii) Performance in comparison to broad-based indices BSE Sensex.****(ix) Registrar and share transfer agents**

Link Intime India Pvt. Ltd.  
 C-101, 247 Park,  
 L.B.S. Marg, Vikhroli (West),  
 Mumbai – 400 083, Maharashtra, India.  
 Phone : +91-22-4918 6270  
 Fax : +91-22-4918 6060  
 Email : rnt.helpdesk@linkintime.co.in.

**(x) Share transfer system**

Shareholders are requested to communicate with Link Intime India Private Limited, Company's Registrar and Share Transfer Agents for matters related to share transfers in physical form, dividend, share certificates, change of address.

The Company ensures that the Registrar process all the requests received from shareholders within maximum three weeks from the date of receipt provided the documents are in order. The Registrar also updates the Company on action status.

The shares held in dematerialized form are electronically traded in the depository and the Registrar & Share Transfer Agents receives from Depositories, periodical details of beneficiary holdings to update their records and registers.

The Stakeholders' Grievance Committee of Board of Directors of the Company take note of status of investor's grievances / correspondences received during the quarter and also ratifies transfers effected during the quarter.

**(xi) Distribution of shareholdings as on 31st March, 2017 :**

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
1 – 500	9413	76.75	1600166	5.26
501 – 1000	1357	11.07	1099606	3.61
1001 – 2000	802	6.54	1226891	4.03
2001 – 3000	260	2.12	657693	2.16
3001 – 4000	107	0.87	378662	1.25
4001 – 5000	87	0.71	407109	1.34
5001 – 10000	106	0.86	769035	2.53
10001 and above	133	1.08	24275899	79.82
<b>Total</b>	<b>12265</b>	<b>100.00</b>	<b>30415061</b>	<b>100.00</b>

**(xii) Shareholding pattern as on 31st March, 2017:**

	Category	No. of shares held	% of shareholding
A	<b>Promoters' Holding</b>	17490578	57.51
	<b>Sub-Total (A):-</b>	<b>17490578</b>	<b>57.51</b>
	<b>Non-promoter's holding</b>		
B	1. Institutional Investors		
	a. Mutual Funds / UTI	2255	0.01
	b. Banks	250	0.00
	c. Insurance Companies	702636	2.31
	<b>Sub-Total (B):-</b>	<b>705141</b>	<b>2.32</b>
C	2. Others		
	a. Corporate Bodies	2184433	7.18
	b. Indian Public	9017992	29.64
	c. Directors and their relatives	58285	0.19
	d. Non-Resident Individuals	225375	0.74
	e. Foreign Companies	250	0.00
	f. Foreign Nationals	3620	0.01
	g. Hindu Undivided Family	382294	1.26
	h. Trusts	0	0.00
	i. Any other (Clearing Members)	347093	1.14
	<b>Sub-Total (C):-</b>	<b>12219342</b>	<b>40.18</b>
	<b>Grand Total [A+B+C]:-</b>	<b>30415061</b>	<b>100.00</b>

**(xiii) Top 10 Shareholders as on 31<sup>st</sup> March, 2017 (other than Promoters)**

Sr. No.	Shareholders' Name	Shares	Percentage
1.	Life Insurance Corporation of India	702636	2.31
2.	East India Securities Limited	434392	1.43
3.	Hardik Bharat Patel	390892	1.29
4.	Minal Bharat Patel	300000	0.99
5.	Vikram Pratapbhai Kotak	300000	0.99
6.	JM Financial Services Limited	282593	0.93
7.	S. Shyam	275784	0.91
8.	Vijaya S	247535	0.81
9.	Raviraj Developers Ltd.	220446	0.72
10.	Bharat Jayantilal Patel	187017	0.61

**(xiv) Bifurcation of shares held in physical and demat form as on March 31, 2017**

Particulars	No. of Shares	%
Physical Segment	997751	3.28
Demat Segment:		
NSDL	23698451	77.92
CDSL	5718859	18.80
<b>Total</b>	<b>30415061</b>	<b>100.00</b>

**(xv) Outstanding GDR/Warrants or convertible bonds, conversion dates and likely impact on equity**

Not applicable

**(xvi) Plant Locations**

Plant 1: Plot No. D -1, MIDC Shirol Industrial Area, Pune - Bangalore Road, Shirol, Kolhapur, Maharashtra.

Plant 2: Warananagar, Kodoli, Tal. Panhala, Dist. Kolhapur, Maharashtra.



**(xvii) Address for correspondence**

The members are requested to write to Link Intime India Private Limited for any query related to share transfers, dematerialization, transmissions, change of address, non receipt of dividend or any other related queries.

The address of Link Intime India Private Limited is 'Unit: Manugraph India Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083

The members can also send their grievances, if any, to the Company Secretary/Compliance officer Mr. Mihir Mehta, Manugraph India Limited, Sidhwa House, 1st Floor, N. A. Sawant Marg, Colaba, Mumbai - 400 005 or email at sharegrievances@manugraph.com.

**(xviii) Other useful information for shareholders**

Dividend: Electronic Clearing Services (ECS)/ National Electronic Clearing Services (NECS) facility. The dividend remittances to shareholders will happen through ECS/NECS as per the locations approved by RBI from time to time. If you are located at any of the ECS/ NECS centers and have not registered your ECS/NECS, please arrange to forward your ECS/NECS mandate to your depository participant if the shares are held in demat form, or to the Company/Registrars, if the shares are held in physical form, immediately.

Due dates for Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF) are as under:

Financial Year	Date of declaration of Dividend	Due date of transfer to IEPF
2009-10	27-09-2010	03-11-2017
2010-11	27-09-2011	03-11-2018
2011-12	01-08-2012	08-09-2019
2012-13	01-08-2013	07-09-2020
2013-14	27-08-2014	03-10-2021
2014-15	13-08-2015	19-09-2022
2015-16	26-07-2016	02-09-2023

**Transfer of shares to IEPF Demat account**

Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and refund) Rules, 2016 was notified by the Ministry of Corporate Affairs (MCA) on September 05, 2016 and as per Rule 6 of the said Rules, the shares relating to our Company is required to transfer all the shares, in respect of which dividend amounts have not been paid or claimed for 7 consecutive years, to 'IEPF Suspense Account (Manugraph India Limited)'. In terms of the above Rules, reminders were sent by the Company to the shareholders who have not claimed their dividends for a consecutive period of 7 years, informing that their shares will be transferred to IEPF suspense account, if they do not place their claim for unclaimed dividend amounts before the Company.

In the meantime, the action was stayed due to a General Circular No.15/2016 dated December 07, 2016 issued by the MCA informing that the revised notifications will be issued. Further, the MCA issued a revised notification dated February 28, 2017 extending the period for transfer of unclaimed shares to IEPF Demat Account upto May 31, 2017. Your Company has provided the IEPF Rules, the paper notifications issued and a list of the shareholders, whose shares will be transferred to IEPF in the Investor Page of the website of the Company.

**Declaration by the Vice Chairman and Managing Director under Regulation 34(3) and Schedule V(D) of the SEBI Listing Regulations regarding adherence to the Code of Conduct.**

In accordance with Regulation 34(3) and Schedule V(D) of the SEBI Listing Regulations, 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 March 31, 2017.

For **Manugraph India Limited**

Sd/-  
**Sanjay S. Shah**  
Vice Chairman & Managing Director

Mumbai, Dated : May 26, 2017

## Auditors' Certificate on Corporate Governance

To,  
The Members of  
Manugraph India Limited

1. We have examined the compliance of conditions of Corporate Governance by Manugraph India Limited for the year ended on 31st March, 2017 as stipulated in the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as referred to in Regulation 15(2) of the Listing regulations.
2. 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.
4. 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 **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

**N Jayendran**  
Partner  
M. No. 040441

Mumbai, Dated : May 26, 2017

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Manugraph India Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Manugraph India Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2017 and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements -Refer Note 34 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There are no delays in payment of amounts to the Investor Education and Protection Fund during the year.
    - iv. The Company has provided requisite disclosures in its Standalone Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 16 to the Standalone Financial Statements.

For **NATVARLAL VEPARI & CO.**  
Chartered Accountants  
Firm Registration no.106971W

**N Jayendran**  
Partner  
Membership No. 40441

Mumbai,  
Dated : May 26, 2017

## ANNEXURE A TO AUDITOR'S REPORT

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) Fixed assets have been physically verified by the management during the period and no material discrepancies were identified on such verification.
- (c) We have verified the title deeds of immovable properties forming part of Fixed Assets produced before us by the management and in respect of the title deeds which were in possession of the bankers due to charge created, confirmation was obtained from the banker about the title deeds being in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the period. The discrepancies noticed between the book stock and the physical stock was not material and they have been properly dealt with in the books of accounts.
- (iii) The Company has granted interest free loan to its wholly owned subsidiary company covered in the register maintained u/s 189 of the Companies Act 2013,
- a) The terms and conditions of such loans are not prejudicial to the interests of the Company
- b) The Loan is not due for repayment presently and therefore there is no default in its repayment and there is no overdue amount.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 with respect to loans, investments guarantees and security given.
- (v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.
- (vi) As informed to us the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, , Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute except as given in the statement attached herewith.
- (viii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not defaulted in payment of dues to the Financial Institution or Banks. Further, the company has not obtained any borrowings by way of debentures.
- (ix) The company has not raised any money by way of public issue / follow-on offer (including debt instruments). The Company has also not raised any term loans during the year.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 188 and 177 of the Companies Act, 2013 where applicable. The details of related party transactions have been disclosed in the financial statements as required by the Accounting Standard AS-18 – Related Party Disclosures of the Companies (Accounting Standards) Rules, 2006.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence clause 3(xiv) of Companies (Auditors Report) Order 2016 is not applicable.
- (xv) The company during the year has not entered into any non-cash transactions with directors or persons connected with him and clause 3(xv) of Companies (Auditors Report) Order 2016 is not applicable.
- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For **NATVARLAL VEPARI & CO.**

Chartered Accountants

Firm Registration No.106971W

**N Jayendran**

Partner

Membership No. 40441

Mumbai,

Dated : May 26, 2017

**Statement Of Statutory Dues Outstanding On Account Of Disputes, As On 31st March, 2017, Referred To In Para (vii)(b) of The Annexure To Auditors' Report**

Name of statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Additions during Assessments	27.25	Assessment year 2009-2010	The Income Tax Appellate Tribunal, 'K' Bench, Mumbai
Finance Act-1944 – Service tax Rule 1994.	Interest on Service Tax on Goods Transport Operators.	0.51	2001 to 2002	The commissioner, Central Excise, (Appeals-II), Pune
Finance Act-1944 – Central excise act 1944.	Wrong credit of Service Tax received from Head Office(Input Service Distributor)	16.49	2008 to 2013	Superintendent of Central Excise, Panchganga Range, Kolhapur.
Central excise act 1944.	Wrong credit of Service Tax Credit claimed on Input Service Distributor	1.39	2014-15	Deputy Commissioner, Central Excise Kolhapur-II Div.
Central excise act 1944.	Wrong credit of Service Tax Credit claimed on Input Service Distributor	4.47	2015-16	Deputy Commissioner, Central Excise Kolhapur-II Div.
Central Excise Act. 1944	Excise duty on scrap generated at vendors end.	4.80	01.07.2007 to 30.11.2007	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.07	01.01.06 to 30.06.06	The Dy. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.03	01.06.05 to 31.12.05	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.12	01.07.06 to 30.11.06	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.05	01.12.06 to 30.06.2007	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.15	01.07.07 to 31.03.2008	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Claim for refund of excise duty on scrap generated during job work	0.55	01.04.03 to 31.03.04	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on debit notes raised towards recovery of raw material cost from Vendors.	0.56	01.07.01 to 31.03.02	The High Court Of Judicature Bombay.
Central Excise Act. 1944	Duty Draw Back on Exported Goods.	3.90	01.09.10 to 30.09.10	The Joint Secretary, Govt. Of India, Ministry Of Finance, Department of Revenue, New Delhi. & The Dy. Comissioner of Customs , DBK, JNCH, Nhava Sheva.

Name of statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act. 1944	Duty Draw Back on Exported Goods.	1.25	01.11.2011 to 31.01.2011	The Joint Secretary, Govt. Of India, Ministry Of Finance, Department of Revenue, New Delhi.
Central Excise Act. 1944	Duty Draw Back on Exported Goods.	4.83	01.12.10 to 31.12.10	The Joint Secretary, Govt. Of India, Ministry Of Finance, Department of Revenue, New Delhi.
Central Excise Act. 1944	Duty Draw Back on Exported Goods.	5.93	01.12.10 to 31.12.10	The Joint Secretary, Govt. Of India, Ministry Of Finance, Department of Revenue, New Delhi.
Finance Act 1994	Service Tax Credit of Service Received out of India	1.24	01.06.2013 to 31.10.2013	The Commissioner (Appeals) Central Excise, Pune-II.
Finance Act 1994	Service Tax Credit on Out Ward Freight	0.03	February-2015 to October-2015	The Superintendent, Central Excise, Range-I, Kolhapur.
<b>Total</b>		<b>73.62</b>		

## Annexure - B to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Manugraph India Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **NATVARLAL VEPARI & CO.**

Chartered Accountants

Firm Registration No.106971W

**N Jayendran**

Partner

Membership No. 40441

Mumbai,

Dated : May 26, 2017

**Balance Sheet as at 31st March, 2017**

Particulars	Note Ref.	As at March 31, 2017 (₹ in lakhs)	As at March 31, 2016 (₹ in lakhs)
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	608.30	608.30
(b) Reserves & Surplus	2	16,606.66	21,011.51
(c) Money Received against Share Warrants		-	-
		<u>17,214.96</u>	<u>21,619.81</u>
<b>2. Share Application Money Pending Allotment</b>			
		-	-
<b>3. Non-Current Liabilities</b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (net)		-	-
(c) Other Long Term Liabilities	3	8.05	7.80
(d) Long Term Provisions	4	358.49	310.46
		<u>366.54</u>	<u>318.26</u>
<b>4. Current Liabilities</b>			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	5	-	-
(i) total outstanding dues of micro enterprises and small enterprises; and		81.88	87.19
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		2,209.21	2,037.52
(c) Other Current Liabilities	3	3,026.31	4,272.36
(d) Short-Term Provisions	4	985.71	1,499.18
		<u>6,303.11</u>	<u>7,896.25</u>
<b>Total</b>		<u><b>23,884.61</b></u>	<u><b>29,834.31</b></u>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Property, Plant and Equipment	6	2,950.70	3,429.72
(ii) Intangible Assets	7	171.12	193.78
(iii) Capital Work-in-Progress	8	46.20	-
(iv) Intangible Assets Under Development		-	-
		<u>3,168.02</u>	<u>3,623.50</u>
(b) Non-Current Investments	9	2,744.40	7,244.53
(c) Deferred Tax Assets (net)	10	375.37	477.87
(d) Long-Term Loans & Advances	11	1,830.47	1,715.25
(e) Other Non-Current Assets	12	1,969.63	2,350.74
		<u>6,919.87</u>	<u>11,788.39</u>
<b>2. Current Assets</b>			
(a) Current Investments	13	6,000.00	2,800.00
(b) Inventories	14	4,791.29	6,178.41
(c) Trade Receivables	15	632.95	2,624.16
(d) Cash and Bank Balances	16	1,945.84	2,188.34
(e) Short-term loans and advances	11	296.88	324.66
(f) Other current assets	12	129.76	306.85
		<u>13,796.72</u>	<u>14,422.42</u>
<b>Total</b>		<u><b>23,884.61</b></u>	<u><b>29,834.31</b></u>

The accompanying Statement of Significant Accounting policies and notes to financial statements form an integral part of the Financial Statements

As per our report of even date attached  
For **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
DIN : 00248592

**Pradeep S. Shah** Managing Director  
DIN : 00248692

**N. Jayendran**  
Partner  
M. No. 40441

**Mihir V. Mehta**  
Company Secretary

**Suresh Narayan**  
Chief Financial Officer

Mumbai, Date: 26th May, 2017

Mumbai, Date: 26th May, 2017

## Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note Ref.	2016-17 (₹ in lakhs)	2015-16 (₹ in lakhs)
<b>Revenue from Operations (Gross):</b>	<b>17</b>	<b>27,639.86</b>	28,662.01
Less : Excise Duty		<b>2,807.19</b>	2,762.81
Revenue from Operations (Net):		<b>24,832.67</b>	25,899.20
Other Operating Revenue	<b>18</b>	<b>741.25</b>	1,231.99
Other Income:	<b>19</b>	<b>634.31</b>	603.78
<b>A. Total Revenue</b>		<b>26,208.23</b>	27,734.97
<b>Expenses:</b>			
Cost of Materials Consumed	<b>20</b>	<b>14,008.52</b>	15,626.05
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	<b>21</b>	<b>1,146.09</b>	663.62
Employee Benefit Expenses	<b>22</b>	<b>6,069.16</b>	5,490.58
Finance Cost	<b>23</b>	<b>67.16</b>	166.23
Depreciation & Amortisation	<b>24</b>	<b>611.97</b>	652.10
Other Expenses	<b>25</b>	<b>4,341.32</b>	4,474.59
<b>B. Total Expenses</b>		<b>26,244.22</b>	27,073.17
<b>Profit Before exceptional and extraordinary items and Tax (A-B)</b>		<b>(35.99)</b>	661.80
<b>Exceptional Items (Refer Note 36)</b>		<b>(4,195.88)</b>	(308.00)
<b>Profit Before extraordinary items and tax</b>		<b>(4,231.87)</b>	353.80
<b>Extraordinary Items</b>		-	-
<b>Profit Before Tax</b>		<b>(4,231.87)</b>	353.80
1. Current Tax		<b>54.88</b>	68.03
2. Deferred Tax		<b>102.52</b>	(123.51)
3. Tax Adjustment of Previous Years		<b>15.58</b>	(189.04)
<b>Tax Expense</b>		<b>172.98</b>	(244.52)
<b>Profit for the period from Continuing Operations</b>		<b>(4,404.85)</b>	598.32
Discontinued Operations		-	-
<b>Profit for the period</b>		<b>(4,404.85)</b>	598.32
<b>Earning per Equity Share</b>			
- <b>Before Exceptional Item</b>			
- Basic and Diluted		<b>(0.51)</b>	2.51
- <b>After Exceptional Item</b>			
- Basic and Diluted		<b>(14.48)</b>	1.97
Par Value		<b>2.00</b>	2.00

The accompanying Statement of Significant Accounting policies and notes to financial statements form an integral part of the Financial Statements

As per our report of even date attached  
For **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

**N. Jayendran**  
Partner  
M. No. 40441

Mumbai, Date: 26th May, 2017

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
DIN : 00248592

**Pradeep S. Shah** Managing Director  
DIN : 00248692

**Mihir V. Mehta**  
Company Secretary

**Suresh Narayan**  
Chief Financial Officer

Mumbai, Date: 26th May, 2017

## Cash Flow Statement for the year ended 31st March, 2017

Particulars	2016-17 (₹ in lakhs)	2015-16 (₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax and extraordinary items	<b>(4,231.87)</b>	353.80
Add: Depreciation	<b>611.97</b>	652.10
Interest	<b>12.39</b>	124.54
Provision for dimunition of investment	<b>4,500.00</b>	-
Fixed assets written off/scrapped	<b>46.12</b>	14.51
Loss / (profit) on sale of assets	<b>(307.70)</b>	(16.84)
Sundry Balances written off	<b>10.00</b>	62.54
Bad Debts	-	342.72
Sundry Balances written back	<b>(32.23)</b>	(416.21)
Provision for gratuity	<b>(134.98)</b>	(70.97)
Provision for earned leave wages	<b>60.06</b>	64.51
Dividend income	<b>(0.05)</b>	(23.10)
Profit on sale of investments	<b>(355.94)</b>	(190.88)
Interest received on deposits	<b>(247.69)</b>	(247.21)
	<b>4,161.95</b>	295.72
<b>Operating Profit before working capital Changes</b>	<b>(69.91)</b>	649.52
<b>Working Capital Changes</b>		
Trade payable and Other Liabilities	<b>(1,484.32)</b>	130.03
Inventory Changes	<b>1,387.12</b>	1,145.02
Loans and Advances	<b>(134.58)</b>	(94.14)
Trade and other receivables	<b>3,124.77</b>	89.38
	<b>2,892.99</b>	1,270.28
<b>Cash generated from operations</b>	<b>2,823.08</b>	1,919.80
Deduct : Direct taxes	<b>24.11</b>	192.46
<b>Net Cash from Operating activities</b>	<b>2,798.98</b>	1,727.34
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets including CWIP	<b>(418.35)</b>	(207.09)
Purchase of investments	<b>(13,500.00)</b>	(6,500.00)
Sale of fixed assets	<b>354.92</b>	43.77
Sale of investments	<b>10,656.06</b>	6,373.22
Dividend received	<b>0.05</b>	23.10
Other bank balances	<b>4.58</b>	(81.18)
Interest Received	<b>247.69</b>	247.21
	<b>(2,655.04)</b>	(100.97)
<b>Net cash flow from Investing Activities</b>	<b>(2,655.04)</b>	(100.97)

**Cash Flow Statement for the year ended 31st March, 2017 (Contd...)**

Particulars	2016-17 (₹ in lakhs)	2015-16 (₹ in lakhs)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest Paid	(12.25)	(123.68)
Dividend paid including dividend tax	(369.61)	(188.60)
Repayment of Borrowings	-	(610.69)
<b>Net Cash flow from Financing Activities</b>	<b>(381.85)</b>	(922.97)
<b>Net Cash flow from Operating, Investing and financing activity</b>	<b>(237.92)</b>	703.40
<b>Opening Cash and Cash Equivalents</b>	<b>1,180.76</b>	477.36
<b>Closing Cash and Cash Equivalents</b>	<b>942.84</b>	1,180.76

As per our report of even date attached  
For **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

**N. Jayendran**  
Partner  
M. No. 40441

Mumbai, Date: 26th May, 2017

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
DIN : 00248592

**Pradeep S. Shah** Managing Director  
DIN : 00248692

**Mihir V. Mehta**  
Company Secretary

**Suresh Narayan**  
Chief Financial Officer

Mumbai, Date: 26th May, 2017

## Statement of Significant Accounting policies and Other Explanatory Notes

### A BACKGROUND

Manugraph India Ltd, was established in the year 1972. The company is the largest manufacturer of single width web-offset printing presses in India and has a significant share of the world market for its products. The manufacturing facilities are located at Kolhapur in India and through its wholly owned subsidiary in Millersburg – USA. The company has its in-house R&D facilities with a combined strength of over 50 engineers at both locations. The Indian R&D facilities are recognized by Department of Scientific and Industrial Research – Ministry of Science and Technology , Government of India.

### B ACCOUNTING POLICIES

#### a Basis of preparation

The Financial Statements have been prepared to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 (which are specified under section 133 of the Companies Act 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by the Schedule III of the Companies Act 2013.

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the previous year.

#### b Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known.

#### c Inflation

Assets and liabilities are shown at historical cost . No adjustments are made for changes in purchasing power of money.

#### d Property, Plant and Equipment (PPE)

i Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition of its intended use. The costs comprises of the purchase price, borrowings costs if capitalisation criteria are met and directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the cost of the PPE. Any subsequent expenses related to a PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other day to day repairs and maintenance expenditure and the cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

ii Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for use.

iii Intangible assets are stated at cost of construction less accumulated amortised amount and accumulated impairment losses, if any.

#### e Depreciation and Amortisation

i Depreciation on all assets of the Company is charged on straight line method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year.

ii The useful life of the intangible asset being computer software is determined at five years.

## Statement of Significant Accounting policies and Other Explanatory Notes

### f Impairment of assets

Cash generating unit/ fixed assets / Investments 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 statement of profit and loss. Impairment loss in respect of assets sold / scrapped are reversed and consequent profit or loss on such sale is accounted. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Depreciation charged on assets impaired is adjusted in future period over its remaining useful life.

On annual basis, the company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### g Inventories

Cost of inventories is 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.

- |   |   |
|---|---|
| i. Raw Material & Components                      | Raw materials and components, stores and spares are stated at lower of cost and net realisable value.   |
| ii. Consumable Tools                              | Consumable tools are stated at cost or below cost.  |
| iii. Work-in-progress and manufactured components | Work-in-progress and manufactured components are valued at lower of cost and net realisable value computed including Material, Labour and Overheads related to the manufacturing operations   |
| iv. Finished Goods                                | Finished products are valued at lower of cost and net realisable value Cost is computed including Material, Labour and Overheads related to the manufacturing operations.<br><br>Excise duty is included in the value of finished products inventory. |

### h Investment

- i Long term investments are stated at cost less provision for diminution other than temporary in nature, if any. Current investments are stated at lower of cost and fair value.
- ii Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

### i Employee Benefits

- i Provident fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss 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 Statement of profit and loss in the year when the contributions accrue. The scheme is funded with an insurance company in the form of a qualifying insurance policy and other permissible securities.
- iii The company has a defined benefit gratuity scheme. For the defined benefit scheme, actuarial valuations are being carried out on a projected unit credit method at each balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss 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.

## Statement of Significant Accounting policies and Other Explanatory Notes

### **j Research and Development**

Revenue expenditure on research and development is charged to statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is included in additions to fixed assets under appropriate heads. Self manufactured R&D assets are carried at cost of manufacture.

### **k CENVAT Credit / Service Tax Credit**

- i CENVAT credit utilised during the year is accounted in excise duty and unutilised CENVAT balance at the year end is considered as advance excise duty.
- ii Service tax credit utilised during the year towards excise liability is accounted in excise duty and unutilised service tax credit at the year-end is considered as advance Service Tax.

### **l Revenue Recognition**

- i Revenue from sale of goods is recognised net of returns, product expiry claims and trade discount, on transfer of significant risk and rewards in respect of ownership to the buyer which is generally on dispatch of goods. Sales include excise duty but exclude sales tax and value added tax.
- ii In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit.
- iii Income from services and erection charges are recognised after the relevant work is completed and the right to receive the income is established
- iv Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- v Interest income is recognised on time proportion method basis taking into account the amount outstanding and the rate applicable.
- vi Dividend income is accounted when the right to receive the same is established.

### **m Borrowing Cost**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalisation during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

### **n Foreign Exchange Transactions**

- i) Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction. The exchange gain/loss on settlement / negotiation during the year is recognised in the Statement of Profit and Loss.
- ii) Foreign currency transactions remaining unsettled at the end of the year are converted at year-end rates. Loss arising on account of transactions covered by forward contract is recognised over the period of contracts.
- iii) Monetary assets and liabilities at the end of the year are converted at the year end rate and the resultant gain or loss is accounted for in the Statement of Profit and Loss.
- iv) The company has not used any 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.

### **o Taxation**

Tax expense comprises of current and deferred taxes.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and the Income Computation and Disclosure Standards issued by the Central Board of Direct Taxes.



## Statement of Significant Accounting policies and Other Explanatory Notes

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

### **p Earnings per share**

- i Basic and diluted earnings per share are calculated by dividing the net profit for the year/period attributed to equity shareholders by the weighted average number of equity shares outstanding during the year/period.
- ii For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **q Provisions, Contingent Liabilities and Contingent Assets**

- i. 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.
- ii. Provision for product related warranty costs is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.
- iii. Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the company or 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.
- iv. Contingent assets are neither recognized nor disclosed in the financial statements.

### **r Operating Lease**

Leases where the lessor effectively retains substantially all risks and benefits of ownership for the leased term are classified as operating leases. Operating lease payments are recognized as expense in the statement of profit and loss account on a straight line basis over the lease term.

### **s Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank, cheques on hand, cash in hand and short term investments with an original maturity of three months or less.

## Statement of Significant Accounting policies and Notes to Financial Statements

### C. OTHER NOTES

#### 1. Share Capital

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number	(₹ In lakhs)	Number	(₹ In lakhs)
<b>Authorised Capital:</b>				
Equity shares of ₹ 2 each	9,85,00,000	1,970.00	9,85,00,000	1,970.00
Preference shares of ₹ 100 each	10,000	10.00	10,000	10.00
Unclassified shares of ₹ 100 each	20,000	20.00	20,000	20.00
Redeemable preference shares of ₹ 100 each	3,50,000	350.00	3,50,000	350.00
<b>Total</b>		<b>2,350.00</b>		<b>2,350.00</b>

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number	(₹ In lakhs)	Number	(₹ In lakhs)
<b>Issued, Subscribed And Paid up Capital:</b>				
Equity shares of ₹ 2 each	3,04,15,061	608.30	3,04,15,061	608.30
<b>Total</b>	<b>3,04,15,061</b>	<b>608.30</b>	<b>3,04,15,061</b>	<b>608.30</b>

a. The Company has not issued any bonus shares during the last five years.

b. Details of Shareholding in excess of 5%

Name of Shareholder	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares held	%	Number of shares held	%
Multigraph Machinery Co. Ltd.	59,55,027	19.58	59,55,027	19.58
Sanat Manilal Shah	14,84,709	4.88	24,91,209	8.19
Pradeep Sanat Shah	17,65,721	5.81	17,65,721	5.81
Santsu Finance & Investment Pvt. Ltd.	25,37,000	8.34	19,05,500	6.26
Manu Enterprises Ltd.	23,16,500	7.62	19,41,500	6.38
Reliance Capital Trustee Co. Ltd.	-	-	17,09,978	5.62
<b>Total</b>	<b>1,40,58,957</b>	<b>46.23</b>	<b>1,57,68,935</b>	<b>51.84</b>

## Statement of Significant Accounting policies and Notes to Financial Statements

- c. Reconciliation of the equity shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number	(₹ In lakhs)	Number	(₹ In lakhs)
<b>Issued, Subscribed And Paid up Capital:</b>				
At the beginning of the year	3,04,15,061	608.30	3,04,15,061	608.30
Issued during the period	-	-	-	-
Outstanding at the end of the year	<u>3,04,15,061</u>	<u>608.30</u>	<u>3,04,15,061</u>	<u>608.30</u>

- d. The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.
- e. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 2. Reserves & Surplus

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
i. <b>Capital Reserve</b>		70.00		70.00
ii. <b>Capital Reserve - On Amalgamation</b>		128.00		128.00
iii. <b>Capital Redemption Reserve</b>		110.58		110.58
iv. <b>Securities Premium Account</b>		2,145.06		2,145.06
<b>Other Reserves</b>				
v. <b>General Reserve :</b>		9,225.00		9,225.00
vi. <b>Surplus in Profit and Loss Account</b>				
Balance as per last Balance Sheet		9,332.87		9,100.63
Add :Profit for the year	(4,404.85)		598.32	
Sub Total		(4,404.85)		598.32
Less:				
Proposed Dividend	-		304.15	
Tax on Proposed Dividend	-		61.93	
Sub Total		-		366.08
		<u>4,928.02</u>		<u>9,332.87</u>
<b>Total Reserves &amp; Surplus (i+ii+iii+iv+v+vi)</b>		<u>16,606.66</u>		<u>21,011.51</u>

- a. The General Reserve has been created in accordance with the requirements of the erstwhile Companies (Transfer of Profit to Reserve) Rules, 1975
- b. The Board of Directors at their meeting held on May 26, 2017 has recommended dividend at ₹ 0.50 per equity share which is subject to shareholder approval at the Annual General Meeting. The total payment on this account on approval by the members would be ₹ 183.04 lakhs including dividend tax thereon.

## Statement of Significant Accounting policies and Notes to Financial Statements

### 3. Other Liabilities

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current	Current	Non-current	Current
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
Advances from Customers	-	2,036.17	-	3,593.27
Unclaimed dividends	-	42.74	-	46.27
Other Liabilities	1.32	874.40	1.32	443.69
Duties & Taxes payable	-	73.00	-	84.12
Security Deposit	6.73	-	6.48	-
Advance against sale of assets	-	-	-	105.00
<b>Total</b>	<b>8.05</b>	<b>3,026.31</b>	<b>7.80</b>	<b>4,272.36</b>

**Unclaimed dividends :** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

### 4. Provisions

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current	Current	Non-current	Current
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>For employees benefits</b>				
Provision for earned leave wages	358.49	63.83	310.46	51.80
Provision for Gratuity	-	816.58	-	951.56
<b>Others</b>				
Proposed Dividend	-	-	-	304.15
Corporate Tax on Dividend	-	-	-	61.93
Provision for Warranty	-	105.30	-	129.74
<b>Total</b>	<b>358.49</b>	<b>985.71</b>	<b>310.46</b>	<b>1,499.18</b>

a. Disclosure under Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets (2016-17)

Particulars	Opening Balance	Additions during the year	Amt. Paid/ Reversed during the year	Closing Balance
Warranty Expenses	129.74	57.03	81.47	105.30
(Previous year)	(81.68)	(114.85)	(66.79)	(129.74)

## Statement of Significant Accounting policies and Notes to Financial Statements

- b. 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.

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>		
Present value of obligation at the beginning of the year	2,296.82	2,161.33
Interest cost	183.75	172.91
Current service cost	82.29	81.45
Benefits paid	(111.64)	(189.92)
Actuarial (gain)/loss on obligation	127.94	71.05
<b>Present value of obligation at the end of the year</b>	<b>2,579.16</b>	<b>2,296.82</b>
<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	1,345.26	1,138.80
Expected return on plan assets	124.74	93.77
Contributions	404.21	302.61
Benefits paid	(111.64)	(189.92)
Actuarial gain/(loss) on plan assets	-	-
<b>Fair value of plan assets as at the end of the year</b>	<b>1,762.57</b>	<b>1,345.26</b>
<b>Amount recognised in Balance Sheet</b>		
Fair value of plan assets as at the end of the year	1,762.57	1,345.26
Present value of obligation as at the end of the year	2,579.16	2,296.82
<b>Asset/(liability) recognised in the Balance Sheet</b>	<b>(816.58)</b>	<b>(951.56)</b>
<b>Expense recognised in the Profit and Loss account</b>		
Interest cost	183.75	172.91
Current service cost	82.29	81.45
Expected return on plan assets	(124.74)	(93.77)
Net actuarial (gain)/loss recognised in the year	127.94	71.05
<b>Net cost</b>	<b>269.23</b>	<b>231.64</b>
<b>Break-up of Plan Assets</b>		
<b>Category of assets as at the end of the year</b>		
Insurer Managed Funds	100%	100%
(Fund is Managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available)		
<b>Assumptions</b>		
Discount rate	8%	8%
Salary escalation rate (annual)	4%	4%

Note : Experience adjustment information is not available and hence not disclosed.

## Statement of Significant Accounting policies and Notes to Financial Statements

### 5. Trade Payables - Current

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
Trade Payables		
Micro Small and Medium Enterprises	81.88	87.19
Others	2,209.21	2,037.52
<b>Total</b>	<b>2,291.10</b>	<b>2,124.72</b>

a) Disclosure In accordance with section 22 of Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
a The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each;		
Principal amount due	81.88	87.19
Interest due on the above	-	-
b The amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
Principal amount paid beyond appointed day	38.70	92.22
Interest paid thereon	0.19	0.40
c The amount of interest due and payable for the period of delay in making payment beyond appointed day during the year.	-	-
d The amount of interest accrued and remaining un-paid at the end of the accounting year	-	-
e The amount of further interest due and payable even in succeeding years	-	-

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. This has been relied upon by the auditor.

## Statement of Significant Accounting policies and Notes to Financial Statements

### 6. Property, Plant and Equipment

(₹ In lakhs)

Particulars	Research and Development										Total	
	Freehold land	Leasehold land	Buildings	Plant, Machinery & Equipment	Computers	Other Equipments	Furniture & fittings	Vehicles	Gauges & Instruments	Computers		Prototype Machine
<b>Cost</b>												
As at April 1, 2015	14.69	7.64	2,270.79	10,534.73	443.74	304.94	497.97	411.22	42.10	30.38	549.92	15,108.12
Additions	-	-	-	110.01	26.58	6.22	2.40	34.02	-	1.04	-	180.27
Disposals	-	-	-	145.42	174.49	1.90	0.05	58.14	-	2.50	-	382.50
As at March 31, 2016	14.69	7.64	2,270.79	10,499.32	295.83	309.26	500.32	387.10	42.10	28.92	549.92	14,905.89
Additions	-	-	-	75.71	14.37	2.39	5.63	39.87	-	15.19	35.70	188.86
Disposals	-	7.64	94.55	1,124.99	18.90	37.94	130.17	4.40	-	0.87	-	1,419.46
<b>As at March 31, 2017</b>	<b>14.69</b>	<b>-</b>	<b>2,176.24</b>	<b>9,450.04</b>	<b>291.30</b>	<b>273.71</b>	<b>375.78</b>	<b>422.57</b>	<b>42.10</b>	<b>43.24</b>	<b>585.62</b>	<b>13,675.29</b>
<b>Depreciation / Amortisation</b>												
As at April 1, 2015	-	-	952.03	8,537.54	406.57	241.98	414.21	192.88	37.41	26.02	381.57	11,190.20
Charge for the year	-	-	58.00	420.03	18.68	25.03	25.96	47.22	1.13	2.18	28.81	627.04
Disposals	-	-	-	128.20	174.10	1.55	0.05	34.79	-	2.38	-	341.07
As at March 31, 2016	-	-	1,010.03	8,829.35	251.16	265.46	440.12	205.31	38.54	25.82	410.38	11,476.17
Charge for the year	-	-	54.49	420.22	17.18	14.70	19.65	44.53	0.57	3.27	14.47	589.08
Disposals	-	-	68.61	1,084.59	18.60	37.02	126.77	4.20	-	0.87	-	1,340.66
<b>As at March 31, 2017</b>	<b>-</b>	<b>-</b>	<b>995.91</b>	<b>8,164.98</b>	<b>249.74</b>	<b>243.14</b>	<b>333.00</b>	<b>245.64</b>	<b>39.11</b>	<b>28.22</b>	<b>424.85</b>	<b>10,724.59</b>
<b>Net Block</b>												
As at March 31, 2016	14.69	7.64	1,260.76	1,669.97	44.67	43.80	60.20	181.79	3.56	3.10	139.54	3,429.72
<b>As at March 31, 2017</b>	<b>14.69</b>	<b>-</b>	<b>1,180.33</b>	<b>1,285.06</b>	<b>41.56</b>	<b>30.57</b>	<b>42.78</b>	<b>176.93</b>	<b>2.99</b>	<b>15.02</b>	<b>160.77</b>	<b>2,950.70</b>

## Statement of Significant Accounting policies and Notes to Financial Statements

### 7. Intangible assets

(₹ In lakhs)

Particulars	Technical Documentation & Know How	Computer Software	R & D Software	Total
<b>Cost</b>				
As at April 1, 2015	371.27	184.78	115.77	671.81
Additions	-	13.61	-	13.61
Disposals	-	57.73	-	57.73
<b>As at March 31, 2016</b>	<b>371.27</b>	<b>140.66</b>	<b>115.77</b>	<b>627.69</b>
Additions	-	3.18	-	3.18
Disposals	-	3.06	-	6.00
<b>As at March 31, 2017</b>	<b>371.27</b>	<b>140.78</b>	<b>115.77</b>	<b>624.87</b>
<b>Depreciation / Amortization</b>				
As at April 1, 2015	236.87	139.77	89.93	466.58
Charge for the year	4.58	11.03	9.45	25.06
Disposals	-	57.73	-	57.73
<b>As at March 31, 2016</b>	<b>241.45</b>	<b>93.07</b>	<b>99.38</b>	<b>433.91</b>
Charge for the year	4.57	11.27	7.07	22.90
Disposals	-	3.06	-	3.06
<b>As at March 31, 2017</b>	<b>246.02</b>	<b>101.28</b>	<b>106.45</b>	<b>453.75</b>
<b>Net Block</b>				
As at March 31, 2016	129.82	47.56	16.39	193.78
<b>As at March 31, 2017</b>	<b>125.26</b>	<b>36.70</b>	<b>9.17</b>	<b>171.12</b>

### 8.

Capital work in process

#### Capital Work in Process

<b>Cost</b>	
As at April 1, 2015	-
Additions	-
Disposals	-
As at March 31, 2016	-
Additions	46.20
Disposals	-
<b>As at March 31, 2017</b>	<b>46.20</b>



## Statement of Significant Accounting policies and Notes to Financial Statements

### 9. Non-Current Investments

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Nos.	(₹ In lakhs)	Nos.	(₹ In lakhs)
<b>Trade Investments</b>				
Manugraph Securities and Finance Private Limited (unquoted)	-	-	250	0.03
<b>Other Investments</b>				
<b>Investment in Government securities</b>				
6 years National Savings Certificates - VIII issue	-	-		0.10
<b>Investment in subsidiary companies (unquoted)</b>				
Constrad Agencies (Bombay) Private Ltd. (Equity shares of ₹ 100/- each)	5000	177.16	5000	177.16
Manugraph Americas Inc, USA (Equity shares of US\$ 0.01 each)	3,88,290	9,197.51	3,88,290	9,197.51
Manugraph Americas Inc., USA - 2% Redeemable, Non Cumulative Convertible Preferred Stock (shares of US\$ 0.01 each)	1,00,000	3,869.23	1,00,000	3,869.23
<b>Others (unquoted)</b>				
Shree Warna Sahakari Bank Limited (Equity shares of ₹ 25/- each)	2,000	0.50	2,000	0.50
		<b>13,244.40</b>		<b>13,244.53</b>
Less -				
Prov. for diminution in value of investment (in respect of Investment in Manugraph Americas, Inc.)		<b>10,500.00</b>		<b>6,000.00</b>
<b>Total</b>		<b>2,744.40</b>		<b>7,244.53</b>

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)		(₹ In lakhs)	
a Aggregate of quoted investments				
– Cost		-		-
– Market Value		-		-
b Aggregate of unquoted investments		<b>2,744.40</b>		7,244.53

- i The Company has reassessed the diminution in the value of investment in Manugraph Americas Inc. based on valuation report indicating the equity value of the business of Manugraph Americas Inc. Based on the valuation report, the Company has made a further provision of ₹ 4,500 lakhs during the current year resulting in aggregate provision of ₹ 10,500 lakhs against the investment in Manugraph Americas Inc.
- ii The Manugraph Securities and Finance Private Limited has been struck off from the records of MCA and accordingly the investments has been written off during the year.
- iii 6 years National Savings Certificates - VIII Issue have been written off during the year.
- iv The investment in Manugraph Americas Inc. includes 116,968 equity shares which have been pledged with the bankers for credit facilities availed by the subsidiary Manugraph Americas Inc.
- v Since the balance sheet date, the management has indicated to its wholly owned subsidiary their intention to convert the preferred stock into shares of common stock subject to completion of necessary statutory formalities and approvals.

## Statement of Significant Accounting policies and Notes to Financial Statements

### 10. Deferred Tax Asset/(Liability)

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>Deferred tax liability on account of</b>				
Difference between book and tax depreciation		201.53		222.99
<b>Less:</b>				
<b>Deferred tax Assets on account of</b>				
Provision for Warranty expenses	34.82		37.97	
Provision for leave encashment	139.63		119.77	
Provision for gratuity	269.99		314.61	
Compensation under VRS	132.46		224.18	
ICDS adjustment	-		4.33	
Total Deferred Tax Asset		576.90		700.86
<b>Net Deferred Tax Asset/(Liability)</b>		<b>375.37</b>		<b>477.87</b>

### 11. Loans and Advances

(Unsecured considered good unless otherwise stated)

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current (₹ In lakhs)	Current (₹ In lakhs)	Non-current (₹ In lakhs)	Current (₹ In lakhs)
Loan to subsidiary company	3.50	-	3.50	-
Staff loans	414.92	147.40	433.82	145.83
Advances Receivable in Cash or in kind	3.46	78.99	2.86	102.55
Advance to suppliers	-	48.36	-	76.28
Capital advance	193.97	-	13.86	-
Sundry deposits	48.78	22.13	48.22	-
Taxes paid net of provisions	1,165.84	-	1,212.99	-
<b>Total</b>	<b>1,830.47</b>	<b>296.88</b>	<b>1,715.25</b>	<b>324.66</b>

Loan to subsidiary represents loan to Constrad Agencies (Bombay) Pvt. Ltd.

### 12. Other Assets

(Unsecured considered good unless otherwise stated)

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current (₹ In lakhs)	Current (₹ In lakhs)	Non-current (₹ In lakhs)	Current (₹ In lakhs)
Vat refund receivable	1,948.93	-	2,323.71	-
Balance with Revenue Authorities	-	89.96	-	39.43
Interest accrued on bank deposits	-	19.47	-	9.42
Other receivables	20.70	20.33	27.03	258.00
<b>Total</b>	<b>1,969.63</b>	<b>129.76</b>	<b>2,350.74</b>	<b>306.85</b>

## Statement of Significant Accounting policies and Notes to Financial Statements

### 13. Current Investments

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Nos.	(₹ In lakhs)	Nos.	(₹ In lakhs)
<b>Investments in Mutual Funds</b>				
(unless otherwise specified) (quoted)				
HDFC Short Term Opportunities Fund - Growth	-	-	18,21,328	300.00
SBI Premier Liquid Fund - Regular Plan - Growth	-	-	12,680	300.00
UTI Treasury Advantage Fund - Inst. Plan - Growth	-	-	24,340	500.00
Tata Short Term Bond Fund Regular Plan - Growth	-	-	17,82,665	500.00
HDFC Floating Rate Income Fund - STP-WS-Growth	-	-	15,43,722	400.00
Birla Sun Life Saving Fund - Regular Plan - Growth	-	-	2,74,627	800.00
ICICI Prudential Liquid Plan - Direct - Growth	<b>4,16,152</b>	<b>1,000.00</b>	-	-
Kotak Floater Short Term - Direct - Growth	<b>37,500</b>	<b>1,000.00</b>	-	-
BSL Cash Plus - Growth	<b>3,07,592</b>	<b>800.00</b>	-	-
BSL Cash Plus - Growth - Direct	<b>2,68,328</b>	<b>700.00</b>	-	-
SBI Treasury Advantage Fund - Direct - Growth	<b>27,161</b>	<b>500.00</b>	-	-
HDFC Liquid Fund - Regular Plan - Growth	<b>31,306</b>	<b>1,000.00</b>	-	-
Tata Liquid Fund - Regular Plan - Growth	<b>33,478</b>	<b>1,000.00</b>	-	-
<b>Total</b>		<b><u>6,000.00</u></b>		<b><u>2,800.00</u></b>
<b>Particulars</b>	<b>As at 31 March, 2017</b>		<b>As at 31 March, 2016</b>	
		<b>(₹ In lakhs)</b>		<b>(₹ In lakhs)</b>
a Aggregate of quoted investments				
– Cost		<b>6,000.00</b>		2,800.00
– Market Value		<b>6,009.62</b>		2,812.93
b Aggregate of unquoted investments		-		-

## Statement of Significant Accounting policies and Notes to Financial Statements

### 14. Inventories

Particulars	As at	
	31 March, 2017 (₹ In lakhs)	31 March, 2016 (₹ In lakhs)
Raw Material (incl. Goods in transit - ₹ 0.45 lakhs previous year ₹ 12.80 lakhs)	980.21	1,183.24
Work In Progress	1,865.53	2,897.51
Stores & Spares	91.67	101.05
Loose Tools (Consumable)	65.28	63.70
Manufactured components	1,788.60	1,932.91
<b>Total</b>	<b>4,791.29</b>	<b>6,178.41</b>

#### Valuation methodology

Cost of inventories is 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.

- |     |  |  |
|-----|--|--|
| i   | Raw Material, Components and Stores and Spares | Raw materials and components, stores and spares are stated at lower of cost and net realisable value.  |
| ii  | Consumable Tools                               | Consumable tools are stated at cost or below cost.   |
| iii | Work-in-progress and manufactured components   | Work-in-progress and manufactured components are valued at lower of cost and net realisable value computed including Material, Labour and Overheads related to the manufacturing operations. |
| iv  | Finished Goods including stock-in-trade        | Finished products are valued at lower of cost and net realisable value Cost is computed including Material, Labour and Overheads related to the manufacturing operations.                    |

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

### 15. Trade receivables - Current

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>Unsecured</b>				
Outstanding for over six months old				
– Considered good	58.19		1,301.78	
– Considered doubtful	-		-	
	<u>58.19</u>		<u>1,301.78</u>	
Less: Provision for doubtful debts	-	58.19	-	1,301.78
Others				
– Considered good		574.76		1,322.38
<b>Total</b>		<u><u>632.95</u></u>		<u><u>2,624.16</u></u>

## Statement of Significant Accounting policies and Notes to Financial Statements

### 16. Cash and Bank Balances

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>Cash &amp; Cash Equivalents</b>				
Bank balances				
With scheduled banks		932.90		1,142.02
Cheques, Drafts on hand				
Funds in Transit		-		22.82
Cash Balances		9.94		15.92
		<b>942.84</b>		<b>1,180.76</b>
<b>Other Bank Balances</b>				
In fixed deposit accounts (as margin money)	960.26		961.31	
In unclaimed dividend accounts	42.74	1,003.00	46.27	1,007.58
<b>Total</b>		<b>1,945.84</b>		<b>2,188.34</b>

#### Disclosure of Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes and other denomination notes as defined in the Ministry of Corporate Affairs notification G.S. R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes held and transacted during the period from November 8, 2016 to December 30, 2016 the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs *	Other Denomination Notes	Total
	(in ₹)	(in ₹)	(in ₹)
Closing cash in hand as on 8th November, 2016	16,82,500	9,44,793	26,27,293
(+) Permitted receipts	-	23,55,886	23,55,886
(-) Permitted payments	44,500	19,76,938	20,21,438
(-) Amount deposited in Banks	16,38,000	286	16,38,286
Closing cash in hand as on 30th December, 2016	-	13,23,455	13,23,455

\* For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated November 8, 2016.

## Statement of Significant Accounting policies and Notes to Financial Statements

### 17. Revenue from Operations (Gross)

i. Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
<b>Sale of Products</b>		
Sales of Finished Goods & spares (Domestic)	24,356.86	24,631.13
Sales of Finished Goods & spares (Export)	3,283.00	4,030.88
(Net of Sales Return ₹ 5.50 lakhs Previous year ₹ 2.53 lakhs)		
<b>Total</b>	<b>27,639.86</b>	28,662.01
Less - Excise Duty	2,807.19	2,762.81
<b>Sales Net of Excise Duty</b>	<b>24,832.67</b>	25,899.20

#### Sale of Products

Sale of Finished Goods & Spares (Net of excise duty)

ii. Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Printing units	23,137.49	23,876.72
Spares and accessories	1,695.18	2,022.48
<b>Total</b>	<b>24,832.67</b>	25,899.20

### 18. Other Operating Revenue

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Service and erection charges received	554.89	634.17
Miscellaneous receipts	63.25	55.55
Sundry credit balances appropriated	32.23	416.21
Export incentive received	90.88	126.06
<b>Total</b>	<b>741.25</b>	1,231.99

Sundry credit balances appropriated (current year) represents net figure after write off of ₹ 386 lakhs receivable from Mercongraphic FZC (a related party) against the provision made for installation expenses of machineries sold in earlier years, due to cessation of obligation.

### 19. Other Income

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Dividend from Current Investment	-	23.05
Dividend from Non-current Investment	0.05	0.05
Rent	27.06	27.06
Profit on sale of assets (Net)	3.57	16.84
Profit on sale of Current Investment	355.94	190.88
Exchange gain (Net)	-	98.69
Interest received on deposits, debts etc.	247.69	247.21
<b>Total</b>	<b>634.31</b>	603.78

## Statement of Significant Accounting policies and Notes to Financial Statements

### 20. Cost of Materials Consumed

Particulars	2016-17		2015-16	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>Raw Materials Consumed</b>				
Opening Stock	1,183.24		1,640.60	
Add : Purchases (Including components processing charges ₹ 538.22 lakhs -previous year: ₹ 621.79 lakhs)	<u>13,809.80</u>		<u>15,175.30</u>	
		<b>14,993.04</b>		16,815.90
Less : RMC Capitalised	4.31		6.61	
Less : Closing Stock	<u>980.21</u>		<u>1,183.24</u>	
		<b>984.52</b>		1,189.85
<b>Total</b>		<b><u>14,008.52</u></b>		<b><u>15,626.05</u></b>

#### i. Raw Materials Consumed

Particulars	2016-17		2015-16	
	(₹ In lakhs)	%	(₹ In lakhs)	%
Steel and other metals	603.51	4.31	926.43	5.93
Castings	1,198.61	8.56	1,270.22	8.13
Electrical parts	3,011.32	21.50	3,770.40	24.13
Components	9,195.08	65.64	9,659.00	61.81
<b>Total</b>	<b><u>14,008.52</u></b>	<b><u>100.00</u></b>	<b><u>15,626.05</u></b>	<b><u>100.00</u></b>

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

Particulars	2016-17		2015-16	
	(₹ In lakhs)	%	(₹ In lakhs)	%
Raw materials :				
Imported	1,637.83	11.69	2,615.70	16.74
Indigenous	12,370.69	88.31	13,010.35	83.26
<b>Total</b>	<b><u>14,008.52</u></b>	<b><u>100.00</u></b>	<b><u>15,626.05</u></b>	<b><u>100.00</u></b>

In giving the above information, the company has taken the view that spares and components as referred to in clause 5(VIII)(c) of part II of Schedule III cover only such items as go directly into the product.

## Statement of Significant Accounting policies and Notes to Financial Statements

### 21. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	2016-17		2015-16	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
Inventory Adjustments - WIP				
Work In progress at Opening	2,897.51		3,075.95	
Less : WIP Inventory Capitalised	30.20			
Work In progress at Closing	1,865.53		2,897.51	
		1,001.78		178.44
Inventory Adjustments - Manufactured components				
Stock at Commencement	1,932.91		2,418.09	
Less : Stock at Closing	1,788.60		1,932.91	
		144.31		485.18
<b>Total</b>		<b>1,146.09</b>		<b>663.62</b>

### 22. Employee Benefit Expenses

Particulars	2016-17	2015-16
	(₹ In lakhs)	(₹ In lakhs)
Salary, Wages, bonus and allowances	5,027.42	4,455.10
Welfare expenses	276.28	300.89
Contribution to provident & other funds	384.92	381.95
Prov. for earned leave wages	117.88	129.27
Contribution to Employees Group Gratuity Scheme	269.23	231.64
	6,075.73	5,498.85
Less - Wages capitalised	6.57	8.27
<b>Total</b>	<b>6,069.16</b>	<b>5,490.58</b>

- a) During the previous year the Company had introduced a Voluntary Retirement Scheme, 2015 which was accepted by various employees. The Cost in connection therewith of ₹ 308.00 lakhs has been shown as an exceptional item. (refer note 36)
- b) Pursuant to the retrospective amendment to the Payment of Bonus Act, the Company was required to make provision for the year 2014-15 as per the amendment. Bonus was paid for the year 2014-15 as per agreement signed with the workers' union. Various High Courts have granted interim stay to the applicability of the amendment to the year 2014-15. The Company has therefore not made provision for the year 2014-15.

### 23. Finance Cost

Particulars	2016-17	2015-16
	(₹ In lakhs)	(₹ In lakhs)
Interest paid	12.25	123.68
Interest paid on income tax	0.14	0.86
Other Borrowing Costs	54.77	41.69
<b>Total</b>	<b>67.16</b>	<b>166.23</b>



## Statement of Significant Accounting policies and Notes to Financial Statements

### 24. Depreciation & Amortisation

Particulars	2016-17		2015-16	
	(₹ In lakhs)		(₹ In lakhs)	
Depreciation	589.07		627.04	
Amortisation	22.90		25.06	
<b>Total</b>	<b>611.97</b>		<b>652.10</b>	

### 25. Other Expenses

Particulars	2016-17		2015-16	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
Consumption of stores and Consumables	397.62		366.08	
Power & Fuel	234.03		250.79	
Rent	8.61		25.60	
Rates & Taxes	16.28		37.59	
Repairs to Buildings	100.98		54.94	
Repairs to Machinery	70.68		90.38	
Insurance	28.30		26.03	
Travelling and conveyance	575.14		584.50	
Commission on sales	1,108.91		1,079.58	
Other repairs	116.38		82.86	
Advertisement and sales promotion expenses	123.79		23.60	
Bank charges	26.53		28.26	
Sundry debit balances written off	10.00		62.54	
Fixed assets scrapped	46.12		14.39	
Warranty expenses	57.03		114.85	
Research and development expenses	285.65		287.56	
CSR expenses	5.00		1.00	
Donations	0.24		4.68	
Freight And Handling Charges	30.35		24.19	
Packing And Forwarding Charges	103.98		124.99	
Directors' Fees	6.32		6.23	
Loss on exchange	67.97		-	
Loss on disposal of investment	0.13		-	
Bad debts	-		342.72	
<b>Remuneration to Auditors</b>				
Audit fees including Tax Audit	19.50		19.50	
Other Services	9.46		6.55	
Out of pocket expenses	0.25		0.10	
	29.21		26.15	
Miscellaneous Expenses (None of which individually forms more than 1% of the Operating Revenue.)	935.28		858.46	
	<b>4,384.53</b>		<b>4,517.97</b>	
Less - Overheads capitalised	43.21		43.38	
<b>Total</b>	<b>4,341.32</b>		<b>4,474.59</b>	

## Statement of Significant Accounting policies and Notes to Financial Statements

### a. Research and development expenses

Particulars	2016-17		2015-16	
	In recognised Unit	In other Unit	In recognised Unit	In other Unit
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
Material	-	-	0.39	-
Personnel costs	274.37	-	273.91	1.17
Other Costs	11.28	-	12.09	-
<b>Total Revenue Costs</b>	<b>285.65</b>	<b>-</b>	<b>286.39</b>	<b>1.17</b>
<b>Capex Costs</b>	<b>50.89</b>	<b>-</b>	<b>1.04</b>	<b>-</b>

### b. Disclosure on CSR activity

	2016-17	2015-16
i Gross Amount required to be spent by the Company during the year	<b>NIL</b>	NIL
ii Amount spent by the company during the year as follows:		

Particulars	2016-17		
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
	In cash	Yet to be paid in cash	Total
- Contribution towards Health Care and Rehabilitation	5.00	-	5.00
<b>Total</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>

Particulars	2015-16		
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
	In cash	Yet to be paid in cash	Total
- Contribution towards Health care	-	-	-
- Contribution towards Prime Minister's Relief Fund -National Calamity Relief	1.00	-	1.00
- Contribution for Education Purpose	-	-	-
- Contribution for Old Age Home	-	-	-
<b>Total</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>

### 26. Earning Per Share

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Net profit after tax available for equity shareholders before Exceptional Items	<b>(154.08)</b>	762.05
Net profit after tax available for equity shareholders after Exceptional Items	<b>(4,404.85)</b>	598.32
Weighted average number of equity shares of ₹ 2 each outstanding during the year	<b>3,04,15,061</b>	3,04,15,061
Earning Per Share before Exceptional Items Basic and diluted earnings per share (₹)	<b>(0.51)</b>	2.51
Earning Per Share after Exceptional Items Basic and diluted earnings per share (₹)	<b>(14.48)</b>	1.97

The earning per share before exceptional item has been computed without considering the current and deferred tax effect on the exceptional item.

## Statement of Significant Accounting policies and Notes to Financial Statements

### 27. Unhedged foreign currency exposures as at the year end:

Particulars	2016-17		2015-16	
	Currency type	Amount	Currency type	Amount
Trade Receivable and Other Receivables	USD	5,39,056	USD	20,33,475
	EURO	3,06,492	EURO	33,560
	JPY	97,47,000	-	-
Trade Payable and Other Payables	USD	88,948	USD	2,91,092
	EURO	16,839	EURO	52,799
	JPY	-	JPY	1,07,49,600
Outstanding forward contracts for future transaction / Firm Commitments		Nil		Nil

### 28. CIF Value of Imports

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Components	1,171.20	1,909.16
Stores, Spares and tools	0.95	15.54
<b>Total</b>	<b>1,172.15</b>	<b>1,924.70</b>

### 29. Earnings in Foreign Exchange

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Exports of Printing Units and Spares calculated on F.O.B. basis	3,283.00	4,030.88
Service and Erection charges	56.61	86.45
<b>Total</b>	<b>3,339.62</b>	<b>4,117.33</b>

### 30. Expenditure in foreign currency

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Commission	-	57.35
Foreign Travel	79.53	130.18
Payments on other accounts	38.43	25.97
<b>Total</b>	<b>117.96</b>	<b>213.50</b>

## Statement of Significant Accounting policies and Notes to Financial Statements

### 31. Remittances in foreign currency 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 :

Particulars	2016-17	2015-16
Number of non -resident shareholders	3	3
Number of equity shares of ₹ 2 each held by them	20,620	20,620
Amount of dividend remitted (₹)	20,620	10,310
Year for which dividend is paid	2015-16	2014-15

### 32. Disclosure pursuant to Schedule V(2) of the Listing Regulations

Particulars	2016-17		2015-16	
	As at 31.3.16	Maximum outstanding	As at 31.3.15	Maximum outstanding
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>Name of Loanees</b>				
<b>Amount of Loans/advances in nature of loan outstanding with no repayment schedule</b>	-	-	-	-
<b>Advances in nature of loan carrying Nil rate of interest</b>				
Constrad Agencies (Bombay) Private Limited	3.50	3.50	3.50	3.50

### 33. Disclosure as required by Accounting Standard – AS 18 “Related Parties” of the Companies (Accounting Standards) Rules 2006.

#### I Relationships:

##### Subsidiaries

Constrad Agencies (Bombay) Private Limited  
Manugraph Americas, Inc. USA.

##### Key Management Personnel

Mr. Sanjay S. Shah - Vice Chairman and Managing Director  
Mr. Pradeep S. Shah - Managing Director  
Mr. Bhupal B. Nandgave - Whole Time Director (Works)

##### Relatives of key management personnel

Mr. Sanat M. Shah  
Mrs. Sudha S. Shah

##### Entities where Key Management Personnel exercise significant influence

Multigraph Machinery Company Limited  
Manubhai Sons and Company  
Mercongraphic FZC,  
Multigraph Machinery Kenya Limited  
Manugraph Securities and Finance Private Limited

## Statement of Significant Accounting policies and Notes to Financial Statements

### II. The Related party transactions are detailed as required by AS-18 is as under:

Particulars	(₹ In lakhs)	
	FY 2016-17	FY 2015-16
<b>Purchases of Goods</b>		
<b>Subsidiaries</b>		
- Manugraph Americas Inc.	2.50	34.69
<b>Entities where significant influence exists</b>		
- Mercongraphic FZC	-	-
<b>Total</b>	<b>2.50</b>	<b>34.69</b>
<b>Sale of Goods</b>		
<b>Subsidiaries</b>		
- Manugraph Americas Inc.	48.46	659.29
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Kenya Limited	20.24	34.91
- Mercongraphic FZC	876.22	2,568.96
<b>Sub Total</b>	<b>896.46</b>	<b>2,603.87</b>
<b>Total</b>	<b>944.91</b>	<b>3,263.16</b>
<b>Service Charges received</b>		
<b>Subsidiaries</b>		
- Manugraph Americas Inc.	12.78	-
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Kenya Limited	13.56	19.99
- Mercongraphic FZC	21.03	45.90
<b>Total</b>	<b>47.37</b>	<b>65.89</b>
<b>Commission paid</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Co. Ltd.	1,009.46	1,012.57
<b>Rent Received</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Co. Ltd.	25.62	25.62
- Manubhai Sons & Co.	1.44	1.44
<b>Total</b>	<b>27.06</b>	<b>27.06</b>
<b>Rent Paid</b>		
<b>Key Management Personnel</b>		
- Sanjay S. Shah	-	5.94
- Pradeep S. Shah	-	5.94
<b>Sub Total</b>	-	<b>11.88</b>
<b>Relative of Key Management Personnel</b>		
- Sudha S. Shah	-	1.32
<b>Total</b>	-	<b>13.20</b>
<b>Managerial Remuneration paid</b>		
<b>Key Management Personnel</b>		
- Sanjay S. Shah	126.42	125.92
- Pradeep S. Shah	126.37	126.65
- Bhupal B. Nandgave	24.99	24.38
<b>Total</b>	<b>277.78</b>	<b>276.95</b>
<b>Directors' Fees</b>		
<b>Relative of Key Management Personnel</b>		
- Sanat M. Shah	0.60	0.70

## Statement of Significant Accounting policies and Notes to Financial Statements

Particulars	(₹ In lakhs)	
	FY 2016-17	FY 2015-16
<b>Debit balances written off</b>		
<b>Entities where significant influence exists</b>		
- Manugraph Securities and Finance Private Limited	0.03	-
- Mercongraphic FZC	386.00	-
<b>Total</b>	<b>386.03</b>	<b>-</b>
<b>Re-imbusement of Expenses received</b>		
<b>Subsidiaries</b>		
- Manugraph Americas Inc.	43.76	25.05
<b>Entities where significant influence exists</b>		
- Mercongraphic FZC	12.75	17.51
- Multigraph Machinery Co. Ltd.	2.97	-
<b>Total</b>	<b>59.48</b>	<b>42.56</b>
<b>Outstanding Receivables</b>		
<b>Subsidiaries</b>		
- Constrad Agencies (Bombay) Pvt. Ltd.	3.50	3.50
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Kenya Limited	3.56	9.41
- Mercongraphic FZC	0.43	1,299.23
<b>Sub Total</b>	<b>3.99</b>	<b>1,308.64</b>
<b>Total</b>	<b>7.49</b>	<b>1,312.14</b>
<b>Outstanding Payables</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Co. Ltd.	114.34	-
<b>Bank Guarantee given to banker for credit facilities</b>		
<b>Subsidiaries</b>		
- Manugraph Americas Inc.	2,107.25	2,819.15
<b>34. Contingent liabilities and commitments</b>		
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>(₹ In lakhs)</b>	<b>(₹ In lakhs)</b>
<b>i. Contingent liabilities</b>		
(a) Claims against the company not acknowledged as debt;	<b>32.89</b>	22.15
(b) Guarantees;		
On account of guarantees executed by the company's bankers:	<b>47.59</b>	11.79
On account of the guarantee given by the Company bankers for the value of USD 3.25 million (PY USD 4.25 million) in favour of subsidiary's banker for credit facilities availed by the subsidiary Manugraph Americas Inc. from them	<b>2,107.25</b>	2,819.15
(c) Other money for which the company is contingently liable		
Income-tax, sales tax, customs duty, excise duty and service tax demands against which the company has preferred appeals/ made representation	<b>788.65</b>	839.64
On account of undertakings given by the company in favour of Customs Authority:	<b>870.00</b>	870.00
Income tax credits disallowed by the authorities against which the company has preferred appeals.	<b>28.06</b>	-
<b>Total</b>	<b>3,874.45</b>	<b>4,562.74</b>

## Statement of Significant Accounting policies and Notes to Financial Statements

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
<b>ii. Commitments</b>		
(a) Unexpired letter of credit opened by Bank	-	-
(b) Estimated amount of contracts remaining to be executed on capital account and not provided for;	<b>360.09</b>	1.04
(c) Uncalled liability on shares and other investments partly paid	-	-
(d) Other commitments (specify nature).	-	-
<b>Total</b>	<b>360.09</b>	1.04

35. In the opinion of the Board of Directors, all the assets other than fixed assets and non current investments have value on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet.

### 36 Exceptional Items

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
a) Profit on sale of undertaking	<b>304.12</b>	-
b) Provision for diminution of investment of Manugraph Americas Inc.(wholly owned subsidiary)	<b>(4,500.00)</b>	-
c) Voluntary Retirement Scheme 2015, (deferred tax effect thereon ₹ 81.47 lakhs)	-	(308.00)
Total (Net)	<b>(4,195.88)</b>	(308.00)

37. Previous year figures are regrouped and re-arranged wherever necessary with those of the current year to make them comparable.

38. Disclosure as required by Accounting Standard – AS 17 “Segment Reporting” of the Companies (Accounting Standards) Rules 2006.

In accordance with AS-17 “Segment Reporting”, the Company has only one reportable primary business segment i.e.Engineering. However, the Company has secondary geographical segment which is disclosed in Consolidated Financial Statements as per AS-17.

39. Explanatory notes 1 to 39 form an integral part of the Balance Sheet and Statement of Profit and Loss and are duly authenticated.

As per our report of even date attached  
For **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

**N. Jayendran**  
Partner  
M. No. 40441

Mumbai, Date: 26th May, 2017

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
DIN : 00248592

**Pradeep S. Shah** Managing Director  
DIN : 00248692

**Mihir V. Mehta**  
Company Secretary

**Suresh Narayan**  
Chief Financial Officer

Mumbai, Date: 26th May, 2017

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Manugraph India Limited**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MANUGRAPH INDIA LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), (as defined in the Companies (Accounting Standards) Rules, 2006) comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Governing Bodies of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit, report under the provisions of the Act and the Rules thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

### Other Matters

(a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 4,149.13 lakhs as at March 31, 2017, total revenues of ₹ 7,205.86 lakhs and net cash outflow amounting to ₹ (0.02) lakhs for the year ended on that date, as considered in the preparation of the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries



and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of Section 143 of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and working / records maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act. Since the provisions of Section 164(2) of the Act do not apply to entities incorporated outside India no comments are made in respect of such overseas entities.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 31 to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
    - iv. The Group (Holding company and its Indian subsidiary) have provided requisite disclosures in its Consolidated Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 18 to the Consolidated Financial Statements.

For **NATVARLAL VEPARI & CO.**  
Chartered Accountants  
Firm Registration Number 106971W

**N Jayendran**  
Partner  
Membership No. 40441

Mumbai,  
Dated : May 26, 2017

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of consolidated financial statements of **MANUGRAPH INDIA LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, (the Holding Company and its subsidiaries together referred to as "the Group"), as of 31 March 2017 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company which is a company incorporated in India, is based on the corresponding reports of the auditors' of such company.

For **NATVARLAL VEPARI & CO.**

Chartered Accountants

Firm Registration Number 106971W

**N Jayendran**

Partner

Membership No. 40441

Mumbai,

Dated : May 26, 2017

**Consolidated Balance Sheet as at 31st March, 2017**

Particulars	Note Ref.	As at	
		March 31, 2017 (₹ in lakhs)	March 31, 2016 (₹ in lakhs)
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	608.30	608.30
(b) Reserves & Surplus	2	15,893.81	19,448.31
(c) Money Received against Share Warrants		-	-
		<u>16,502.11</u>	<u>20,056.61</u>
<b>2. Share Application Money Pending Allotment</b>			
		-	-
<b>3. Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	18.58	25.53
(b) Deferred Tax Liabilities (net)		-	-
(c) Other Long Term Liabilities	3	8.05	7.80
(d) Long Term Provisions	4	358.49	310.46
		<u>385.12</u>	<u>343.79</u>
<b>4. Current Liabilities</b>			
(a) Short-Term Borrowings	5	632.38	1,018.32
(b) Trade Payables	6		
(i) total outstanding dues of micro enterprises and small enterprises; and		81.88	87.19
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		2,428.10	2,521.35
(c) Other Current Liabilities	3	3,397.08	5,845.28
(d) Short-Term Provisions	4	1,085.42	1,606.43
		<u>7,624.86</u>	<u>11,078.57</u>
<b>Total</b>		<u><u>24,512.09</u></u>	<u><u>31,478.97</u></u>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets			
(i) Property, Plant and Equipment	8	4,245.01	4,893.06
(ii) Intangible Assets	9	171.11	193.78
(iii) Capital Work-in-Progress	9A	46.20	-
(iv) Intangible Assets Under Development		-	-
		<u>4,462.31</u>	<u>5,086.84</u>
(b) Goodwill on Consolidation	7	172.16	331.38
(c) Non-Current Investments	10	0.50	0.63
(d) Deferred Tax Assets (net)	11	680.36	4,369.87
(e) Long-Term Loans & Advances	12	1,826.97	1,711.75
(f) Other Non-Current Assets	13	1,989.70	2,371.28
		<u>4,669.69</u>	<u>8,784.91</u>
<b>2. Current Assets</b>			
(a) Current Investments	14	6,000.00	2,800.00
(b) Inventories	15	6,036.71	8,860.87
(c) Trade Receivables	16	928.43	3,017.66
(d) Cash and Bank Balances	17	1,945.92	2,188.44
(e) Short-term loans and advances	12	335.51	365.98
(f) Other current assets	13	133.52	374.27
		<u>15,380.09</u>	<u>17,607.22</u>
<b>Total</b>		<u><u>24,512.09</u></u>	<u><u>31,478.97</u></u>

The accompanying Statement of Significant Accounting policies and notes to financial statements form an integral part of the Financial Statements

As per our report of even date attached  
For **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

**N. Jayendran**  
Partner  
M. No. 40441

Mumbai, Date: 26th May, 2017

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
DIN : 00248592

**Pradeep S. Shah** Managing Director  
DIN : 00248692

**Mihir V. Mehta**  
Company Secretary

**Suresh Narayan**  
Chief Financial Officer

Mumbai, Date: 26th May, 2017

## Consolidated Profit and Loss Account for the year ended 31st March, 2017

Particulars	Note Ref.	2016-17 (₹ in lakhs)	2015-16 (₹ in lakhs)
<b>Revenue from Operations (Gross):</b>	<b>18</b>	<b>34,409.12</b>	32,738.66
Less : Excise Duty		<u>2,807.19</u>	<u>2,762.81</u>
Revenue from Operations (Net):		<b>31,601.93</b>	29,975.85
Other Operating Revenue	<b>19</b>	<b>1,137.67</b>	1,576.18
Other Income:	<b>20</b>	<u><b>630.74</b></u>	<u>614.37</u>
<b>A. Total Revenue</b>		<b>33,370.34</b>	32,166.40
<b>Expenses:</b>			
Cost of Materials Consumed	<b>21</b>	<b>17,159.49</b>	18,682.53
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	<b>22</b>	<b>2,502.96</b>	(380.47)
Employee Benefit Expenses	<b>23</b>	<b>7,563.53</b>	6,886.52
Finance Cost	<b>24</b>	<b>113.61</b>	220.33
Depreciation & Amortisation	<b>25</b>	<b>700.44</b>	731.32
Other Expenses	<b>26</b>	<u><b>5,232.66</b></u>	<u>5,143.14</u>
<b>B. Total Expenses</b>		<b>33,272.69</b>	31,283.38
<b>Profit Before exceptional and extraordinary items and Tax (A-B)</b>		<b>97.65</b>	883.03
<b>Exceptional Item (Refer Note 33)</b>		<u><b>144.90</b></u>	<u>(308.00)</u>
Profit Before extraordinary items and tax		<b>242.55</b>	575.03
<b>Extraordinary Items</b>		-	-
<b>Profit Before Tax</b>		<b>242.55</b>	575.03
1. Current Tax		<b>54.88</b>	71.79
2. Deferred Tax (refer note 12(b))		<b>3,718.51</b>	53.22
3. Tax Adjustment of Previous Years		<u><b>15.58</b></u>	<u>(189.04)</u>
<b>Tax Expense</b>		<b>3,788.97</b>	(64.03)
<b>Profit for the period from Continuing Operations</b>		<b>(3,546.42)</b>	639.06
Discontinued Operations		-	-
<b>Profit for the period</b>		<u><b>(3,546.42)</b></u>	<u>639.06</u>
<b>Earning per Equity Share</b>			
<b>– Before Exceptional Item</b>			
– Basic and Diluted		<b>(11.96)</b>	3.23
<b>– After Exceptional Item</b>			
– Basic and Diluted		<b>(11.66)</b>	2.10
Par Value		<u><b>2.00</b></u>	<u>2.00</u>

The accompanying Statement of Significant Accounting policies and notes to financial statements form an integral part of the Financial Statements

As per our report of even date attached  
For **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

**N. Jayendran**  
Partner  
M. No. 40441

Mumbai, Date: 26th May, 2017

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
DIN : 00248592

**Pradeep S. Shah** Managing Director  
DIN : 00248692

**Mihir V. Mehta**  
Company Secretary

**Suresh Narayan**  
Chief Financial Officer

Mumbai, Date: 26th May, 2017

## Consolidated Cash Flow Statement for the Year Ended 31st March, 2017

Particulars	2016-17 (₹ in lakhs)	2015-16 (₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax and extraordinary items	242.55	575.03
Add: Depreciation	700.44	731.32
Interest	58.70	178.64
Provision for diminution of investment	159.22	-
Fixed assets written off/scrapped	46.12	14.39
Loss / (profit) on sale of assets	(279.62)	(16.84)
Sundry Balances written off	10.00	62.54
Bad Debts	5.41	342.72
Sundry Balances written back	(32.23)	(416.21)
Provision for gratuity	(134.98)	(70.97)
Provision for earned leave wages	60.06	64.51
Dividend income	(0.05)	(23.10)
Profit on sale of investments	(355.94)	(190.88)
Interest received on deposits	(247.69)	(247.21)
<b>Operating Profit before working capital Changes</b>	<b>232.00</b>	<b>1,003.94</b>
<b>Working Capital Changes</b>		
Trade payable and Other Liabilities	(2,957.49)	1,151.44
Inventory Changes	2,824.16	98.75
Loans and Advances	(131.90)	(86.07)
Trade and other receivables	3,281.53	(65.39)
<b>Cash generated from operations</b>	<b>3,248.30</b>	<b>2,102.67</b>
Deduct : Direct taxes	23.98	196.16
<b>Net Cash from Operating activities</b>	<b>3,224.32</b>	<b>1,906.51</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets including CWIP	(437.67)	(257.81)
Purchase of investments	(13,500.00)	(6,500.00)
Sale of fixed assets	397.76	43.90
Sale of investments	10,656.06	6,373.22
Dividend received	0.05	23.10
Other bank balances	4.58	(81.18)
Interest Received	247.69	247.21
<b>Net cash flow from Investing Activities</b>	<b>(2,631.53)</b>	<b>(151.56)</b>

**Consolidated Cash Flow Statement for the Year Ended 31st March, 2017 (Contd.)**

Particulars	2016-17 (₹ in lakhs)	2015-16 (₹ in lakhs)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Movements in Foreign Currency Translation reserve and Capital reserve	(8.08)	(10.91)
Repayment of Capital Lease	-	(5.77)
Interest Paid	(60.00)	(177.29)
Dividend paid including dividend tax	(369.61)	(188.61)
Repayment of Short Term Borrowings	(393.04)	(701.13)
Long Term Borrowings Taken	-	32.05
<b>Net Cash flow from Financing Activities</b>	<b>(830.73)</b>	<b>(1,051.66)</b>
<b>Net Cash flow from Operating, Investing and financing activity</b>	<b>(237.94)</b>	<b>703.29</b>
<b>Opening Cash and Cash Equivalents</b>	<b>1,180.86</b>	<b>477.57</b>
<b>Closing Cash and Cash Equivalents</b>	<b>942.92</b>	<b>1,180.86</b>

As per our report of even date attached  
For **Natvarlal Vepari & Co.**  
Chartered Accountants  
Firm Registration No. 106971W

**N. Jayendran**  
Partner  
M. No. 40441

Mumbai, Date: 26th May, 2017

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
DIN : 00248592

**Pradeep S. Shah** Managing Director  
DIN : 00248692

**Mihir V. Mehta**  
Company Secretary

**Suresh Narayan**  
Chief Financial Officer

Mumbai, Date: 26th May, 2017



## Statement of Significant Accounting policies and Other Explanatory Notes forming part of Consolidated Financial Statements

### A. BACKGROUND

Manugraph India Ltd, was established in the year 1972. The company is the largest manufacturer of single width web-offset printing presses in India and has a significant share of the world market for its products. The manufacturing facilities are located at Kolhapur in India and through its wholly owned subsidiary in Millersburg – USA. The company has its in-house R&D facilities with a combined strength of over 50 engineers at both locations. The Indian R&D facilities are recognized by Department of Scientific and Industrial Research – Ministry of Science and Technology , Government of India.

#### 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 un-realized profits or losses as per Accounting Standard AS - 21 - Consolidated Financial Statements as per Companies (Accounting Standards) Rules, 2006,as amended.

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 recognized 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 2017.

The difference between cost to the company of its investments in the subsidiary companies and the equity value as at the acquisition date is recognized 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
1. Constrad Agencies (Bombay) Private Limited	India	100%
2. Manugraph Americas Inc.	USA	100%
3. Offset Services, Inc. (100% equity is held by Manugraph Americas, Inc.)	USA	100%

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. Recognizing 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.

### B ACCOUNTING POLICIES

#### a Basis of preparation

The Financial Statements have been prepared to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 (which are specified under section 133 of the Companies Act 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by the Schedule III of the Companies Act 2013.

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the previous year.

#### b Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ



## Statement of Significant Accounting policies and Other Explanatory Notes forming part of Consolidated Financial Statements

from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known.

### c Inflation

Assets and liabilities are shown at historical cost . No adjustments are made for changes in purchasing power of money.

### d Fixed Assets

- i Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any.
- ii Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition of its intended use.
- iii Borrowing costs relating to acquisition of fixed assets which take a substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

### e Depreciation and Amortization

#### Manugraph India Limited

Depreciation on all assets of the Company is charged on straight line method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year.

Depreciation of R&D assets (being prototype) is being done over a useful life of 5 years.

Amortization of Intangible assets is done over the economic life of the asset

#### Manugraph Americas, Inc.

Depreciation is provided on the straight line method over the estimated useful life of the assets.

#### Constrad Agencies (Bombay) Pvt. Ltd.

Depreciation on immoveable property is not provided.

### f Impairment of assets

Cash generating unit/ fixed assets / Investments are assessed for possible impairment at balance sheet date based on external and internal sources of information. Impairment losses, if any, are recognized as an expense in the statement of profit and loss. Impairment loss in respect of assets sold / scrapped are reversed and consequent profit or loss on such sale is accounted. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Depreciation charged on assets impaired is adjusted in future period over its remaining useful life.

### g Inventories

Cost of inventories is 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.

- i Raw Material, Components and Stores and Spares Raw materials and components, stores and spares are stated at lower of cost and net realizable value.
- ii Consumable Tools Consumable tools are stated at cost or below cost.
- iii Work-in-progress and manufactured components Work-in-progress and manufactured components are valued at lower of cost and net realizable value computed including Material, Labour and Overheads related to the manufacturing operations
- iv Finished Goods Finished products are valued at lower of cost and net realizable value Cost is computed including Material, Labour and Overheads related to the manufacturing operations.  
Excise duty is included in the value of finished products inventory.

### h Investment

- i Long term investments are stated at cost less provision for diminution other than temporary in nature, if any. Current investments are stated at lower of cost and fair value.
- ii Investments that are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

## Statement of Significant Accounting policies and Other Explanatory Notes forming part of Consolidated Financial Statements

### **i Employee Benefits**

- i Provident fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss 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 Statement of profit and loss in the year when the contributions accrue. The scheme is funded with an insurance company in the form of a qualifying insurance policy and other permissible securities.
- iii The company has a defined benefit gratuity scheme. For the defined benefit scheme, actuarial valuations are being carried out on a projected unit credit method at each balance sheet date. Actuarial gains and losses are recognized in full in the statement of profit and loss 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.

### **j Research and Development**

Revenue expenditure on research and development is charged to statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is included in additions to fixed assets under appropriate heads. Self manufactured R&D assets are carried at cost of manufacture.

### **k CENVAT Credit / Service Tax Credit**

- i CENVAT credit utilized during the year is accounted in excise duty and unutilized CENVAT balance at the year end is considered as advance excise duty.
- ii Service tax credit utilized during the year towards excise liability is accounted in excise duty and unutilized service tax credit at the year-end is considered as advance Service Tax

### **l Revenue Recognition**

#### **Manugraph India Limited**

- i Revenue from sale of goods is recognized net of returns, product expiry claims and trade discount, on transfer of significant risk and rewards in respect of ownership to the buyer which is generally on dispatch of goods. Sales include excise duty but exclude sales tax and value added tax.
- ii In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognized export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit.
- iii Income from services and erection charges are recognized after the relevant work is completed and the right to receive the income is established.
- iv Revenue in respect of insurance/other claims, commission, etc. are recognized only when it is reasonably certain that the ultimate collection will be made.
- v Interest income is recognized on time proportion method basis taking into account the amount outstanding and the rate applicable.
- vi Dividend income is accounted when the right to receive the same is established.

#### **Manugraph Americas, Inc.**

The company generally recognizes revenue upon shipment and passage of title to customers, or if applicable the installation of its products, or when a service is completed.

### **m Borrowing Cost**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized. Other borrowing costs are recognized as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

### **n Foreign Exchange Transactions**

- i) Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction. The exchange gain/loss on settlement / negotiation during the year is recognized in the Statement of Profit and Loss.
- ii) Foreign currency transactions remaining unsettled at the end of the year are converted at year-end rates. Loss arising on account of transactions covered by forward contract is recognized over the period of contracts.
- iii) Monetary assets and liabilities at the end of the year are converted at the year end rate and the resultant gain or loss is accounted for in the Profit and Loss Account.
- iv) The company has not used any 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.

## Statement of Significant Accounting policies and Other Explanatory Notes forming part of Consolidated Financial Statements

### o Taxation

#### Manugraph India Limited

Tax expense comprises of current and deferred taxes.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and the Income Computation and Disclosure Standards issued by the Central Board of Direct Taxes.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### Manugraph Americas, Inc.

The deferred tax asset resulted primarily from additional cost being capitalized in inventory for tax purposes that are expensed for book purpose, the establishment of uncollectible accounts receivable, warranty and inventory reserves and the effect of net operating loss carry forwards. Deferred Tax Liabilities result primarily from differences in bases of property and equipment, prepaid expenses and commissions. Valuation allowances are established when necessary to reduce deferred tax asset to the amount expected to be realized. Income Tax expense or credit is the tax payable or refundable for the period plus or minus the change during the year in deferred assets and liabilities.

### p Earnings per share

- i Basic and diluted earnings per share are calculated by dividing the net profit for the year/period attributed to equity shareholders by the weighted average number of equity shares outstanding during the year/period.
- ii For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### q Provisions, Contingent Liabilities and Contingent Assets

- i. Provisions are recognized 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.
- ii. Provision for product related warranty costs is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.
- iii. Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the company or 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.
- iv. Contingent assets are neither recognized nor disclosed in the financial statements.

### r Operating Lease

Leases where the lessor effectively retains substantially all risks and benefits of ownership for the leased term are classified as operating leases. Operating lease payments are recognized as expense in the statement of profit and loss account on a straight line basis over the lease term.

### s Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank, cheques on hand, cash in hand and short term investments with an original maturity of three months or less.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

## C OTHER NOTES

## 1 Share Capital

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number	(₹ In lakhs)	Number	(₹ In lakhs)
<b>Authorised Capital:</b>				
Equity shares of ₹ 2 each	9,85,00,000	1,970.00	9,85,00,000	1,970.00
Preference shares of ₹ 100 each	10,000	10.00	10,000	10.00
Unclassified shares of ₹ 100 each	20,000	20.00	20,000	20.00
Redeemable preference shares of ₹ 100 each	3,50,000	350.00	3,50,000	350.00
<b>Total</b>		<b>2,350.00</b>		<b>2,350.00</b>

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number	(₹ In lakhs)	Number	(₹ In lakhs)
<b>Issued, Subscribed And Paid up Capital:</b>				
Equity shares of ₹ 2 each	3,04,15,061	608.30	3,04,15,061	608.30
<b>Total</b>	<b>3,04,15,061</b>	<b>608.30</b>	<b>3,04,15,061</b>	<b>608.30</b>

- a) The Company has not issued any bonus shares during the last five years.  
b) Details of Shareholding in excess of 5%

Name of Shareholder	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares held	%	Number of shares held	%
Multigraph Machinery Co. Ltd.	59,55,027	19.58	59,55,027	19.58
Sanat Manilal Shah	14,84,709	4.88	24,91,209	8.19
Pradeep Sanat Shah	17,65,721	5.81	17,65,721	5.81
Santsu Finance & Investment Pvt. Ltd.	25,37,000	8.34	19,05,500	6.26
Manu Enterprises Ltd.	23,16,500	7.62	19,41,500	6.38
Reliance Capital Trustee Co. Ltd.	-	-	17,09,978	5.62
<b>Total</b>	<b>1,40,58,957</b>	<b>46.23</b>	<b>1,57,68,935</b>	<b>51.84</b>

- c) Reconciliation of the equity shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number	(₹ In lakhs)	Number	(₹ In lakhs)
<b>Issued, Subscribed And Paid up Capital:</b>				
At the beginning of the year	3,04,15,061	608.30	3,04,15,061	608.30
Issued during the period	-	-	-	-
Outstanding at the end of the year	<b>3,04,15,061</b>	<b>608.30</b>	<b>3,04,15,061</b>	<b>608.30</b>

- d) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.  
e) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 2. Reserves & Surplus

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
i. <b>Capital Reserve</b>		<b>72.00</b>		72.00
ii. <b>Capital Reserve - On Amalgamation</b>		<b>128.00</b>		128.00
iii. <b>Capital Redemption Reserve</b>		<b>110.58</b>		110.58
iv. <b>Securities Premium Account</b>		<b>2,145.06</b>		2,145.06
<b>Other Reserves</b>				
v. <b>General Reserve :</b>		<b>9,225.00</b>		9,225.00
vi. <b>Foreign Currency Translation Reserve</b>				
Balance as per last Balance Sheet		<b>1,854.44</b>		1,554.67
Add :				
During the year		<b>(8.08)</b>		299.77
Closing Balance		<b>1,846.36</b>		1,854.44
vii. <b>Surplus in Profit and Loss Account</b>				
Balance as per last Balance Sheet		<b>5,913.23</b>		5,640.25
Add :				
Profit for the year		<b>(3,546.42)</b>		639.06
Sub Total		<b>(3,546.42)</b>		639.06
Less:				
Proposed Dividend		-		304.15
Tax on Proposed Dividend		-		61.93
Sub Total		-		366.08
		<b>2,366.81</b>		5,913.23
<b>Total Reserves &amp; Surplus (i+ii+iii+iv+v+vi+vii)</b>		<b>15,893.81</b>		19,448.31

- a) The General Reserve has been created in accordance with the requirements of the erstwhile Companies (Transfer of Profit to Reserve) Rules, 1975
- b) The Board of Directors at their meeting held on May 26, 2017 have recommended dividend at ₹ 0.50 per equity share which is subject to shareholder approval at the Annual General Meeting. The total payout on this account on approval by the members would be ₹ 183.04 lakhs including dividend tax thereon.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 3. Other Liabilities

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current (₹ In lakhs)	Current (₹ In lakhs)	Non-current (₹ In lakhs)	Current (₹ In lakhs)
<b>Current Maturities of Long Term Loan</b>				
Current Maturities on Long Term Debt	-	6.37	-	6.52
<b>Others</b>				
Advances from Customers	-	2,301.09	-	5,049.00
Unclaimed dividends	-	42.74	-	46.27
Other Liabilities	1.32	934.70	1.32	509.09
Interest accrued but not due	-	1.96	-	3.26
Duties & Taxes payable	-	110.22	-	126.14
Security Deposit	6.73	-	6.48	-
Advance against sale of assets	-	-	-	105.00
<b>Total</b>	<b>8.05</b>	<b>3,397.08</b>	<b>7.80</b>	<b>5,845.28</b>

**Unclaimed dividends :** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

### 4. Provisions

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current (₹ In lakhs)	Current (₹ In lakhs)	Non-current (₹ In lakhs)	Current (₹ In lakhs)
<b>For employees benefits</b>				
Provision for earned leave wages	358.49	63.83	310.46	51.80
Provision for Gratuity	-	816.58	-	951.56
<b>Others</b>				
Proposed Dividend	-	-	-	304.15
Corporate Tax on Dividend	-	-	-	61.93
Provision for Warranty	-	205.01	-	236.99
<b>Total</b>	<b>358.49</b>	<b>1,085.42</b>	<b>310.46</b>	<b>1,606.43</b>

#### a) Disclosure under Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets (2016-17)

Particulars	Opening Balance	Additions during the year	Amt. Paid/ Reversed during the year	Closing Balance
Warranty Expenses	236.99	130.76	162.74	205.01
(Previous year)	(171.19)	(151.23)	(85.43)	(236.99)

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

- b) 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.

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>		
Present value of obligation at the beginning of the year	2,296.82	2,161.33
Interest cost	183.75	172.91
Current service cost	82.29	81.45
Benefits paid	(111.64)	(189.92)
Actuarial (gain)/loss on obligation	127.94	71.05
<b>Present value of obligation at the end of the year</b>	<b>2,579.15</b>	<b>2,296.82</b>
<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	1,345.26	1,138.80
Expected return on plan assets	124.74	93.77
Contributions	404.21	302.61
Benefits paid	(111.64)	(189.92)
Actuarial gain/(loss) on plan assets	-	-
<b>Fair value of plan assets as at the end of the year</b>	<b>1,762.57</b>	<b>1,345.26</b>
<b>Amount recognised in Balance Sheet</b>		
Fair value of plan assets as at the end of the year	1,762.57	1,345.26
Present value of obligation as at the end of the year	2,579.16	2,296.82
Asset/(liability) recognised in the Balance Sheet	<b>(816.59)</b>	<b>(951.56)</b>
<b>Expense recognised in the Profit and Loss account</b>		
Interest cost	183.75	172.91
Current service cost	82.29	81.45
Expected return on plan assets	(124.74)	(93.77)
Net actuarial (gain)/loss recognised in the year	127.94	71.05
<b>Net cost</b>	<b>269.24</b>	<b>231.64</b>
<b>Break-up of Plan Assets</b>		
<b>Category of assets as at the end of the year</b>		
Insurer Managed Funds	100%	100%
(Fund is Managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available)		
<b>Assumptions</b>		
Discount rate	8%	8%
Salary escalation rate (annual)	4%	4%

Note : Experience adjustment information is not available and hence not disclosed.

In the absence of the date of movement of gratuity benefit plan, the above information is only of the Parent and Indian Component.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 5. Borrowings

The borrowings are analysed as follows:

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current (₹ In lakhs)	Current (₹ In lakhs)	Non-current (₹ In lakhs)	Current (₹ In lakhs)
Secured Loans:				
Loans from Bank :				
Cash credit account				
PNC Bank WCDL	-	601.63	-	1,007.72
PNC Bank - Bank Overdraft	-	30.75	-	10.60
Loan from Financial Institution :				
Vehicle Loan	18.58	-	25.53	-
<b>Total Loans</b>	<b>18.58</b>	<b>632.38</b>	<b>25.53</b>	<b>1,018.32</b>

Secured by hypothecation of stock-in-trade, stores, book-debts and other receivables and second charge on the company's moveable and immoveable properties.

The lines of credit are secured by substantially all of the assets of Manugraph Americas Inc. The lines of credit are also secured by the first priority perfected lien on the real property of Manugraph Americas Inc. and letter of credit USD 3.25 million (₹ 2107.25 lakhs) issued by the Bankers of the Parent Company.

The company's moveable and immovable properties are given as first charge to its bankers, State Bank of India, for guarantee given by them to the Bankers of its foreign subsidiary (Manugraph Americas Inc.), for credit facility availed by the said subsidiary.

The Vehicle loan taken is secured by collateral security of vehicles. It is to be repaid in a period of 5 years and the same is interest free loan.

### 6. Trade Payables - Current

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
<b>Trade Payables</b>		
Micro Small and Medium Enterprises	81.88	87.19
Others	2,428.10	2,521.35
<b>Total</b>	<b>2,509.98</b>	<b>2,608.54</b>



- a) Disclosure In accordance with section 22 of Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
a The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each;		
Principal amount due	81.88	87.19
Interest due on the above	-	-
b The amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
Principal amount paid beyond appointed day	38.70	92.22
Interest paid thereon	0.19	0.40
c The amount of interest due and payable for the period of delay in making payment beyond appointed day during the year.	-	-
d The amount of interest accrued and remaining un-paid at the end of the accounting year	-	-
e The amount of further interest due and payable even in succeeding years	-	-

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. This has been relied upon by the auditor.

#### 7. Goodwill on Consolidation

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
Goodwill on Consolidation	6,331.38	6,331.38
Less - Provision for diminution in value of Goodwill arising out of Investment in Manugraph DGM (now Manugraph Americas, Inc.)	(6,159.22)	(6,000.00)
<b>Total</b>	<b>172.16</b>	<b>331.38</b>

- a) Goodwill on Consolidation amounting to ₹ 6331.38 lakhs has arisen on consolidation between the Company and Manugraph Americas Inc. ₹ 6159.22 lakhs and between the Company and Constrad Agencies (Bombay) Private Limited ₹ 172.16 lakhs. This Goodwill represents difference between the cost to Company of its Investment in the Subsidiary Companies and the Equity Value on the date of acquisition.
- b) The Company has made further provision for diminution of investment of ₹ 4,500 lakhs thereby total provision aggregating to ₹ 10,500 lakhs in its standalone financial statements based on valuation report indicating the equity value of Manugraph Americas Inc.

The amount in excess of Goodwill on consolidation of Manugraph Americas Inc. of ₹ 4,340.78 lakhs has been reversed in the consolidated financial statements as these statements incorporate the accumulated losses of the subsidiary.

## Statement of Significant Accounting Policies and Notes to Consolidated Financial Statements

## 8. Property, Plant and Equipment

Particulars	Research and Development										Total		
	Freehold land improvement	Land leasehold land	Buildings	Plant, Machinery & Equipment	Computers	Other Equipments	Furniture & fittings	Vehicles	Gauges & Instruments	Computers		Prototype Machine	
<b>Cost</b>													
As at April 1, 2015	96.97	78.88	7.64	4,154.02	11,984.90	824.29	840.07	510.67	428.30	42.10	30.38	549.92	19,548.14
Additions	-	-	-	-	122.97	26.58	6.22	2.40	71.77	-	1.04	-	230.99
Disposals	-	-	-	-	145.42	174.49	1.90	0.05	58.14	-	2.50	-	382.50
Exchange difference	4.92	4.72	-	112.14	86.87	22.75	31.99	0.76	1.53	-	-	-	265.68
<b>As at March 31, 2016</b>	<b>101.89</b>	<b>83.60</b>	<b>7.64</b>	<b>4,266.16</b>	<b>12,049.33</b>	<b>699.12</b>	<b>876.39</b>	<b>513.78</b>	<b>443.45</b>	<b>42.10</b>	<b>28.92</b>	<b>549.92</b>	<b>19,662.30</b>
Additions	-	-	-	-	88.65	20.75	2.39	5.63	39.87	-	15.19	35.70	208.18
Disposals	-	48.34	7.64	144.30	1,124.98	18.90	37.94	130.17	4.40	-	0.87	-	1,517.54
Exchange difference	1.96	0.79	-	43.66	35.33	9.29	12.78	0.30	1.27	-	-	-	105.38
<b>As at March 31, 2017</b>	<b>99.93</b>	<b>34.47</b>	<b>-</b>	<b>4,078.20</b>	<b>10,977.67</b>	<b>691.68</b>	<b>828.06</b>	<b>388.94</b>	<b>477.65</b>	<b>42.10</b>	<b>43.24</b>	<b>585.62</b>	<b>18,247.56</b>
<b>Depreciation / Amortisation</b>													
As at April 1, 2015	-	32.64	-	1,588.47	9,960.38	786.57	777.09	426.79	204.79	37.41	26.02	381.58	14,221.74
Charge for the year	-	1.59	-	122.84	429.66	19.26	25.04	26.07	49.67	1.13	2.18	28.81	706.26
Disposals	-	-	-	-	128.20	174.10	1.55	0.05	34.79	-	2.38	-	341.06
Exchange difference	-	1.97	-	38.92	85.20	22.73	31.99	0.75	0.74	-	-	-	182.31
<b>As at March 31, 2016</b>	<b>-</b>	<b>36.21</b>	<b>-</b>	<b>1,750.23</b>	<b>10,347.03</b>	<b>654.46</b>	<b>832.58</b>	<b>453.56</b>	<b>220.42</b>	<b>38.54</b>	<b>25.82</b>	<b>410.39</b>	<b>14,769.25</b>
Charge for the year	-	0.82	-	120.03	431.09	19.13	14.70	19.65	53.84	0.57	3.27	14.47	677.57
Disposals	-	13.39	-	82.39	1,084.59	18.60	37.02	126.77	4.20	-	0.87	-	1,367.83
Exchange difference	-	0.54	-	18.48	34.54	9.15	12.78	0.30	0.64	-	-	-	76.43
<b>As at March 31, 2017</b>	<b>-</b>	<b>23.10</b>	<b>-</b>	<b>1,769.39</b>	<b>9,658.99</b>	<b>645.84</b>	<b>797.48</b>	<b>346.14</b>	<b>269.42</b>	<b>39.11</b>	<b>28.22</b>	<b>424.86</b>	<b>14,002.56</b>
<b>Net Block</b>													
As at March 31, 2016	101.89	47.39	7.64	2,515.93	1,702.29	44.66	43.81	60.22	223.03	3.56	3.11	139.53	4,893.06
<b>As at March 31, 2017</b>	<b>99.93</b>	<b>11.37</b>	<b>-</b>	<b>2,308.81</b>	<b>1,318.67</b>	<b>45.84</b>	<b>30.58</b>	<b>42.80</b>	<b>208.23</b>	<b>2.99</b>	<b>15.03</b>	<b>160.76</b>	<b>4,245.01</b>

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 9. Intangible assets

(₹ In lakhs)

Particulars	Goodwill	Technical Documentation & Know How	Computer Software	R & D Software	Total
<b>Cost</b>					
As at April 1, 2015	-	371.28	194.74	105.80	671.82
Additions	-	-	13.61	-	13.61
Disposals	-	-	57.73	-	57.73
Exchange difference	-	-	-	-	-
As at March 31, 2016	-	371.28	150.62	105.80	627.70
Additions	-	-	3.18	-	3.18
Disposals	-	-	5.84	0.16	6.00
Exchange difference	-	-	-	-	-
<b>As at March 31, 2017</b>	<b>-</b>	<b>371.28</b>	<b>147.96</b>	<b>105.64</b>	<b>624.88</b>
<b>Depreciation / Amortization</b>					
As at April 1, 2015	-	236.87	139.78	89.94	466.59
Charge for the year	-	4.58	11.03	9.45	25.06
Disposals	-	-	57.73	-	57.73
Exchange difference	-	-	-	-	-
As at March 31, 2016	-	241.45	93.08	99.39	433.92
Charge for the year	-	4.57	11.27	7.07	22.91
Disposals	-	-	2.90	0.16	3.06
Exchange difference	-	-	-	-	-
<b>As at March 31, 2017</b>	<b>-</b>	<b>246.02</b>	<b>101.45</b>	<b>106.30</b>	<b>453.77</b>
<b>Net Block</b>					
As at March 31, 2016	-	129.83	57.54	6.41	193.78
<b>As at March 31, 2017</b>	<b>-</b>	<b>125.26</b>	<b>46.51</b>	<b>(0.66)</b>	<b>171.11</b>

### 9A.

#### Capital work in process

#### Capital Work in Process

#### Cost

As at April 1, 2015	-
Additions	-
Disposals	-
As at March 31, 2016	-
Additions	46.20
Disposals	-
As at March 31, 2017	46.20

The Company has carried out the exercise of assessment of any indications of impairment to its fixed assets as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no impairment to its fixed assets during the year.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 10. Non-Current Investments

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Nos.	(₹ In lakhs)	Nos.	(₹ In lakhs)
<b>Trade Investments</b>				
Manugraph Securities and Finance Private Limited (unquoted)	-	-	250	0.03
<b>Other Investments</b>				
Investment in Government securities				
6 years National Savings Certificates - VIII issue	-	-	-	0.10
<b>Others (unquoted)</b>				
Shree Warna Sahakari Bank Limited (Equity shares of ₹ 25/- each)	2,000	0.50	2,000	0.50
<b>Total</b>		<b>0.50</b>		<b>0.63</b>

- i The Manugraph Securities and Finance Private Limited has been struck off from the records of MCA and accordingly the investments has been written off during the year.
- ii 6 years National Savings Certificates - VIII Issue have been written off during the year.
- iii Since the balance sheet date, the management has indicated to its wholly owned subsidiary their intention to convert the preferred stock into shares of common stock subject to completion of necessary statutory formalities and approvals.

### 11. Deferred Tax Asset/(Liability)

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>Deferred tax liability on account of</b>				
Difference between book and tax depreciation		201.53		222.99
<b>Less:</b>				
<b>Deferred tax Assets on account of</b>				
Provision for Warranty expenses	34.82		37.97	
Provision for leave encashment	139.63		119.77	
Provision for gratuity	269.99		314.61	
Compensation under VRS	132.46		224.18	
ICDS adjustment	-		4.33	
Total Deferred Tax Asset		576.90		700.86
Arising out of accumulated carry forward losses (foreign subsidiary)		304.99		3,892.00
<b>Net Deferred Tax Asset/(Liability)</b>		<b>680.36</b>		<b>4,369.87</b>

- a) The Deferred Tax Asset of the foreign subsidiary is as per the audited financial statements after effecting necessary adjustments and is created as per the tax and other laws of the relevant country. Fresh deferred tax asset of the foreign subsidiary on accumulated losses are not considered in the consolidated financials following the principle of prudence .
- b) During the year, the management of the subsidiary has made a further valuation allowance and has reduced the deferred tax credit based on its revised estimate of the amount of deferred tax credit it will be able to utilise considering projected future income. The subsidiary has accordingly charged a sum of ₹ 3,615.99 lakhs (\$ 53,97,000) to the profit and loss account as reversal of deferred tax credit arising out of accumulated carried forward losses.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 12. Loans and Advances

(Unsecured considered good unless otherwise stated)

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current (₹ In lakhs)	Current (₹ In lakhs)	Non-current (₹ In lakhs)	Current (₹ In lakhs)
Staff loans	414.92	147.40	433.82	145.83
Advances Receivable in Cash or in kind	3.46	117.60	2.86	130.45
Advance to suppliers	-	48.36	-	76.28
Capital advance	193.97	-	13.86	-
Sundry deposits	48.78	22.15	48.22	13.42
Taxes paid net of provisions	1,165.84	-	1,212.99	-
<b>Total</b>	<b>1,826.97</b>	<b>335.51</b>	<b>1,711.75</b>	<b>365.98</b>

### 13. Other Assets

(Unsecured considered good unless otherwise stated)

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Non-current (₹ In lakhs)	Current (₹ In lakhs)	Non-current (₹ In lakhs)	Current (₹ In lakhs)
Vat refund receivable	1,948.90	-	2,323.71	-
Balance with Revenue Authorities	-	89.96	-	39.42
Interest accrued on bank deposits	-	19.47	-	9.42
Other receivables	40.80	24.09	47.57	325.43
<b>Total</b>	<b>1,989.70</b>	<b>133.52</b>	<b>2,371.28</b>	<b>374.27</b>

### 14. Current Investments

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Nos.	(₹ In lakhs)	Nos.	(₹ In lakhs)
<b>Investments in Mutual Funds</b> (unless otherwise specified) (quoted)				
HDFC Short Term Opportunities Fund - Growth	-	-	18,21,328	300.00
SBI Premier Liquid Fund - Regular Plan - Growth	-	-	12,680	300.00
UTI Treasury Advnatage Fund - Inst. Plan - Growth	-	-	24,340	500.00
Tata Short Term Bond Fund Regular Plan - Growth	-	-	17,82,665	500.00
HDFC Floating Rate Income Fund - STP-WS-Growth	-	-	15,43,722	400.00
Birla Sun Life Saving Fund - Regular Plan - Growth	-	-	2,74,627	800.00
ICICI Prudential Liquid Plan - Direct - Growth	4,16,152	1,000.00	-	-
Kotak Floater Short Term - Direct - Growth	37,500	1,000.00	-	-
BSL Cash Plus - Growth	3,07,592	800.00	-	-
BSL Cash Plus - Growth - Direct	2,68,328	700.00	-	-
SBI Treasury Advantage Fund - Direct - Growth	27,161	500.00	-	-
HDFC Liquid Fund - Regular Plan - Growth	31,306	1,000.00	-	-
Tata Liquid Fund - Regular Plan - Growth	33,478	1,000.00	-	-
<b>Total</b>		<b>6,000.00</b>		<b>2,800.00</b>

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Nos.	(₹ In lakhs)	Nos.	(₹ In lakhs)
a Aggregate of quoted investments				
- Cost		6,000.00		2,800.00
- Market Value		6,009.62		2,812.93
b Aggregate of unquoted investments		-		-

## 15. Inventories

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
Raw Material (incl. Goods in transit - ₹ 0.45 lakhs, previous year ₹ 12.80 lakhs)	1,910.98	2,194.18
Work In Progress	2,093.95	4,229.90
Finished Goods	80.00	330.59
Stores & Spares	91.67	101.05
Loose Tools (Consumable)	65.28	63.70
Manufactured components	1,794.83	1,941.45
<b>Total</b>	<b>6,036.71</b>	<b>8,860.87</b>

## Valuation methodology

Cost of inventories is 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.

- |  |  |
|--|--|
| i Raw Material, Components and Stores and Spares | Raw materials and components, stores and spares are stated at lower of cost and net realisable value.  |
| ii Consumable Tools                              | Consumable tools are stated at cost or below cost.   |
| iii Work-in-progress and manufactured components | Work-in-progress and manufactured components are valued at lower of cost and net realisable value computed including Material, Labour and Overheads related to the manufacturing operations.   |
| iv Finished Goods including stock-in-trade       | Finished products are valued at lower of cost and net realisable value. Cost is computed including Material, Labour and Overheads related to the manufacturing operations.<br>Excise duty is included in the value of finished products inventory. |

## 16. Trade receivables - Current

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
<b>Unsecured</b>				
Outstanding for over six months old				
- Considered good	58.19		1,301.78	
- Considered doubtful	136.82		123.24	
	195.01		1,425.02	
Less: Provision for doubtful debts	136.82		123.24	
Others		58.19		1,301.78
- Considered good	870.24		1,715.88	
- Considered doubtful	30.27		42.34	
	900.51		1,758.22	
Less: Provision for doubtful debts	30.27	870.24	42.34	1,715.88
<b>Total</b>		<b>928.43</b>		<b>3,017.66</b>

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 17. Cash and Bank Balances

Particulars	As at 31 March, 2017 (₹ In lakhs)	As at 31 March, 2016 (₹ In lakhs)
<b>Cash &amp; Cash Equivalents</b>		
Bank balances		
With scheduled banks	932.98	1,142.10
Cheques, Drafts on hand		
Funds in Transit	-	22.82
Cash Balances	9.94	15.94
	942.92	1,180.86
<b>Other Bank Balances</b>		
In fixed deposit accounts (as margin money)	960.26	961.31
In unclaimed dividend accounts	42.74	46.27
	1,003.00	1,007.58
<b>Total</b>	1,945.92	2,188.44

#### Disclosure of Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes and other denomination notes as defined in the Ministry of Corporate Affairs notification G.S. R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes held and transacted during the period from November 8, 2016 to December 30, 2016 the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs *	Other Denomination Notes	Total
	(in ₹)	(in ₹)	(in ₹)
Closing cash in hand as on 8th November, 2016	16,82,500	9,44,793	26,27,293
(+) Permitted receipts	-	23,55,886	23,55,886
(-) Permitted payments	44,500	19,76,938	20,21,438
(-) Amount deposited in Banks	16,38,000	286	16,38,286
Closing cash in hand as on 30th December, 2016	-	13,23,455	13,23,455

\* For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated November 8, 2016.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 18. Revenue from Operations (Gross)

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
<b>Sale of Products</b>		
Sales of Finished Goods & spares (net of sales return)	34,409.12	32,738.66
<b>Total</b>	<b>34,409.12</b>	<b>32,738.66</b>
Less - Excise Duty	2,807.19	2,762.81
<b>Sales Net of Excise Duty</b>	<b>31,601.93</b>	<b>29,975.85</b>

#### Sale of Products

Sale of Finished Goods & Spares (Net of excise duty)

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Printing units	29,777.00	26,117.70
Spares and accessories	1,824.93	3,858.15
<b>Total</b>	<b>31,601.93</b>	<b>29,975.85</b>

### 19. Other Operating Revenue

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Agency fees	149.93	38.07
Service and erection charges received	790.61	926.82
Miscellaneous receipts	74.02	69.02
Sundry credit balances appropriated	32.23	416.21
Export incentive received	90.88	126.06
<b>Total</b>	<b>1,137.67</b>	<b>1,576.18</b>

Sundry credit balances appropriated (current year) represents net figure after write off of ₹ 386 lakhs receivable from Mercongraphic FZC (a related party) against the provision made for installation expenses of machineries sold in earlier years, due to cessation of obligation.

### 20. Other Income

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Dividend from Current Investment	-	23.05
Dividend from Non-current Investment	0.05	0.05
Rent	27.06	27.06
Profit on sale of assets (Net)	-	16.84
Profit on sale of Current Investment	355.94	190.88
Profit on exchange (Net)	-	98.69
Short provision and adjustments relating to previous years (Net)	-	10.59
Interest received on deposits, debts etc.	247.69	247.21
<b>Total</b>	<b>630.74</b>	<b>614.37</b>



## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 21. Cost of Materials Consumed

Particulars	2016-17		2015-16	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
Raw Materials Consumed				
Opening Stock		2,194.18		2,649.36
Add : Purchases (Including components processing charges ₹ 538.22 lakhs -previous year: ₹ 621.79 lakhs)		16,880.60		18,233.96
		19,074.78		20,883.32
Less : RMC Capitalised		4.31		6.61
Less : Closing Stock		1,910.98		2,194.18
		1,915.29		2,200.79
<b>Total</b>		<b>17,159.49</b>		<b>18,682.53</b>

### 22. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	2016-17		2015-16	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
Inventory Adjustments - WIP				
Work In progress at Opening		4,229.90		3,454.47
Less : WIP Inventory Capitalised		30.20		-
Work In progress at Closing		2,093.95		4,229.90
		2,105.75		(775.43)
Inventory Adjustments - FG				
Stock at Commencement		330.59		234.72
Less : Stock at Closing		80.00		330.59
		250.59		(95.87)
Inventory Adjustments - Manufactured components				
Stock at Commencement		1,941.45		2,432.28
Less : Stock at Closing		1,794.83		1,941.45
		146.62		490.83
<b>Total</b>		<b>2,502.96</b>		<b>(380.47)</b>

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 23. Employee Benefit Expenses

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Salary, Wages, bonus and allowances	6,158.85	5,501.35
Welfare expenses	526.08	547.80
Contribution to provident & other funds	498.06	484.73
Prov. for earned leave wages	117.88	129.27
Contribution to Employees Group Gratuity Scheme	269.23	231.64
	7,570.10	6,894.79
Less - Wages capitalised	6.57	8.27
<b>Total</b>	<b>7,563.53</b>	6,886.52

- a) During the previous year the Company had introduced a Voluntary Retirement Scheme, 2015 which was accepted by various employees. The Cost in connection therewith of ₹ 308.00 lakhs has been shown as an exceptional item. (refer note 33)
- b) Pursuant to the retrospective amendment to the Payment of Bonus Act, the Company was required to make provision for the year 2014-15 as per the amendment. Bonus was paid for the year 2014-15 as per agreement signed with the workers' union. Various High Courts have granted interim stay to the applicability of the amendment to the year 2014-15. The Company has therefore not made provision for the year 2014-15.

### 24. Finance Cost

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Interest paid	58.70	177.78
Interest paid on income tax	0.14	0.86
Other Borrowing Costs	54.77	41.69
<b>Total</b>	<b>113.61</b>	220.33

### 25. Depreciation & Amortisation

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
Depreciation	677.54	706.26
Amortisation	22.90	25.06
<b>Total</b>	<b>700.44</b>	731.32

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 26. Other Expenses

Particulars	2016-17		2015-16	
	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
Consumption of stores and Consumables		470.27		466.44
Power & Fuel		234.03		292.63
Rent		8.67		25.60
Rates & Taxes		39.39		58.67
Repairs to Buildings		102.28		59.66
Repairs to Machinery		85.13		106.52
Insurance		102.24		97.65
Travelling and conveyance		623.80		611.52
Commission on sales		1,256.35		1,108.67
Other repairs		153.00		117.35
Advertisement and sales promotion expenses		140.60		38.51
Bank charges		52.96		52.89
Sundry debit balances written off		10.00		62.54
Fixed assets scrapped		46.12		14.39
Warranty expenses		130.76		151.23
Research and development expenses		334.44		334.03
CSR expenses		5.00		1.00
Donations		0.24		4.68
Freight And Handling Charges		153.65		126.27
Packing And Forwarding Charges		103.98		124.99
Directors' Fees		6.32		6.23
Loss on exchange (Net)		67.97		-
Loss on disposal of investment		0.13		-
Loss on sale of asset (Net)		24.50		
Bad debts		5.41		342.72
Remuneration of Component Auditors		30.71		31.25
<b>Remuneration to Auditors</b>				
Audit fees including Tax Audit		19.50		19.50
Other Services		9.46		6.55
Out of pocket expenses		0.25		0.10
		29.21		26.15
Miscellaneous Expenses (None of which individually forms more than 1% of the Operating Revenue.)		1,058.70		924.94
		<b>5,275.87</b>		5,186.52
Less - Overheads capitalised		43.21		43.38
<b>Total</b>		<b>5,232.66</b>		<b>5,143.14</b>

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### 27. Earning Per Share

Particulars	2016-17	2015-16
	(₹ In lakhs)	(₹ In lakhs)
Net profit after tax available for equity shareholders before Exceptional Items	(3,636.44)	983.28
Net profit after tax available for equity shareholders after Exceptional Items	(3,546.42)	639.06
Weighted average number of equity shares of ₹ 2 each outstanding during the year	3,04,15,061	3,04,15,061
Earning Per Share before Exceptional Items Basic and diluted earnings per share (₹)	(11.96)	3.23
Earning Per Share after Exceptional Items Basic and diluted earnings per share (₹)	(11.66)	2.10

The earning per share before exceptional item has been computed without considering the current and deferred tax effect on the exceptional item.

### 28. Unhedged foreign currency exposures as at the year end:

Particulars	2016-17		2015-16	
	Currency type	Amount	Currency type	Amount
Trade Receivable and Other Receivables	USD	5,39,056	USD	20,33,475
	EURO	3,06,492	EURO	33,560
	JPY	97,47,000	JPY	-
Trade Payable and Other Payables	USD	88,948	USD	2,91,092
	EURO	16,839	EURO	52,799
	JPY	-	JPY	1,07,49,600
Outstanding forward contracts for future transaction / Firm Commitments		Nil		Nil

### 29. Disclosure as required by Accounting Standard – AS 18 “Related Parties” of the Companies (Accounting Standards) Rules 2006.

#### I Relationships:

##### Key Management Personnel

Mr. Sanjay S. Shah - Vice Chairman and Managing Director

Mr. Pradeep S. Shah - Managing Director

Mr. Bhupal B. Nandgave - Whole Time Director (Works)

##### Relatives of key management personnel

Mr. Sanat M. Shah

Mrs. Sudha S. Shah

##### Entities where Key Management Personnel exercise significant influence

Multigraph Machinery Company Limited

Manubhai Sons and Company

Mercongraphic FZC,

Multigraph Machinery Kenya Limited

Manugraph Securities and Finance Private Limited

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

### II The Related party transactions are detailed as required by AS-18 is as under:

Particulars	(₹ In lakhs)	
	FY 2016-17	FY 2015-16
<b>Sale of Goods</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Kenya Limited	20.24	34.91
- Mercongraphic FZC	876.22	2,568.96
<b>Total</b>	<b>896.46</b>	<b>2,603.87</b>
<b>Service Charges received</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Kenya Limited	13.56	19.99
- Mercongraphic FZC	21.03	45.90
<b>Total</b>	<b>34.59</b>	<b>65.89</b>
<b>Commission paid</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Co. Ltd.	1,009.46	1,012.57
<b>Rent Received</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Co. Ltd.	25.62	25.62
- Manubhai Sons & Co.	1.44	1.44
<b>Total</b>	<b>27.06</b>	<b>27.06</b>
<b>Rent Paid</b>		
<b>Key Management Personnel</b>		
- Sanjay S. Shah	-	5.94
- Pradeep S. Shah	-	5.94
<b>Sub Total</b>	-	<b>11.88</b>
<b>Relative of Key Management Personnel</b>		
- Sudha S. Shah	-	1.32
<b>Total</b>	-	<b>13.20</b>
<b>Managerial Remuneration paid</b>		
<b>Key Management Personnel</b>		
- Sanjay S. Shah	126.42	125.92
- Pradeep S. Shah	126.37	126.65
- Bhupal B. Nandgave	24.99	24.38
<b>Total</b>	<b>277.78</b>	<b>276.95</b>
<b>Directors' Fees</b>		
<b>Relative of Key Management Personnel</b>		
- Sanat M. Shah	0.60	0.70
<b>Debit balances written off</b>		
<b>Entities where significant influence exists</b>		
- Manugraph Securities and Finance Private Limited	0.03	-
- Mercongraphic FZC	386.00	-
<b>Total</b>	<b>386.03</b>	-
<b>Re-imbursement of Expenses received</b>		
<b>Entities where significant influence exists</b>		
- Mercongraphic FZC	12.75	17.51
- Multigraph Machinery Co. Ltd.	2.97	-
<b>Total</b>	<b>15.72</b>	<b>17.51</b>

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

Particulars	(₹ In lakhs)	
	FY 2016-17	FY 2015-16
<b>Outstanding Receivables</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Kenya Limited	3.56	9.41
- Mercongraphic FZC	0.43	1,299.23
<b>Total</b>	<b>3.99</b>	<b>1,308.64</b>
<b>Outstanding Payables</b>		
<b>Entities where significant influence exists</b>		
- Multigraph Machinery Co. Ltd.	<b>114.34</b>	-

## 30. Contingent liabilities and commitments

Particulars	(₹ In lakhs)	
	2016-17	2015-16
<b>i. Contingent liabilities</b>		
(a) Claims against the company not acknowledged as debt;	<b>32.89</b>	22.15
(b) Guarantees;		
On account of guarantees executed by the company's bankers:	<b>47.59</b>	11.79
(c) Other money for which the company is contingently liable		
Income-tax, sales tax, customs duty, excise duty and service tax demands against which the company has preferred appeals/ made representation	<b>788.65</b>	839.64
On account of undertakings given by the company in favour of Customs Authority:	<b>870.00</b>	870.00
Income tax credits disallowed by the authority against which the company has preferred appeals.	<b>28.06</b>	-
<b>Total</b>	<b>1,767.19</b>	1,743.58
<b>ii. Commitments</b>		
(a) Unexpired letter of credit opened by Bank	-	-
(b) Estimated amount of contracts remaining to be executed on capital account and not provided for;	<b>360.09</b>	1.04
(c) Uncalled liability on shares and other investments partly paid	-	-
(d) Other commitments (specify nature).	-	-
<b>Total</b>	<b>360.09</b>	1.04

31. In the opinion of the Board of Directors, all the assets other than fixed assets and non current investments have value on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet.

## 32. Exceptional Items

Particulars	(₹ In lakhs)	
	2016-17	2015-16
a) Profit on sale of undertaking	<b>304.12</b>	-
b) Provision for impairment of goodwill on Consolidation	<b>(159.22)</b>	-
c) Voluntary Retirement Scheme 2015, (deferred tax effect thereon ₹ 81.47 lakhs)	-	(308.00)
Total (Net)	<b>144.90</b>	(308.00)

33. Previous year figures are regrouped and re-arranged wherever necessary with those of the current year to make them comparable.

34. Disclosure as required by Accounting Standard – AS 17 “Segment Reporting” of the Companies (Accounting Standards) Rules 2006.

- i In accordance with AS-17 “Segment Reporting”, the Company has only one reportable primary business segment i.e.Engineering.

## Statement of Significant Accounting policies and Notes to Consolidated Financial Statements

ii Information about secondary geographical segments:

Particulars		(₹ In lakhs)	(₹ In lakhs)	(₹ In lakhs)
		India	Outside India	Total
Segment Revenue	- Current Year	21,549.67	10,052.26	31,601.93
	- Previous Year	21,868.32	8,107.53	29,975.85
Segment Total Assets	- Current Year	21,316.93	3,195.15	24,512.09
	- Previous Year	22,925.89	8,553.08	31,478.97

### Notes:

- a The Segment Revenue in the geographical segments considered for disclosure are on the basis of customer location.  
 b "In the case of segment capital expenditure the amount attributable to geographical segment "Outside India" is less than 10% of the respective Total capital expenditure of the reporting enterprise and hence not disclosed separately.

35. The company is obligated under various operating leases for office equipment, CNC equipment and vehicles at it's U.S.A. subsidiary. The future rent payments under all operating leases are as follows:

Financial Year	₹ In lakhs
2016-2017	9.58
2017-2018	6.39

### 36. Details of CSR Expenditure

Particulars	2016-17 (₹ In lakhs)	2015-16 (₹ In lakhs)
a Gross Amount required to be spent by the Company during the year	NIL	NIL
b Amount Spent during the year	5.00	1.00

37. Additional Information as required under Schedule III to the Companies Act, 2013 of entities consolidated in these Financial Statements

Name of the Enterprise	Net Assets i.e. Total assets minus Total Liabilities		Share in Consolidated Profit or Loss		
	% of Consolidated Net assets	(₹ In lakhs)	% of Consolidated Profit	(₹ In lakhs)	
<b>Parent</b>					
- Manugraph India Limited	- Current Year	130.63	21,555.72	(1.82)	(64.06)
	- Previous Year	107.80	21,619.81	93.62	598.32
<b>Subsidiary - Indian</b>					
Constrad Agencies (Bombay) Pvt Ltd.	- Current Year	(0.01)	(1.25)	0.00	(0.13)
	- Previous Year	(0.01)	(1.12)	(0.02)	(0.14)
<b>Subsidiary - Foreign</b>					
Manugraph Americas Inc.	- Current Year	(30.62)	(5,052.36)	(98.19)	(3,482.24)
	- Previous Year	(7.79)	(1,562.08)	6.40	40.88
Total	- Current Year	100.00	16,502.11	(100.00)	(3,546.42)
Total	- Previous Year	100.00	20,056.61	100.00	639.06

(Bracket denotes Negative)

38. Explanatory notes 1 to 38 form an integral part of the Balance Sheet and Statement of Profit and Loss and are duly authenticated.

As per our report of even date attached  
 For **Natvarlal Vepari & Co.**  
 Chartered Accountants  
 Firm Registration No. 106971W

**N. Jayendran**  
 Partner  
 M. No. 40441

Mumbai, Date: 26th May, 2017

For and on behalf of the Board of Directors  
**Sanjay S. Shah** Vice Chairman and Managing Director  
 DIN : 00248592

**Pradeep S. Shah** Managing Director  
 DIN : 00248692

**Mihir V. Mehta**  
 Company Secretary

**Suresh Narayan**  
 Chief Financial Officer

Mumbai, Date: 26th May, 2017

**[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 - AOC - 1]**

Statement containing salient features of the financial statements of subsidiaries / associate companies / joint ventures

**Part A - Subsidiaries**

(Fig. in Lakhs)

1	Sr. No.	1	2	
2	Name of the Subsidiaries	<b>Constrad Agencies (Bombay) Pvt. Ltd.</b>	<b>Manugraph Americas Inc., USA</b>	
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	USD	INR
5	Share Capital	5.00	133.86	6,076.41
6	Reserves	(1.25)	(90.65)	(4,221.26)
7	Total Assets	7.58	63.87	3,195.15
8	Total Liabilities	7.58	63.87	3,195.15
9	Investments	-	-	-
10	Turnover	-	107.55	6,820.21
11	Profit before Tax	(0.13)	2.00	133.75
12	Provison for Tax	-	53.97	3,615.99
13	Profit after Tax	(0.13)	(51.97)	(3,482.24)
14	Proposed Dividend	-	-	-
15	% of Shareholding	100%	100%	
	Names of subsidiaries which are yet to commence operations		NIL	
	Names of subsidiaries which have been liquidated or sold during the year		NIL	

Exchange Rate : Average - 1 USD = Rs. 67.00 ; Closing - 1 USD = Rs. 64.8386

**Part B - Associates and Joint Ventures**

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

**Not Applicable**

For and on behalf of the Board of Directors

**Sanjay S. Shah**

DIN : 00248592

Vice Chairman and Managing Director

**Pradeep S. Shah**

DIN : 00248692

Managing Director

**Mihir V. Mehta**

Company Secretary

**Suresh Narayan**

Chief Financial Officer

Mumbai, Date: May 26, 2017





## MANUGRAPH INDIA LIMITED

CIN: L29290MH1972PLC015772

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

**Phone:** +91-22-2287 4815, **Fax:** +91-22-2287 0702 • **Website:** www.manugraph.com

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	
Registered address :	
E-mail ID :	
Folio No/ DP ID-Client ID	

I/ We, being the member (s) of ..... shares of the above named company, hereby appoint:

- (1) Name: ..... Address: .....  
 E-mail ID: ..... Signature: ..... or failing him;
- (2) Name: ..... Address: .....  
 E-mail ID: ..... Signature: ..... or failing him;
- (3) Name: ..... Address: .....  
 E-mail ID: ..... Signature: .....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, July 27, 2017 at 12.00 noon at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001, India and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below (Optional\*):

Sr. No.	Particulars	For	Against
1)	Consider and adopt:		
	a. Audited Financial Statements, Reports of the Board of Directors and Auditors thereon.		
	b. Audited Consolidated Financial Statements and Report of the Auditors thereon.		
2)	Declaration of Dividend on Equity Shares		
3)	Re-appointment of Mr. Sanat M. Shah, as a Director, retiring by rotation		
4)	Appointment of Auditors and fixing their remuneration		
5)	Approval of the remuneration of the Cost Auditors		

\* it is optional to put a (√) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this ..... day of ..... 2017

Affix  
Revenue  
Stamp

Signature of Shareholder : ..... Signature of Proxyholder(s) : .....

#### Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company addressed to the "Company Secretary", not later than 48 hours before the commencement of the Meeting.
- A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.



# Manugraph India Ltd.

## Financial Highlights - Standalone

	(₹ in Crores)									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>PROFIT &amp; LOSS ACCOUNT SUMMARY</b>										
<b>Turnover - Total</b>	<b>248.33</b>	<b>258.99</b>	<b>204.20</b>	<b>242.51</b>	<b>304.71</b>	<b>369.95</b>	<b>296.30</b>	<b>201.94</b>	<b>392.11</b>	<b>422.99</b>
<b>Total Income</b>	<b>262.08</b>	<b>277.35</b>	<b>221.91</b>	<b>260.53</b>	<b>316.52</b>	<b>389.84</b>	<b>304.91</b>	<b>209.77</b>	<b>405.86</b>	<b>454.67</b>
<b>EBIDTA</b>	<b>6.43</b>	<b>14.80</b>	<b>(2.90)</b>	<b>9.45</b>	<b>30.12</b>	<b>64.19</b>	<b>45.65</b>	<b>30.46</b>	<b>67.41</b>	<b>106.15</b>
Depreciation	6.12	6.52	6.86	10.26	10.79	11.08	10.24	7.83	9.27	8.29
Interest	0.67	1.66	1.57	1.20	0.64	1.24	2.90	3.21	3.59	4.11
<b>Profit before Exceptional Items</b>	<b>(0.36)</b>	<b>6.62</b>	<b>(11.33)</b>	<b>(2.01)</b>	<b>18.69</b>	<b>51.87</b>	<b>32.51</b>	<b>19.42</b>	<b>54.55</b>	<b>93.75</b>
Exceptional Items (Note 2)	(41.96)	(3.08)	-	(10.79)	-	(60.00)	-	-	-	-
<b>Profit before Taxation</b>	<b>(42.32)</b>	<b>3.54</b>	<b>(11.33)</b>	<b>(12.80)</b>	<b>18.69</b>	<b>(8.13)</b>	<b>32.51</b>	<b>19.42</b>	<b>54.55</b>	<b>93.75</b>
Provision for Taxation	1.73	(2.44)	(0.59)	(5.04)	6.30	15.67	10.13	6.12	17.66	31.69
<b>Profit after Taxation</b>	<b>(44.05)</b>	<b>5.98</b>	<b>(10.74)</b>	<b>(7.76)</b>	<b>12.39</b>	<b>(23.80)</b>	<b>22.38</b>	<b>13.30</b>	<b>36.89</b>	<b>62.06</b>
<b>BALANCE SHEET SUMMARY</b>										
<b>Assets employed</b>										
Fixed Assets - Gross	143.00	155.34	157.80	157.45	157.81	156.64	155.09	147.64	142.41	134.02
Fixed Assets - Net	31.68	36.23	41.23	46.38	55.03	62.91	71.26	73.39	77.60	73.38
Investments	87.44	100.45	97.27	108.25	108.02	109.26	126.45	141.51	124.88	138.07
Current Assets - Net	49.28	74.74	77.94	70.54	78.46	63.81	93.78	87.95	107.07	78.26
<b>Total Assets</b>	<b>168.40</b>	<b>211.42</b>	<b>216.44</b>	<b>225.17</b>	<b>241.51</b>	<b>235.98</b>	<b>291.49</b>	<b>302.85</b>	<b>309.55</b>	<b>289.71</b>
<b>Financed by</b>										
Share Capital (Note 1)	6.08	6.08	6.08	6.08	6.08	6.08	6.08	6.08	6.08	6.08
Reserves & Surplus	166.07	210.12	207.79	221.50	232.80	225.75	258.39	241.31	231.94	202.17
Shareholders' Funds	172.15	216.20	213.87	227.58	238.88	231.83	264.47	247.39	238.02	208.25
Borrowings	-	-	6.11	-	-	-	21.30	50.02	66.27	76.21
Deferred Tax Liability	(3.75)	(4.78)	(3.54)	(2.41)	2.63	4.15	5.72	5.44	5.26	5.15
<b>Total Liabilities</b>	<b>168.40</b>	<b>211.42</b>	<b>216.44</b>	<b>225.17</b>	<b>241.51</b>	<b>235.98</b>	<b>291.49</b>	<b>302.85</b>	<b>309.55</b>	<b>289.61</b>
<b>OTHER INVESTMENT INFORMATION</b>										
Earnings per Share (before Exceptional Item)	₹ (0.51)	2.51	(3.53)	(0.08)	4.07	11.90	7.36	4.37	12.13	20.39
Earnings per Share (after Exceptional Item)	₹ (14.48)	1.97	(3.53)	(2.55)	4.07	(7.83)	7.36	4.37	12.13	20.39
Dividend	% 25	50	25	50	75	125	75	50	100	200
Book Value per share	₹ 56.60	71.08	70.32	74.83	78.54	76.22	86.95	81.34	78.26	68.47
<b>Market Price</b>										
High	₹ 64.20	73.00	33.00	39.50	61.00	65.50	76.35	68.00	114.00	192.00
Low	₹ 41.30	28.65	31.85	22.05	29.30	43.10	43.50	29.10	24.50	24.50
Shareholders	Nos. 12254	12380	11617	12242	12685	13590	14289	15480	14320	13669
Employees	Nos. 1013	1032	1089	1110	1228	1217	1217	1222	1327	1341

Notes:

- Equity share of face value of ₹ 2/- each
- Exceptional Items
  - FY 2012 - Provision for diminution in value of investment in subsidiary
  - FY 2014 - Compensation under VRS
  - FY 2016 - Compensation under VRS
  - FY 2017 - Provision for diminution in value of investment in subsidiary & profit on sale of Undertaking

## **Manugraph India Ltd.**

Corporate Office:

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CIN: L29290MH1972PLC015772